"The Conference session will be remembered, above all, for the overwhelming adoption of the Protocol to Convention No. 29 on Forced Labour. It is the fruit of our collective determination to put an end to an abomination which still afflicts our world of work, and to free its 21 million victims,", ILO Director-General Guy Ryder, closing remarks to the 2014 International Labour Conference.

## **ILO Flagship report**

# Renewed turbulence over the employment horizon: World Employment and Social Outlook – Trends 2015.

The global employment gap caused by the crisis continued to widen. The situation is deteriorating in a number of middle-income countries and developing regions, such as Latin America and the Caribbean, China, the Russian Federation and a number of Arab countries. Unemployment is falling in some of the advanced economies, sometimes reaching pre-crisis rates, as in Japan, the United States, and some European countries.

Income inequalities have widened, delaying global economic and job recovery. In emerging and developing economies, levels remain high and the pace of improvement has slowed considerably. Underpinning some of these developments is the decline in medium-skilled routine jobs in recent years. In several advanced economies, they have worsened rapidly in the aftermath of the crisis and in some instances are approaching levels observed in some emerging economies. In parallel, demand for jobs has risen at both the lower and upper ends of the skills ladder, leading also to the widening of income inequality. Social unrest gradually increased as joblessness persists. Countries facing high or rapidly rising youth unemployment are especially vulnerable.

#### World of work report 2014: Developing with jobs

In developing countries, quality jobs are a key driver for development. Strategies focusing on promoting decent work opportunities yield sustained development results. This evidence is taken from a detailed examination of trends and policy innovations in over 140 developing countries. Only few countries that improved economic growth without a corresponding increase in quality jobs sustained healthy economic performance. The report provides an evidence-based contribution to the debate on the post-2015 development agenda.

## **EVENTS** during the year

#### International Labour Conference, June 2014

Four issues central to the world of work were examined: forced labour, informality, investment in quality employment, and migration.

First, a new legally binding ILO Protocol to The Forced Labour Convention, 1930, was adopted by the 4,700 government, employer and worker delegates. It aims to advance prevention, protection and compensation measures, and to intensify efforts to eliminate contemporary forms of slavery. As an outcome of the debates, a second discussion on informal labour and the informal economy will take place in 2015 with the aim of adopting a Recommendation to address the great diversity of forms of informality. A comprehensive policy framework consisting of a combination of coherent macro-economic, labour market and social policies was adopted, in the Conclusions concerning the second recurrent discussion on employment, to promote full and productive employment through sustainable enterprise. Lastly, the Director-General's report addressed the issue of labour migration. "The economic potential of migration depends very heavily on making it fair. And that means adopting a rights-based approach which is still more frequently talked about than applied," said Ryder.

# Post 2015 - Decent work at the heart of UN development goals

At the UN General Assembly (New York, September 2014), Secretary-General Ban Ki Moon presented his report on the route towards the adoption of the Post-2015 Sustainable Development Goals (SDGs). One of the 17 proposed goals (SDG 8) includes full and productive employment and decent work for all, which is at the heart of the ILO's mandate and is critical to ending poverty. Several illustrative targets specifically relating to employment and decent work are proposed under this goal, including full and productive employment and decent work for men and women; youth employment; SMEs and entrepreneurship; protection of worker's rights, including migrants; combating child labour; and promoting employment formalization. Within the post-2015

### **Key Resources**

World Employment and Social Outlook - Trends 2015

World of Work Report 2014

The ILO at Work, Development Results 2012-2013

ILO Protocol on Forced Labour

Road from informal to formal work

Comprehensive policy framework

ILO Director-General's report

The World We Want 2015

New Technical Cooperation strategy from 2015 to 2017

Academy on Social and Solidarity Economy

Global South-South Development Expo 14

III Global Conference on Child Labour

Global Roadmap for the Elimination of Child Labour, 2010

Decent Work Agenda for Africa 2007-2015.

To access key ILO resources and other links, please consult the electronic version of this Newsletter available on the internet at <a href="www.ilo.org/pardev">www.ilo.org/pardev</a>

framework, the achievement of decent work should be seen as "a dynamic process of successive improvements in wages, working conditions, labour institutions and standards of employment and social protection that is related to the structural transformation of an economy. A process that creates a virtuous circle of expanding inclusive growth, stronger job creation for men and women, and poverty eradication. A significant number of member states and organizations have requested that the 17 foreseen goals remain the basis for the next round of discussions, as recognition of the inclusiveness of the participatory process that has led to their endorsement. Following discussion in the ILO Governing Body, employers' and workers' organizations, along with civil society, have widely supported the inclusion of decent work as a goal. The ILO welcomed in particular Pope Francis's concern for decent work, expressed in his message to the Chief Executive Board and in a message addressed to the ILO Director-General for the ILC.

# ILO TECHNICAL COOPERATION TRENDS AND PROSPECTS

#### Trends in ILO voluntary funding

In 2014 the ILO was able to secure considerable voluntary contributions, reaching over US 237 million \$ XBTC plus 32 million \$ RBSA. The European Commission was the largest contributor, reflecting the strong convergence on labour issues in the development agenda between the EU and the ILO. All ILO's traditional resource partners either renewed or extended their multi-annual partnerships with the ILO. These traditional donors also committed funding to joint programmes through pooled funding mechanism monitored by the Multi Donor Trust Funds Office in UNDP, such as the recent Spain-UNDP Fund, and the Deliver Results Together Fund.. Increasingly voluntary funding provided is more flexible in nature, lightly earmarked to core themes or even fully unearmarked. In Bangladesh the ILO is engaged in a multi-pronged effort with the Government and social partners to address serious problems concerning working conditions and compliance issues in the garment sector. The programme is funded by the Netherlands, Canada, and the United Kingdom, as well as smaller contributions from Switzerland, the United States, France and others. It involves building and fire safety assessments, strengthening of labour inspection, improved occupational safety and health and stronger worker representation. Global buyers, factory owners and the workforce all expect to benefit from the more sustainable basis of the garment sector in the country. Strong growth was also witnessed in other countries such as Myanmar. In southern Africa the ILO secured significant funding from Finland and Sweden to lead joint UN programmes to address youth employment and green growth opportunities.

For 2015 the outlook is positive. Major work items on such issues as global supply chains, vocational training, child and forced labour offer ample opportunity to provide ILO Member States with technical assistance. The new Sustainable Development Goals to be agreed later this year will help shape the contours of the ILO's development cooperation programme. It is expected that domestic funding in middle-income countries and deeper engagement with the private sector and with the international financial institutions will sustain funding to the ILO programme. Non-OECD DAC countries account for close to 8% (South-South and triangular cooperation and domestic funding combined), and this is a growing trend.

The ILO works with companies, foundations, research institutions, and other non-state actors, and with employers, workers and their organizations to tackle important global labour market issues, enhance supply chains and resolve specific world of work challenges. Partnerships are not limited to funding arrangements, but also involve collaboration based on mutual exchanges, such as the sharing of knowledge and information, joint research projects, collective campaigning and advocacy, the

organization of meetings and events, capacity building and training, and the temporary placement of personnel.

In 2014 the level of engagement of such actors significantly increased. Efforts are on-going to maintain this trend in 2015.

XBTC and RBSA Contributions by Development Partner, above 1 Million USD(2010-2014\*) USD Thousands

Development partner, Member States	Total XBTC & RBSA (2010- 2014*)
Australia	94,505
Belgium and Flanders	42,905
Brazil	6,147
Canada	53,585
China	1,000
Denmark	60,242
European Commission	100,878
Finland	17,603
France	18,165
Germany	17,797
Ireland	25,890
Italy	7,145
Japan	25,136
Kuwait	2,000
Luxembourg	12,422
Netherlands	97,182
New Zealand	2,556
Norway	88,705
Republic of Korea	10,216
Russian Federation	8,000
Spain	24,495
Sweden	53,123
Switzerland	30,813
United Kingdom	22,483
United States	193,139
Subtotal	1,017,330
Other	
Domestic development funding	51,294
International financial institutions	38,032
Multi-donor programmes	1,941
Other inter-governmental organizations	8,996
Public-private partnerships	54,317
Social partners	2,475
UN organizations and agencies	138,614
Subtotal	295,669

Grand total 1,312,999

<sup>\* 2014</sup> contributions recorded in PARDEV, as at 30 January 2015.

## A new technical cooperation strategy from 2015 to 2017

In November 2014, a new Technical Cooperation Strategy was adopted. It is centred on four elements: focus, effectiveness, capacity development and resource mobilization, including in the regions. It was formulated within the context of ILO's on-going reform of its field operations and development cooperation activities. Operating principles combined with deliverables and targets are proposed to guide the Office's action on development cooperation. Capacity development of ILO's constituents remains central. The ILO also seeks to consolidate and diversify its partnerships and encourages the inclusion of the Decent Work Agenda in the development policies of many ILO partners. Diversification will be sought through domestic development funding, international financial institutions, the private sector and partners from emerging economies, including South-South and triangular cooperation (SSTC). Constituents can support the case for decent work with development partners at global, regional and national levels. The strategy will be revised in November 2015 to reflect the SDGs and other developments.

#### ILO technical cooperation in fragile States

Over the past decade the ILO has been active in more than 38 fragile and conflict-affected States, including all of the 20 member countries of the g7+ Group. Project evaluations show that constituents and UN partners value the ILO's technical expertise and competencies in transferring knowledge to local counterparts, and in managing employment recovery programmes on the ground. In order to further develop its technical cooperation programme in Fragile States, in March 2014 the ILO signed an agreement with the g7+ group for cooperation in job creation, skills development social protection, migration and labour market monitoring, in particular through South-South and triangular cooperation modalities.

## **South-South and Triangular Cooperation**

## Social and Solidarity Economy Academy SSE

Do the Social and Solidarity Economy Organizations (SSEOs) help make societies more inclusive and development more sustainable? This question was central to the 2014 session of the <u>academy</u> in Campinas (Brazil). The ILO organized its South-South and triangular cooperation (SSSTC) segment, aimed at stimulating research and scholarships in the South.

Over one hundred participants, of which over 40 South-South fellows from Africa, the Americas and Asia, took part in the proceedings and participated with written contributions. South-South scholarships and support were granted to workers and experts from Angola, Argentina, Brazil, Costa Rica, Ghana, and Mozambique.

Public policies are needed in order to preserve and facilitate the strengthening of the true principles of cooperatives and genuine social responsibility in a spirit of solidarity, while benefiting from each other's lessons learned. Workers' organizations underlined in their declaration the importance of the ILO Recommendations on the Promotion of Cooperatives, 2002 (No. 193) and on the Employment Relationship, 2006 (No. 198). A compendium of articles on South-South Cooperation and Social and Solidarity Economy with a focus on Latin America will soon be published. Finally, an agreement was signed to foster research and cooperation between FOCAMP, ITC Turin and the ILO within the ILO SSTC strategy.

# ILO Solution Forum: Global South-South Development (GSSD) Expo 2014

Social dialogue, child labour, social protection and fragile-to-fragile cooperation (F2F) were the overarching themes of the ILO <u>Solution Forum</u> during the <u>GSSD 2014</u>, held in Washington DC.

Presentations featured experience from Asia, Africa and the Americas. In the latter, the Ecuadorian initiative to combat child labour, extended to Costa Rica and Colombia, illustrates how best practices can be replicated in follow-up on the <a href="III Global Conference on Child Labour">III Global Conference on Child Labour</a> (Brasilia, 2013). Reference was also made to the agreement between the New Deal for Engagement in Fragile States and the ILO.

The strength of the partnership between the UN Office for South-South Cooperation and the ILO was highlighted by Mr Yiping Zhou, UNSSC Director as a significant contribution to development cooperation and social justice. A joint publication summarizing knowledge accumulated at previous Expos was launched. The first joint technical programme was acknowledged: "South-South and triangular cooperation — Implementation of gender-sensitive Social Protection Floors at country level".

## 18th American Regional Meeting, an initiative to accelerate efforts to combat child labour

25 Latin American and Caribbean countries launched a <u>regional initiative</u> to boost efforts to tackle child labour and achieve the goal of total eradication by 2020, inter alia, through South-South and triangular cooperation. This initiative arose at the <u>ILO's 18th American Regional Meeting</u>, held in Lima in October 2014. An agreement was reached on its operating structure, its priority areas and the mechanism to put in place. South-South and triangular cooperation was recognized as the main modality to address child labour in the region. Other mechanisms include public-private partnerships, partnerships with traditional development partners, and inter-institutional coordination at the national and local levels. "The initiative is part of a global effort to restore the rights of 168 million children and adolescents affected by the scourge of child labour," concluded the ILO Director-

### Localizing the Decent Work Agenda

The ILO builds on the vision that local actors are possible important contributors to employment creation, social protection and the protection of fundamental principles and rights at work. In this view and in order to localize the Decent Work Agenda (DWA), it has signed a cooperation agreement with the World Organization of United Cities and Local Governments (2012). Working together, the two organizations improve local actors' capacities through South-South and City-to-City Cooperation and projects focusing on employment creation, local economic development and formalization of the informal sector. In this framework a meeting gathering medium-sized cities from Africa and Latin America, as well as other development partners, was carried out in Chefchaouen, Morocco, in April 2014. Two learning exchange seminars in Africa and Latin America were held: a Learning Exchange in Chefchaouen, Morocco, focusing on local economic development (LED) and decent work in intermediary cities; and a second Learning Exchange in Pasto, Colombia, on the urban-rural relationship, local economic and social development, decent work and markets.

The Learning Exchange held in Chefchaouen (October 2014) focused on local economic development. Participants represented cities from Benin, Burkina Faso, Côte d'Ivoire, Mali, Mauritania, Morocco, Niger, Senegal, and Spain. The final declaration made reference to LED and decent work to be promoted in the global agenda, in the framework of the post-2015 agenda, the 3rd Forum on Local Economic Development in 2015 (Turin), and Habitat III in 2016. The city of Odienné, Côte d'Ivoire, was also chosen to host the next meeting.

## West African Members of Parliaments Meeting on Child Labour

Representatives of 16 African Parliaments have established an SSTC network of MPs to share knowledge on child labour eradication. MPs' responsibilities include the ratification of

Conventions and legislative changes, government oversight and community leadership. Participants from Cameroon, Côte d'Ivoire, Gambia, Ghana, Guinea Bissau, Liberia, Mali, Niger, Senegal, Sierra Leone, and Togo agreed on the goal of the total elimination of child labour by 2020.

## **Development effectiveness**

# The Global Partnership for Effective Development Cooperation (GPEDC, Mexico 2014)

The High-Level Meeting of the <u>Global Partnership for Effective Development Cooperation</u> was convened in Mexico. Of interest to the ILO were the discussions on progress made since the Busan High Level Forum (HLF4), effective development cooperation in middle-income countries (MICs), engagement in fragile States, and the human rights-based approach to inclusive development.

The Busan High Level Forum helped improve development effectiveness. But many efforts are still needed to fully implement the commitments made in 2011. And most notably preserving the level of Official Development Assistance (ODA), which remains a vital tool for development, especially in least developed countries, fragile and conflict-affected States. The broadening and strengthening of SSTC is encouraged. It allows active exchanges regarding infrastructure and economic development, public services, social protection, job creation and knowledge sharing. The final communiqué reaffirmed the principles of the Nairobi Declaration for South-South Cooperation, and reiterated the Busan commitments.

Middle Income Countries (MICs) are currently important providers and recipients of development cooperation, especially through South-South cooperation. Building capacities, ensuring good governance, and developing infrastructure are among the main challenge they face.

More needs to be done regarding fragile States. Fragile and conflict-affected countries face specific challenges and opportunities. As ODA is still the core financing source for such countries, participants undertook to improve the effectiveness and results of ODA going to the poorest fragile States.

A human rights-based Approach (HRBA) ensures quality and effective development cooperation. Child labour, forced labour, gender equality, freedom of association and organization are among the key areas of concern for the ILO. Concrete illustrations given by Mr Schwettmann, Director of the ILO Partnerships and Field Support Department, showed how social dialogue is essential to achieving socioeconomic progress at country level in line with ILO Conventions. Global accountability is key to ensure HRBA in development. The ILO framework was a vivid example on how standards-based supervisory mechanisms can work at global level

### Development Cooperation Forum (DCF) 2014

The ECOSOC High-level <u>Development Cooperation Forum</u> (DCF) held in New-York in July, focused on the role of development cooperation in the post-2015 agenda. Implementation of the post-2015 UN development agenda requires high, middle and low income countries to renew their commitment to a global partnership for development. It should be based on effective accountability and strengthened partnerships between governments, the private sector and civil society.

The participation of the G7+, a group of Fragile and conflict-affected areas established in 2010, has reinforced its recognition as a group in addition to the LDCs, BRICS, MICS and has resulted in more frequent references to Fragile States.

South-South cooperation financial exchange is estimated to reach between 12 or 16 billion US\$ depending on the source of data (DAC, World Bank or UN-DESA). The knowledge and information gap on South potentialities is still to be addressed. A UN-DESA report consolidated information on SSC methodology, practices, and statistics, drawing on national capacity to collect data.

Official Development Assistance (ODA) plays an effective role in assisting in domestic resource mobilization through better tax systems and preventing tax avoidance. Yet other forms funding are needed, including public private partnerships. Despite the increasing volume of ODA, fewer allocations were addressed to LDCs and fragile States (OECD). These discussions and outcomes will contribute to the III international Conference on Financing for Development, to be held in Addis Ababa in July 2015 to operationalize the post-2015 financing framework.

# International Seminar on South-South Cooperation in Social Security, Paraguay, December 2014

A framework for the technical cooperation programme agreed between the ILO and the Ministry of Labour, Employment and Social Security of Paraguay (MTESS) was adopted during the First International Seminar on South-South Cooperation in Social Experience related to the formulation implementation of social security policies was discussed. The aim is to expand social protection coverage. The ILO Social Security (Minimum Standards) Convention (No. 102), 1952, and the Social Protection Floors Recommendation, 2012 (No. 202) were presented. The Social Protection Survey (EPS) is useful to guide the process of implementing reforms in the field of social security, and public policy in this area. There were substantial exchanges of experience and reform processes related to social security. In Paraguay technical cooperation has been crucial for the definition of public policy. Next steps include the establishment of a functional Social Security Institute, a survey implementation, and mechanisms for the inclusion of major contributors.

#### Results Report: "The ILO at Work: Development Results 2012-2013"

The ILO's new flagship publication on the achievements of its development cooperation reflects the growing recognition of the value of decent work and the changing nature of its operations. A reformed structure of ILO headquarters contributes to improved efficiency, effectiveness, technical support and good governance. Development partners support, and partnerships with other international, regional and national institutions, have proved critical in the timely delivery of services and in leveraging political influence. The transparency of ILO performance has been enhanced by its joining the International Aid Transparency

Initiative (IATI) in September 2012 and thanks to the online publication of all its development cooperation data since 2005 in the <a href="Development Cooperation Dashboard">Development Cooperation Dashboard</a>. Quality appraisal was extended to 448 ILO projects and programmes — a 144 per cent increase on the previous biennium. <a href="Decent Work Country Programmes">Decent Work Country Programmes</a> (DWCPs) are increasingly integrated into UN country programmes and national development frameworks, and remain the main vehicle for the delivery of ILO support to countries. In 2012-2013 the ILO achieved a delivery rate of 80 per cent, the highest

ever.