#### INTERNATIONAL LABOUR OFFICE

Governing Body

GB.301/MNE/1 301st Session

Geneva, March 2008

**Subcommittee on Multinational Enterprises** 

**MNE** 

## FOR DEBATE AND GUIDANCE

FIRST ITEM ON THE AGENDA

## Strategic priorities for 2008-09

#### Introduction

1. This paper was prepared after consultation with the Officers of the Subcommittee. It takes into account the guidance provided by the Governing Body and by the International Labour Conference in its discussion on sustainable enterprises. <sup>1</sup> It also takes into account the issues raised during the MultiForum07 (November 2007) <sup>2</sup> and the InFocus Forum discussions addressing monitoring (November 2006) and reporting (March 2007).

### **Guiding principles**

2. The Office should limit its strategic priorities to those areas where the ILO can have the greatest impact. In setting its priorities, the Office should aim to increase awareness of how the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (the MNE Declaration) can be a useful tool for companies and constituents and promote a shared understanding of the principles it contains. It also should aim to increase the effective use of the MNE Declaration by providing companies and constituents with more systematic assistance on how to give effect to its principles.

## Strategic priorities

- **3.** The five strategic priorities in promoting the MNE Declaration are:
  - (1) Establish and operationalize a helpdesk to provide information on the provisions of the MNE Declaration and international labour standards more generally (see GB.301/MNE/2 for details).
  - (2) Undertake field testing of an alternative modality to evaluate the effect given to the MNE Declaration (see GB.301/MNE/4 for details).

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<sup>&</sup>lt;sup>1</sup> Report of the Committee on Sustainable Enterprises, *Provisional Record* No. 15, ILC, 96th Session, Geneva, 2007.

<sup>&</sup>lt;sup>2</sup> See GB.301/MNE/3/1.

- (3) Provide training on the implementation of the Declaration, in close collaboration with the International Training Centre of the ILO, Turin (Turin Centre) (see GB.301/MNE/3/1 for details).
- (4) Work closely with other intergovernmental organizations that may help raise awareness of the MNE Declaration and position it as the leading instrument concerning labour rights and enterprise development. The principles proposed are the European Union and the OECD <sup>3</sup> for this biennium. The Office will also continue work on ISO 26000 on social responsibility, and provide support to the Working Group on Labour Issues of the UN Global Compact.
- (5) Building on the work of the InFocus Initiative and the 30th anniversary event, the Office could also develop an infrastructure to promote the MNE Declaration at the country and regional levels. The infrastructure could support ILO field offices to provide further technical support to companies and constituents. It could also be a vehicle for working with MNEs, including some which participated in the 30th anniversary event.

### Ongoing activities

- **4.** The Office will continue with activities that complement the strategic priorities, including the InFocus Forums, where the Office and constituents can learn more about particular topics, such as export processing zones and supply chain architecture. It will also continue to build its knowledge base through collection of good practices and research.
- **5.** The priorities and ongoing activities are set out in the appended table.

#### Means of action

- **6.** In order to achieve these objectives, it will be essential to enhance Office capacity at headquarters and in the field to promote the MNE Declaration and help constituents use it. Office staff will be provided with training, which will include the opportunity to become acquainted with the social partners' views on corporate social responsibility (CSR), continue to provide the Governing Body with updates on CSR-related activities within the Office, and disseminate the guidance provided by the Governing Body to all departments and field offices.
- 7. The Office will also promote closer collaboration between its departments, in particular concerning sectoral activities. The Office will ensure that through this collaboration the approach advocated in the MNE Declaration and the guidance provided by the Governing Body are integrated into joint activities. For training, the Office will work closely with the Turin Centre, providing the technical inputs on areas covered by the MNE Declaration for the training materials the Turin Centre will develop and deliver.

Geneva, 25 February 2008.

Submitted for debate and guidance.

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<sup>&</sup>lt;sup>3</sup> The ILO will be jointly hosting a meeting with the OECD in June 2008.

# **Appendix**

# Summary of strategic priorities and ongoing activities (2008–09)

Principles	Strategic priorities	Expected outcomes	Indicators and measurement
Increase awareness of the MNE Declaration and promote a shared understanding of its principles.  Increase effective use of the MNE Declaration.	<ul> <li>Establish and operationalize the "helpdesk".</li> <li>Undertake field testing of an alternative modality to evaluate the effect given to the MNE Declaration.</li> <li>Provide training on the implementation of the MNE Declaration, in close collaboration with the Turin Centre.</li> <li>Work closely with key intergovernmental and other organizations, in particular the OECD and European Union.</li> <li>Develop infrastructure to promote the MNE Declaration at the country or regional level.</li> <li>Ongoing activities:</li> <li>Continuation of InFocus Forums on CSR.</li> <li>Follow-up to 30th anniversary event.</li> <li>Build knowledge base through collection of good practices and research.</li> </ul>	<ul> <li>More companies use the MNE         Declaration as a practical tool to address real problems.</li> <li>More governments become aware of and use the guidance provided in the MNE Declaration in their policies concerning investment, attracting FDI, procurement, their own social responsibility as employers, and for creating an enabling environment for encouraging companies to contribute to economic and social development.</li> <li>Worker and employer organizations use the MNE Declaration to support their members' efforts concerning CSR.</li> <li>The MNE Declaration becomes an Office-wide tool for engaging with companies.</li> </ul>	<ul> <li>Number of references to the MNE Declaration or its principles in company initiatives.</li> <li>Number of organizations citing the MNE Declaration or its principles in their work</li> <li>Number of requests for presentations to constituent organizations.</li> <li>Number of companies using the MNE Declaration or its principles in their CSR initiatives.</li> <li>Number of requests for policy advice an support; number of references in government policies and documents on CSR.</li> <li>Number of requests for assistance or training.</li> <li>Number of requests for training or technical assistance from ILO departments or field offices.</li> </ul>