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### SIXTH ITEM ON THE AGENDA

## Decent work in the post-2015 development agenda

#### Purpose of the document

The paper is submitted for debate and decision on ILO contributions to the formulation process of the post-2015 United Nations development agenda. The Governing Body is invited to discuss the issues raised, identify the priorities for the ILO and request the Director-General to take action accordingly (see draft decision in paragraph 28).

**Relevant strategic objective:** All strategic objectives and particularly the strategic outcome on policy coherence.

**Policy implications:** Yes.

**Legal implications:** None.

**Financial implications:** None.

**Follow-up action required:** See draft decision in paragraph 28.

**Author unit:** Policy Integration Department (INTEGRATION).

**Related documents:** GB.316/POL/3.



## **Executive summary**

The paper summarizes the context against which debate on a post-2015 development agenda is taking place and in particular the actions initiated by the United Nations (UN). It also describes ILO engagement in the process. The potential significance of a new development agenda for the ILO and its strategic objectives are highlighted. The route to a final agreement on a post-2015 development agenda is likely to be complex but there are opportunities for the ILO to emphasize the importance of making decent work for all a core goal. Achieving this will require the Office to deliver focused messages at various stages in the UN process, and national constituents to assist country negotiators, especially in the final drafting stage. The Office will develop a strategy to this end. It proposes to provide constituents with periodic briefings to support their efforts and will deepen its technical work on indicators of progress. The International Labour Conference general discussion on sustainable development, decent work and green jobs in June 2013 can help to reinforce core ILO messages underlining the essential role that decent work plays in the economic, social and environmental dimensions of development, including proposals for action under the forthcoming global framework. A mandate may be sought for the ILO Director-General to submit those messages to the UN General Assembly. ILO constituents will need to ensure that the Decent Work Agenda forms an integral part of the global development agenda and national development strategies.

### **I. Decent work and the development challenge**

- 1.** In the long aftermath of the global financial and economic crisis, employment and social protection have become priority concerns in both rich and poor countries. This new emphasis is broadening the scope of the international development agenda beyond the focus of the last decade on poverty reduction and humanitarian assistance for the poorest. The crisis is proving that although people can be lifted out of poverty through aid, they remain vulnerable and their livelihoods precarious unless there are wider conditions for inclusive, equitable and sustainable growth and development. Looking ahead, the recognition of the need for a more comprehensive global development framework is even more compelling in light of a global economic outlook that remains uncertain and volatile; widening inequalities that fuel social and political distress and new vulnerabilities as a result of climate change.
- 2.** The shift in focus from lifting the very poor above a series of welfare thresholds, such as an income of \$1 a day, to a broader view that connects poverty reduction to inclusion, equity and sustainability, highlights the relevance of the Decent Work Agenda to international development efforts. For instance, as discussed in a separate document for the Governing Body, the outcome document of the United Nations Conference on Sustainable Development 2012 (Rio +20) made multiple references to full and productive employment and decent work. It also encouraged global initiatives on youth employment and social protection.<sup>1</sup> In particular, the Conference launched a process to define a set of sustainable development goals intended to provide a framework to address the economic, social and environmental dimensions of development beyond 2015 in a balanced way.
- 3.** At the same time, a new conversation has started within the multilateral system on the importance of productive capacity, structural transformation, enterprise development and job creation for the success of development strategies. One main objective of the

<sup>1</sup> GB.316/POL/3.

Programme of Action for the Least Developed Countries for the Decade 2011–20 adopted by the Fourth United Nations Conference on the Least Developed Countries (LDC–IV) in Istanbul, in May 2011, was to overcome the structural challenges faced by LDCs in eradicating poverty by means of strengthening their productive capacity through investments in infrastructure, agriculture, energy, science and technology, private sector development and human and social capabilities.<sup>2</sup> In a similar vein, one main conclusion of the “Doha Manar” agreed at the thirteenth session of the United Nations Conference on Trade and Development (UNCTAD XIII) in April 2012 was that – within a robust and development-oriented multilateral trading system – productive investment, entrepreneurship, competitiveness, technological improvement and economic diversification were main avenues to address the challenges of poverty.<sup>3</sup> The Annual Ministerial Review of the United Nations Economic and Social Council (ECOSOC) in July 2012 in New York took a further step forward in crystallizing thinking on the boundaries of a more inclusive growth and development agenda.<sup>4</sup>

- 4.** The Ministerial Declaration adopted at the 2012 High-level Segment reaffirmed the commitment of ECOSOC to promoting productive capacity, employment and decent work as a means of achieving internationally agreed development goals, including the Millennium Development Goals (MDGs).<sup>5</sup> It reaffirmed the leading role of the ILO and it spelt out core elements of policy packages to promote sustainable, inclusive and equitable economic growth. Measures included, inter alia, integration of macroeconomic, employment and social policies; a dynamic, inclusive, well-functioning and socially responsible private sector; skills, education and active labour market policies; labour legislation, minimum wage systems, institutions of collective bargaining and labour administration; international labour standards and fundamental principles and rights at work; and broad-based social dialogue. The Declaration recalled the commitment to embrace the policy approaches contained in the Global Jobs Pact and it stressed the need to provide social protection to all members of society, encouraging the introduction of nationally determined social protection floors in line with ILO Recommendation No. 202. It also urged governments to address the global challenge of decent and productive work for young women and men. Finally, it stressed the importance of keeping full and productive employment and decent work as a key cross-cutting theme within the UN, suggesting that it should be a main item in the post-2015 discussions.
  
- 5.** Outside the UN system, the G20 group of countries has set up its own Development Working Group to complement existing development efforts and fill in gaps. The recent meeting in Los Cabos stressed the challenges of inclusive green growth, infrastructure and food security, while the Multi-Year Action Plan agreed at Seoul in 2011 covered a range of issues including human resource development, trade, private sector and job creation, growth with resilience, financial inclusion and domestic resource mobilization.<sup>6</sup> In each area, the G20 relies on a different array of relevant international organizations, with the ILO playing a leading role in the areas of skills development and social protection.

<sup>2</sup> A/CONF.219/3/Rev.1.

<sup>3</sup> UNCTAD, TD/500/Add.2.

<sup>4</sup> The theme of the 2012 Annual Ministerial Review was “Promoting productive capacity, employment and decent work to eradicate poverty in the context of inclusive, sustainable and equitable economic growth at all levels for achieving the Millennium Development Goals”.

<sup>5</sup> ECOSOC, E/2012/L.10\*.

<sup>6</sup> G20: 2012 Progress Report of the Development Working Group (Los Cabos, June 2012).

- 6. By and large, these recent initiatives suggest a growing recognition that poverty eradication and development are the ultimate result of a complex process of economic and social transformation encompassing the main elements of the Decent Work Agenda.<sup>7</sup> A change in tone is also visible in the heated debate on aid effectiveness that started with the Paris Declaration on Aid Effectiveness and continued through the Busan Partnership for Effective Development Cooperation agreed at the Fourth High Level Forum on Aid Effectiveness; for instance, the emphasis on the efficiency with which aid is delivered is increasingly accompanied by the view that all development spillovers should be considered in accounting for greater effectiveness and that a broad range of state and non-state actors should be closely involved.
- 7. The new tone in the debate on development is accompanied by major shifts in the development assistance portfolio: a decline in the size of multilateral and bilateral official development assistance (ODA) by countries in the Organisation for Economic Co-operation and Development – Development Advisory Committee (OECD-DAC); a massive increase in private flows catering primarily to humanitarian relief; greater reliance on domestic resource mobilization in recipient countries; and the emergence of new modes of cooperation that bring forward policy approaches more strongly anchored in production and employment, such as South–South and triangular cooperation and public–private partnerships.<sup>8</sup> The Office has made important steps in drawing on those new sources, for instance through its South–South Cooperation Programme with Brazil, India and South Africa. Nonetheless, the UN system remains the second largest donor of the ILO's technical cooperation programme.<sup>9</sup>

## **II. Assessing and rethinking the UN development agenda**

- 8. Over the past decade, the MDGs have provided a major global framework for concerted development action. They have strengthened advocacy for global poverty alleviation and human development, mobilizing public support and improving the coordination of assistance. They introduced a format of simple goals and targets that helped monitoring and accountability. As the 2015 target date for achieving the MDGs approaches, the results achieved so far are being assessed and the approach is currently under review.
- 9. The assessment underlines that progress has been important but is uneven across countries and goals.<sup>10</sup> Poverty is still widespread in many regions. Major deficiencies remain as regards hunger, under-nutrition and maternal mortality. Progress on environmental goals has been insufficient and the steps towards stronger global partnerships for development also look hesitant. Accelerating MDG progress towards 2015 is therefore a top priority for

<sup>7</sup> The topic of jobs is also the main theme of the World Bank's *World Development Report 2013* (forthcoming).

<sup>8</sup> In 2010 non-DAC sources – including private sources, global funds and non-DAC multi- and bilateral cooperation – are estimated to have accounted for almost 40 per cent of total international development cooperation, up from about 25 per cent in 2006 (ECOSOC, E/2012/78).

<sup>9</sup> ILO: "Mobilizing resources for decent work and social justice" (PARDEV, Geneva, July 2012).

<sup>10</sup> UNDESA: *Millennium Development Goals Report 2012* (New York, 2012).

the UN, though it is now recognized that this requires efforts to achieve stable, equitable and inclusive economic growth.<sup>11</sup>

10. In general, forging a global consensus on ending poverty is acknowledged as the main MDG achievement. The focus on social spending and the transparent delivery of basic social services is also considered valuable as it came about at a time of increasing globalization. On the other hand, MDG goals and targets have been criticized by many for oversimplifying the development agenda, contributing to distracting attention from pressing development priorities such as a fair globalization, inequality, gender, human rights, the macroeconomy and employment.<sup>12</sup>
11. The human rights community, NGOs and trade unions have been especially critical of the lack of attention to principles and standards of equality, participation and universality.<sup>13</sup> Others observed that the MDGs focus on globally defined ends has led to neglect of national discussion and ownership of appropriate policies, in favour of oversimplified donor-driven approaches.<sup>14</sup> Questions have been raised about the poor design of goals and targets and their effectiveness in measuring development progress.<sup>15</sup> Also, although the MDGs were built on principles embodied in the United Nations Millennium Declaration and agreed by all member States, the process for setting the goals and targets was top-down, with little participation or wider debate with the full range of stakeholders. In fact, the goals and targets were put together by a technical committee of the United Nations, the World Bank and the OECD-DAC. This was sharply criticized by civil society and accounted for the lukewarm response by some developing country governments.<sup>16</sup>
12. Employment and decent work were among the “missing dimensions” that were most often quoted by critics. This is a surprising oversight given that job creation and enterprise development are sustainable means of fighting poverty. Nevertheless, as of 2006 the target of “Achieving, full and productive employment and decent work for all, including women and young people” and a set of related indicators were added under MDG 1 – Eradicate extreme poverty and hunger, following the UN World Summit in 2005 which, reviewing progress since 2000, agreed “to make the goals of full and productive employment and decent work for all, including for women and young people, a central objective of our relevant national and international policies as well as our national development strategies, including poverty reduction strategies, as part of our efforts to achieve the Millennium

<sup>11</sup> UN: *Accelerating progress towards the Millennium Development Goals: Options for sustained and inclusive growth and issues for advancing the United Nations development agenda beyond 2015*, Annual report of the Secretary-General, General Assembly, 67th session, 2012.

<sup>12</sup> UN: *The United Nations Development Strategy beyond 2015*, Policy Note, UN Committee for Development Policy (June 2012).

<sup>13</sup> Office of the United Nations High Commissioner for Human Rights: *Claiming the Millennium Development Goals: A Human Rights Approach* (Geneva, 2008).

<sup>14</sup> Rolph von der Hoeven: *MDGs post-2015: Beacons in turbulent times or false lights?*, background paper, UN System Task Team on post-2015.

<sup>15</sup> Deepak Nayyar: *The MDGs after 2015: Some reflections on the possibilities*, background paper, UN System Task Team on post-2015.

<sup>16</sup> op. cit. in note 12.

Development Goals.”<sup>17</sup> The target was not quantified and it was dealt with primarily as a desired goal.

### **III. Shaping the post-2015 development framework**

- 13.** Drawing on the lessons learnt through the MDGs, a growing number of processes, preparations and debates on what a post-2015 agenda should look like are occurring both within and outside of the UN system. The overarching objective to reach a consensus on an international agenda that fits the development challenges of the coming decades, has support from public opinion and reflects credible commitments from transparent multilateral negotiation. It is imperative that the ILO is active in this process to ensure decent work is accepted as a core component of the post-2015 agenda.
- 14.** In late 2011, the Secretary-General established a post-2015 UN Task Team, co-chaired by the Department of Economic and Social Affairs (UNDESA) and the United Nations Development Programme (UNDP) and comprising senior staff from UN organizations – including the ILO – and the Bretton Woods institutions. In June 2012, the team delivered a report, *Realizing the Future We Want for All*.<sup>18</sup>
- 15.** The report is a first effort to develop a post-2015 roadmap. It underlines that the principles spelt out in the Millennium Declaration are still fully relevant and calls for the future agenda to be anchored in the core values of human rights, equality and sustainability. The report acknowledges the strength of the MDG format based on clear and simple end goals and targets, but it proposes that goals and targets should be set along four key interrelated dimensions: (1) inclusive social development; (2) inclusive economic development; (3) environmental sustainability; and (4) peace and security. It recognizes that ample space should be left for national policy design and national adjustment of targets and goals; yet it suggests a high degree of policy coherence across core sets of “enablers” that should provide policy guidance without being overly prescriptive. For instance, goals and targets under inclusive economic development – i.e. eradicating income poverty and hunger, reducing inequalities, and ensuring decent work and productive employment – would be facilitated by enablers such as a fair and stable global trading system, comprehensive social protection systems and coherent macroeconomic policies to support inclusive and green growth.
- 16.** The report is intended to provide building blocks for the work of the High-level Panel of Eminent Persons appointed in July 2012 to advise the Secretary-General on the post-2015 development agenda. The Panel comprises 26 representatives from governments, NGOs, the private sector and academia and it is co-chaired by President Susilo Bambang Yudhoyono of Indonesia, President Ellen Johnson Sirleaf of Liberia, and Prime Minister David Cameron of the United Kingdom.<sup>19</sup> It will prepare a report for submission to the

<sup>17</sup> Resolution 60/1 on the 2005 World Summit Outcome adopted by the General Assembly, Oct. 2005.

<sup>18</sup> UN: *Realizing the Future We Want for All*, Report to the Secretary-General, UN System Task Team on the Post-2015 UN Development Agenda (New York, 2012). Available online at [http://www.un.org/millenniumgoals/pdf/Post\\_2015\\_UNTReport.pdf](http://www.un.org/millenniumgoals/pdf/Post_2015_UNTReport.pdf).

<sup>19</sup> See <http://www.undp.org/content/undp/en/home/presscenter/pressreleases/2012/07/31/un-secretary-general-appoints-high-level-panel-on-post-2015-development-agenda.html>. Despite the effort to achieve geographic and gender balance among the Panel members, there are no representatives from workers or trade unions, as remarked by the International Trade Union Confederation (ITUC), see <http://www.ituc-csi.org/un-high-level-panel-on-post-2015.html>.

Secretary-General in March 2013 and it will work in coordination with the intergovernmental working group tasked by the General Assembly to design the sustainable development goals proposed at Rio +20. Both the Secretary-General and the intergovernmental working group will prepare their own reports to be submitted to member States for their deliberations at the 68th session of the United Nations General Assembly in September 2013.

17. An important element in the General Assembly's consideration of the post-2015 development agenda in September 2013 will be a follow-up to the Outcome document adopted at Rio +20. A separate document for the Governing Body reviews the implications for the ILO of Rio +20, which includes the need to participate in the development of sustainable development goals.<sup>20</sup> It would seem likely that if the same approach of the MDGs is to be pursued after 2015, it will need to embrace environmental, economic and social goals. Agreement on a manageable short list of such goals may prove to be a major conceptual as well as political challenge.
18. To support the processes outlined above and foster broad-based and inclusive dialogue, the UN Development Group (chaired by the UNDP) has launched a global conversation on post-2015 with governments, NGOs, the private sector, trade unions and academics through a programme of at least 50 national consultations, nine thematic consultations, a web portal and a social media outreach strategy.<sup>21</sup>
19. The first thematic consultation was co-organized by the ILO and the UNDP on the topic of "Growth, structural change and employment", under the auspices of the Government of Japan in Tokyo on 15–16 May 2012.<sup>22</sup> Representatives of trade unions and employers' organizations participated in the event. The meeting reviewed economic, demographic, technological and social trends, reaching the conclusion that issues of unemployment, underemployment and informality will remain central to development concerns well beyond 2015. It also reviewed good practice for more inclusive and sustainable patterns of growth. It highlighted a number of desirable features for the future framework: a truly global scope, focus on a small number of priorities that directly affect people's lives, a balanced mix of economic and social measures, focus on policy innovation and pragmatism, tailoring to national realities and genuine participation of the private sector and trade unions in policy dialogue and monitoring of results.<sup>23</sup>

#### **IV. Issues for discussion**

20. The path to a global agreement on the scope of the post-2015 agenda is bound to be complex. Many trade-offs will have to be negotiated: between the conflicting interests of countries and groups; between competing priorities and the need for focus; between the quest for policy assistance and the danger of overt prescriptions. Nonetheless, there are a

<sup>20</sup> GB.316/POL/3.

<sup>21</sup> See [http://www.undg.org/docs/12631/Post-2015%20webinar%20DOC\\_6%20August%202012-FINAL.pdf](http://www.undg.org/docs/12631/Post-2015%20webinar%20DOC_6%20August%202012-FINAL.pdf).

<sup>22</sup> The other eight thematic consultations are scheduled to take place before the end of March 2013 on the following topics: health; population; conflict and fragility; environmental sustainability; food security and nutrition; governance; education; and inequalities. The ILO is engaging in the latter three.

<sup>23</sup> See <http://www.ilo.org/global/meetings-and-events/events/setting-development-agenda-beyond-2015/lang--en/index.htm>.

host of opportunities to set the Decent Work Agenda in a strong position. It is important that the Office develops a comprehensive strategy to achieve this.

21. There is already considerable interest in ILO initiatives and proposals concerning the Global Jobs Pact, social protection floors and youth employment. The Office is also playing a leading role within inter-agency networks dealing with skills development, gender and green jobs, and it is engaging UN agencies and the Bretton Woods institutions in new dialogue and collaboration on issues concerning employment and inclusive growth.
22. As the post-2015 process unfolds, the Office will alert its tripartite constituents to national and regional opportunities for exchange and debate, making efforts to facilitate their participation where appropriate. Involvement in the work of the UN Task Team will also continue to keep abreast of new ideas. The Office will prepare short briefing notes for constituents on the progress of debates over the year ahead.
23. Focused messages must be delivered to the High-level Panel of Eminent Persons and to the Intergovernmental Working Group being set up on Sustainable Development Goals following Rio +20, as they prepare their reports to the General Assembly, to illustrate how the Decent Work Agenda is critical to development and poverty alleviation, as well as other emerging and pressing global priorities.
24. Sharpening technical work in priority areas will also influence the post-2015 process.<sup>24</sup> It is likely that a clear preference for goals and targets that can be expressed in quantitative terms, and where progress can be accurately measured, will remain. Strengthening statistical indicators on different aspects of decent work will be an important contribution.
25. The changing “geography” of poverty is also shifting preferences on the pattern of development assistance, with greater interest not just on the efficient large scale delivery of traditional development assistance but also on more sophisticated “soft” modes, such as the exchange of knowledge and good practice, and support for policy innovation. In this area, the Office will build on its experience in collecting and disseminating good practice for the G20 and for South–South cooperation.
26. Ultimately, the deliberations of the General Assembly will be a main defining moment in shaping the post-2015 development agenda. The International Labour Conference general discussion on sustainable development, decent work and green jobs in June 2013 can contribute to reinforcing core ILO messages underlining the essential role that decent work plays in the economic, social and environmental dimensions of development, including proposals for action under the forthcoming global framework. A mandate may be sought for the ILO Director-General to submit those messages to the General Assembly.
27. ILO constituents will need to ensure that the Decent Work Agenda forms an integral part of the global development agenda and national development strategies. In so doing it will be important for constituents, with the support of the Office, to engage as actively as possible in the various opportunities to inform the General Assembly’s deliberations as summarized in this paper. In this regard, ILO constituents may wish to convey their priorities to ministries of foreign affairs or development cooperation which will be shaping the approaches taken by national delegations – the main negotiators in New York.

<sup>24</sup> Specific suggestions concerning the approach to sustainable development are contained in GB.316/POL/3.

**Draft decision**

**28. *The Governing Body requests the Director-General to:***

- (a) *develop and implement a strategy to set decent work as a core priority of the global development agenda beyond 2015;***
- (b) *prepare briefing notes for constituents on the progress of the post-2015 deliberations as a support to their national engagement in the debate on the global development agenda.***