



Governing Body

347th Session, Geneva, 13–23 March 2023

Institutional Section

INS

Date: 27 February 2023

Original: English

Eighth item on the agenda

ILO strategy on decent work in supply chains

Purpose of the document

This document presents a comprehensive ILO strategy on decent work in supply chains, that is based on the building blocks adopted by the Tripartite Working Group on Options to Ensure Decent Work in Supply Chains (June–July 2022). The Governing Body is invited to provide guidance to the Office on implementing the five-year strategy, including the operational, financial and resource mobilization implications, and to take a decision on the date at which it will review its implementation (see the draft decision in paragraph 4).

Relevant strategic objective: All.

Main relevant outcome: Outcome 7: Adequate and effective protection at work for all.

Policy implications: Guiding Office action on decent work in supply chains.

Legal implications: None.

Financial implications: None.

Follow-up action required: Depending on the Governing Body decision, implementation of the comprehensive ILO strategy on decent work in supply chains.

Author unit: Priority action programme on decent work outcomes in supply chains.

Related documents: [GB.341/INS/13/2](#); [GB.344/INS/18\(Rev.1\)](#); [GB.337/INS/4](#); [GB.346/POL/5](#); [GB.346/INS/INF/3](#); [GB.346/INS/6\(Rev.1\)](#); [GB.347/PFA/1](#).

1. In accordance with the decision taken by the Governing Body at its 346th Session (October–November 2022),¹ the Office has finalized an ILO strategy on decent work in supply chains that is based on, and operationalizes, the building blocks developed by the Tripartite Working Group on Options to Ensure Decent Work in Supply Chains (June–July 2022). The strategy is a five-year plan aiming to equip the Organization and tripartite constituents with the tools and guidance to ensure decent work in supply chains. It is envisaged that its implementation will be coordinated within the priority action programme on decent work in supply chains, to be discussed by the Governing Body in the context of the Director-General’s Programme and Budget proposals for 2024–25.²
2. The strategy promotes a smart mix of national and international mandatory and voluntary measures to optimize the impact of the ILO’s work to ensure decent work in supply chains, building on its tripartite structure and standards system and using all available ILO means of action. It includes 20 outputs, organized into seven action areas, corresponding to the relevant text in the tripartite-agreed building blocks. An indicative phasing of the outputs, including preliminary financial and resource mobilization implications for each action area, explains their expected sequencing and the resources required for its effective implementation.
3. The Governing Body may wish to request the Office to keep it informed of the implementation of the strategy, and in particular to prepare a report to enable it to undertake a review of the strategy’s implementation approximately midway through its five-year term.

▶ Draft decision

4. **The Governing Body requested the Office to take into account its guidance when implementing the comprehensive ILO strategy on decent work in supply chains, and to submit a report on the implementation of the strategy to its 353rd Session (March 2025) for its consideration.**

¹ GB.346/INS/PV, para. 298.

² GB.347/PFA/1.

▶ Appendix: ILO strategy for achieving decent work in supply chains

Part I. Context and mandate

1. In November 2022 the ILO Governing Body requested the Office to finalize an ILO strategy for achieving decent work in supply chains based on the building blocks adopted by the Tripartite Working Group on Options to Ensure Decent Work in Supply Chains (June-July 2022), and to present it for its consideration at the 347th Session (March 2023). Taking a human-centred approach, the strategy takes account of the priorities, experience and expertise of the constituents as expressed in the building blocks, and relevant International Labour Conference conclusions and Governing Body decisions and discussions, with which it is fully aligned.
2. The implementation of the strategy will be coordinated by the priority action programme on decent work outcomes in supply chains (AP/Supply Chains) drawing on the extensive expertise of ILO field and policy units. The strategy should be considered in conjunction with the Director-General's Programme and Budget proposals for 2024–25 presented at the current session of the Governing Body. Its time frame is five years (2023–27). The strategy recognizes the unique role of the ILO with its tripartite structure and its normative mandate, which equips the Organization to guide a globally relevant approach to enable its constituents to pursue decent work in supply chains, taking into account national context.

Part II. Goals and guiding principles

Goals

3. As recognized in the building blocks, the strategy is shaped by a shared tripartite commitment, taking into account the different and complementary roles and responsibilities of constituents, to:
 - (i) equip the ILO to take a leading role in ensuring decent work in supply chains by providing guidance and support to the Member States and tripartite constituents;
 - (ii) use all available ILO means of action to ensure decent work in supply chains, recognizing the imperative of concerted ILO action in this regard; and
 - (iii) actively pursue social dialogue and promote, respect and realize the fundamental principles and rights at work, including full respect for freedom of association and effective recognition of the right to collective bargaining in supply chains.

Guiding principles

4. The following principles guide the development and operationalization of the strategy:
 - (i) **International labour standards:** The body of international labour standards will inform all actions undertaken within the strategy and provide authoritative guidance for ensuring decent work across supply chains. ILO Member States have an obligation arising from the very fact of membership in the Organization to respect, to promote and to realize fundamental principles and rights at work and to effectively apply ratified ILO Conventions and Protocols in national law and practice, and should implement Recommendations, including in relation to supply chains.

- (ii) **Social dialogue and tripartism:** The active engagement of the tripartite constituents in all aspects of implementation of the strategy will ensure better and more sustainable interventions and requires a commitment to strengthening the capacity of constituents to enable full and effective social dialogue, including sectoral, national and cross-border social dialogue.
- (iii) **Tripartite cooperation and solidarity:** A shared commitment to an ambitious, coherent, coordinated and holistic approach is critical to ensuring decent work in supply chains for workers and employers, and for supply chains to be engines of inclusive growth, productivity, job creation and decent work.
- (iv) **Gender equality, non-discrimination and inclusion:** Achieving decent work in supply chains requires a commitment to addressing gender disparities and inequalities in supply chains and prioritizing the inclusion and protection of groups of workers who are likely to be more exposed to vulnerable situations resulting in decent work deficits, mindful of intersecting factors for discrimination.
- (v) **Addressing root causes and drivers of decent work deficits:** The effectiveness and sustainability of the strategy lies in an evidence-based approach to addressing the structural obstacles to resolving decent work deficits at all levels and tiers of supply chains.
- (vi) **Coherent action at the sectoral, national, regional and global levels:** The strategy requires coherence between country-specific approaches, actions at the regional and international levels, and engagement with multilateral, international financial institutions, and other regional and international organizations and groupings relevant to supply chains.

Part III. Interconnected means of action to ensure decent work in supply chains

5. The strategy promotes a smart mix of national and international mandatory and voluntary measures to optimize the impact of the ILO's work to ensure decent work in supply chains, building on its tripartite structure and international labour standards system and using all available ILO means of action. The 20 outputs set out below correspond to the relevant text in the tripartite-agreed building blocks, as set out in the annex. To ensure cohesive and coordinated action, the outputs are sequenced concurrently, as set out in the table below (see Part IV).

International labour standards

6. ILO standards policy is a cornerstone of the Organization's mission and international labour standards are a key means of achieving its objectives. The ILO's body of international labour standards – including their setting, promotion, ratification, and supervision – is a fundamental means of action to enable the Organization to take a leading role in ensuring decent work in supply chains, including by providing guidance and support to its tripartite constituents.
7. Outputs 1–5 concerning international labour standards are complementary and have the overall goal of equipping the tripartite constituents to take a leading role in ensuring decent work in supply chains through concerted steps to ensure that the Organization's body of international labour standards is fit for purpose, widely ratified and effectively implemented in national law and practice. To do so, the outputs will be sequenced in accordance with the timetable in Part IV to build a common shared understanding necessary for an eventual

decision – under output 5 – on any new normative or non-normative ILO measures to ensure decent work in supply chains.

Output 1. Targeted promotion of the ratification and effective implementation of international labour standards relevant to decent work in supply chains is undertaken within existing and future promotional campaigns

8. Targeted promotion of international labour standards relevant to ensuring decent work in supply chains will aim to support Member States in considering steps to ratify, effectively implement and apply international labour standards in national law and practice. There will be a particular focus on the Conventions and Protocols underpinning the fundamental principles and rights at work, recognizing the importance of freedom of association and collective bargaining as enabling rights, and the governance instruments. This will leverage significant synergies in terms of ongoing campaigns implementing Governing Body and Conference decisions and outputs 10, 14 and 18.

Output 2. The need to ensure decent work in supply chains is taken into account, where appropriate, in the work of the Standards Review Mechanism Tripartite Working Group (SRM TWG) and in future ILO standard-setting exercises

9. Consideration will be given to the need to ensure decent work in supply chains in ILO standard-setting processes. The Office will transmit an information note in this regard to the SRM TWG to facilitate its consideration of the need to ensure decent work in supply chains within its reviews, where appropriate, to ensure that the ILO has a clear, robust and up-to-date body of standards. The note will also be used to ensure that the implications of ensuring decent work in supply chains are taken into account by Conference standard-setting committees when undertaking future standard-setting exercises, where appropriate.

Output 3. Information from the supervisory mechanisms with relevance to supply chains is taken into account in ILO technical and research work, and the outcomes of ILO technical and research work are brought to the attention of the supervisory mechanisms

10. The ILO supervisory procedures are a rich source of information on national law and practice, decent work deficits, and good practices in supply chains. Building on previous Office work, including under Sustainable Development Goal indicator 8.8.2 and in particular synergy with outputs 11, 12 and 14, the information from the work of the supervisory mechanisms relevant to ensuring decent work in supply chains would be systematized for use across all means of action and in the development of varied tools to provide technical advice to constituents. To ensure the systematic integration of the information in ILO technical and research work, as well as ensuring that the outcomes of ILO work are brought to the attention of the supervisory mechanisms, an Office protocol will establish a sustainable procedure for information-sharing.

Output 4. A mapping and analysis of the impact and effectiveness of global, regional and national regulatory and non-regulatory initiatives addressing decent work deficits in supply chains is developed and incorporated into ILO work on decent work in supply chains

11. Parallel with other initiatives – including under outputs 3 and 11 – work will be undertaken to map the broad range of regulatory and non-regulatory mechanisms used by constituents to address decent work deficits in supply chains at the international, regional and national levels. This work will assess the impact and effectiveness of those mechanisms to strengthen State

duties and corporate responsibilities in relation to labour rights in supply chains. It will also consider insights for any possible ILO approach on normative measures to address any gaps in international labour standards, as may be decided by the Governing Body under output 5 below. The Office will arrange meetings to exchange and assess good practices identified in the mapping exercise.

Output 5. Options paper setting out possible initiatives that complement the body of international labour standards is considered in a tripartite process

12. The Office will develop options for possible initiatives that complement the body of international labour standards to take into account the changing world of work, the challenges of cross-border supply chains, implementation gaps, and national circumstances, whether through new normative measures, the revisions of existing measures, or supplementary guidelines and tools. Options will be developed through a process that is informed by the knowledge gained through the previous outputs, and particularly under output 4, and extensive tripartite consultations. The resulting options paper will be submitted for discussion by the Governing Body.

Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

13. Making better use of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) requires equipping and assisting constituents and enterprises to better understand and apply its principles to ensure decent work in supply chains. Mainstreaming the MNE Declaration in ILO development cooperation in supply chains, including through outputs 15, 19 and 20, will be a central means of implementing the three outputs in this section.

Output 6. National dialogues are promoted as opportunities for constituents to address decent work deficits in supply chains

14. The Office will strengthen the capacity of governments and employers' and workers' organizations to better use and apply the principles of the MNE Declaration and responsible business conduct. This includes active promotion and facilitation of tripartite national dialogues to discuss actions to address decent work challenges and opportunities in supply chains. The Office will share relevant data and research, including as generated under outputs 11, 12 and 13, to foster evidence-based discussions. The Office may also draw on national dialogues to identify knowledge gaps. The Office will support Member States interested in organizing dialogue platforms for the tripartite constituents and multinational enterprises to discuss opportunities and identify challenges presented by operations of multinational enterprises in the national context.

Output 7. Home-host country dialogues are facilitated as a means of identifying opportunities for cooperation to advance decent work

15. The Office will promote and support home-host country dialogues. Wherever possible, home-host country dialogues will build on previous tripartite national dialogues and bring in relevant data and knowledge, including those generated under outputs 11, 12, and 13, to inform collective action on identified priority areas, respecting roles and responsibilities as outlined in the MNE Declaration and the United Nations Guiding Principles on Business and Human Rights.

Output 8. The MNE Declaration's company–union dialogue procedure is actively promoted

16. The Office will raise awareness and provide guidance to social partners on the procedure for company–union dialogue and strengthen its own capacity in this regard. Where a company and a union voluntarily agree to take advantage of using the facilities of the Office to meet and talk, without prejudice, the Office will provide a neutral ground for discussion of issues of mutual concern.

Output 9. Governments and enterprises are supported in ensuring access to effective remedy

17. The ILO will support governments, employers' and workers' organizations, and multinational and national enterprises to take appropriate steps to ensure access to effective remedy for workers whose rights have been infringed in business operations. With respect to government responsibilities for remedy, supply chain interventions will link to and augment existing ILO capacity-building activities for the judiciary and public enforcement authorities. The ILO will support effective grievance procedures in line with paragraphs 65–66 of the MNE Declaration.

Enabling rights

18. The respect, promotion and realization of fundamental principles and rights at work is essential to the attainment of decent work in supply chains. Fundamental principles and rights at work are both human rights and enable the realization of the ILO's other strategic objectives. Freedom of association and the effective recognition of the right to collective bargaining are essential for the full development of social dialogue, which in turn has a crucial role in promoting social justice, and the principles embodied in the UN Guiding Principles and the MNE Declaration.

Output 10. Support is provided to ILO constituents to respect, promote and realize fundamental principles and rights at work in supply chains, including through social dialogue at all levels

19. Actions relevant to fundamental principles and rights at work and social dialogue at all levels is cross-cutting across all means of actions and outputs in the strategy. Building on existing Office work including outputs 1, 6, 7, 8, 11 and 14, particular attention will be paid to ensuring respect in supply chains in law and practice of the enabling rights of freedom of association and the effective recognition of the right to collective bargaining. To strengthen sectoral, national and cross-border social dialogue, capacity-building activities will target national social partners, labour administrations and social dialogue institutions and mechanisms. Activities will support sound industrial relations, including through workplace cooperation and dispute prevention and resolution. Social dialogue at local, sectoral, national, regional and global levels will be critical to reduce fundamental principles and rights at work challenges and decent work deficits, including in export processing zones.

Research, knowledge and practical tools

20. The establishment of a robust evidence base on decent work in supply chains, anchored in integrated research, knowledge and practical tools, informed by constituents' needs and priorities and leveraging lessons learned from development cooperation programmes, will be instrumental in ensuring the ILO's leadership role on decent work in supply chains.
21. The research agenda will cut across all ILO means of action to ensure decent work in supply chains, will be aligned with the ILO's transformative agenda for gender equality in the world of work, and will capitalize on existing and new research partnerships with international and

multilateral organizations. It will identify ongoing research projects that feed into the building of a comprehensive knowledge base, and design new ones that respond to identified knowledge gaps. It will integrate the knowledge generated under other outputs in the strategy.

Output 11. A coordinated research agenda and new evidence and analysis on decent work in supply chains is developed and implemented

22. The Office will develop a coordinated research agenda on decent work in supply chains. It will include analyses of challenges, good practices, as well as root causes and drivers of decent work deficits at all levels and tiers in developing and developed countries, with particular attention to gender and other intersecting vulnerability factors. This will include analysis of the linkages between respect for fundamental principles and rights at work, functioning labour relations systems, wages, income and productivity, and trade and investment; and will include research on opportunities and challenges to advance decent work in specific sectors.
23. Research will focus on global, regional and bilateral trade and its impact on the realization of decent work in supply chains, building on assessments of the impact of trade opening on labour markets at the macro, sectoral and micro levels in terms of job creation, skill development, working terms and conditions, informality and the realization of labour rights, including fundamental principles and rights at work. Research will explore the role of trade and investment policy in promoting decent work, particularly labour provisions in trade and investment agreements. It will analyse opportunities and challenges for enterprises, including small and medium-sized enterprises, as a result of supply chains crises and disruptions deriving from trade shocks, technological change, digitalization and consolidation trends. Research will identify and analyse mechanisms for access to remedy and effective grievance mechanisms in supply chains, informing the work under output 9.

Output 12. Strengthened data collection approaches to measure decent work in supply chains are implemented

24. The collection of disaggregated data along supply chains, including by sex, is a critical element of the Office's research agenda. The Office will use innovative data generation approaches to map decent work at all tiers of supply chains, producing data on small and medium-sized enterprises and workers, including in the informal economy. The Office will explore the potential for such data to inform policymaking as well as increase transparency and consistency in human rights due diligence reporting.

Output 13. Knowledge, evidence and good practices on decent work in supply chains are widely shared and disseminated to constituents through ILO platforms, including the ILO Helpdesk

25. Building on outputs 3, 4 and 11, the Office will develop a systematic knowledge management plan to share good practices on decent work in supply chains. This will involve the strengthening of institutionalized mechanisms for sharing information through training, seminars and platforms facilitated by the ILO, including the Child Labour Platform, the Global Business Network on Forced Labour, the Labour Provisions in Trade Agreements Hub, the MNE Declaration web portal and the repository of knowledge on Cross-border Social Dialogue.
26. The Office will strengthen the ILO Helpdesk to provide technical advice and products to assist companies, and workers' and employers' organizations, to support human rights due diligence efforts, in line with the UN Guiding Principles and the MNE Declaration, including by providing

information on the outcomes of ILO supervisory procedures and country data and information on decent work in supply chains. Practical tools such as factsheets, case studies and good practices will be developed and made easily accessible through the Helpdesk. Good practices will also be shared through forums to facilitate peer learning, and South–South and triangular cooperation.

Output 14. Strategies and methodologies to strengthen labour inspection in supply chains are developed and easily accessible

27. Building on knowledge and data generated through outputs 11–12, the ILO will strengthen the capacity of labour administrations to formulate and use data driven and evidence-based strategies and methodologies to facilitate labour inspection in supply chains.

Development cooperation

28. The ILO will strengthen Office-wide coordination of development cooperation, including through the One ILO approach, supporting constituents to contribute through social dialogue to achieving decent work in supply chains. In particular, the AP/Supply Chains will strengthen the synergies between development cooperation and other means of action, as outlined in output 20. Country and sector-level interventions will be determined by national context and the specific needs and priorities of tripartite constituents in achieving decent work in supply chains. Interventions will use supply chains as an entry point to address constituent needs, including those specified in Decent Work Country Programmes and with respect to priority sectors.
29. Within outputs 19 and 20 below, the AP/Supply Chains will develop Office-wide policies and protocols to support coordination and accountability in development cooperation projects and will lead and guide resource mobilization, working closely with field and headquarters units to optimize the effective use of donor resources.

Output 15. Comprehensive guidance ensures Office-wide coordination and consistent design and implementation of development cooperation interventions

30. The guidance, including a theory of change, will facilitate consistent design and implementation of interventions to address constituents' priorities focusing on root causes, including supporting good governance and the transition to formality, all tiers of supply chains, the added-value of a sectoral approach, opportunities to expand South–South and triangular development cooperation, collective action, the state duty to protect and corporate responsibility to respect human rights and strengthening public institutions and building capacity of social partners. The guidance will ensure that all interventions take into account a gender-transformative approach. Priority entry points in supply chains will be defined and interventions sequenced accordingly, with social dialogue and fundamental principles and rights at work, including full respect for freedom of association and effective recognition of the right to collective bargaining in supply chains, at the centre. This output will ensure that development cooperation integrates all ILO means of action, including the promotion of international labour standards and the principles of the MNE Declaration through activities to strengthen the capacity of constituents.
31. Supply chain-focused development cooperation interventions will build on lessons learned through evaluations and integrate information from outputs 3, 6, 7, 11 and 12 and be attentive to producing knowledge, data and evidence to inform further means of action – and the complementary activities of Member States – beyond the specific interventions.

Policy coherence

32. The Office will promote policy coherence on decent work in supply chains across the UN system and among multilateral organizations, international financial institutions and other relevant partners working on decent work in supply chains, including those within the international trade architecture. Efforts will promote policies for fair and rules-based international trade that respects international labour standards, promotes fair wages and working conditions, and value addition along global supply chains as catalysts for economic growth and development and reducing income inequality between countries. The unique advantage of the ILO's tripartite structure and standards system will guide efforts to secure policy coherence across all actions.

Output 16. Policy coherence on decent work in supply chains is advanced through enhanced cooperation with multilateral and international financial institutions

33. The ILO's objective of achieving policy coherence on decent work in supply chains within the multilateral system and international financial institutions can also advance broader efforts at social justice. Existing engagement with other international organizations will be strengthened, and the ILO's leading role in forging the Global Coalition for Social Justice will provide new opportunities for policy engagement. The AP/Supply Chains will draw on the considerable capacity and expertise across the Office to coordinate the development of initiatives on supply chains that support policy coherence with other international organizations, including ILO-led workstreams within the Global Coalition for Social Justice.

Output 17. The capacity of ILO Member States to consider and implement labour provisions within trade and investment agreements is strengthened

34. The AP/Supply Chains will coordinate the alignment of all ILO means of action to provide, at the request of Member States, coherent advice in relation to labour provisions within trade agreements to support their effective implementation. Emphasis shall be placed on strengthening the capacity of constituents to develop and implement trade and investment policies that generate decent work and inclusive growth and support them in addressing governance gaps and ensuring compliance. The scope shall include regional and bilateral trade arrangements that may present opportunities to increase investment in national institutions that enable decent work. These activities may also provide opportunities to advance policy coherence within the framework of the Global Coalition for Social Justice.

Output 18. Materials are developed to promote international labour standards as the basis of human rights due diligence processes

35. Recognizing the importance of the principle of transparency and building on outputs 1, 3 and 11, the Office will develop materials for social auditors on international labour standards, including fundamental principles and rights at work, as the basis for human rights due diligence processes. The Office will consult tripartite constituents on the development of such materials and their potential to strengthen constituents' own capacity.

Part IV. Operationalization and sustainability

Ensuring effective coordination, coherence and capacity to deliver

36. The AP/Supply Chains has thematic oversight of the Office's policy and technical work on supply chains, taking a strong coordination role to ensure strategic design, coordinated resource

mobilization and implementation, monitoring, evaluation and dissemination of results. The AP/Supply Chains will coordinate, advise and support field and policy units in the implementation of the supply chain strategy, including with guidance and management tools, and will be the focal point for the Office's engagement with development partners on supply chains. This will include synthesizing lessons learned and facilitating knowledge-sharing. It will have responsibility for ensuring the cohesive implementation of all ILO means of action under the strategy.

Output 19. A coherent resource mobilization plan is developed and implemented

37. The AP/Supply Chains will have lead responsibility for the design and coordinated implementation of a resource mobilization strategy to finance the full implementation of the entire supply chain strategy, promoting an ambitious, holistic and comprehensive approach. Office-wide policies and protocols will support coordination and accountability. The AP/Supply Chains will work closely with field and headquarters units to optimize the resource mobilization opportunities and effective use of resources. A tripartite commitment to mobilize the necessary resources will be critical to ensure that the ILO provides its constituents with the necessary support and assistance. Efforts to mobilize resources for development cooperation will be integrated into this wider strategy.
38. Synergies between the four Action Programmes will enhance the overall goal of policy coherence. Policy on supply chains closely relates to just transitions as issues such as minimizing environmental impacts, energy efficiency, resource productivity, skills and the impact on decent work are critical for all sectors. Action on supply chains must pursue inclusive growth and employment opportunities for those categories of workers that are more vulnerable to discrimination and to decent work deficits. Micro, small and medium-sized enterprises may have less capacity to comply with national law, which can undermine safe working conditions, the transition to formality, and the ability to satisfy customer requirements related to due diligence. Emphasis will be placed on complementarity between the Action Programmes and how existing development cooperation programmes can align to support their implementation.
39. To ensure consistent messaging on decent work in supply chains, the AP/Supply Chains will develop and implement a communications strategy. It will build on the ILO's comparative advantage of its tripartite structure and international labour standards system and effectively disseminate the knowledge, evidence and good practices produced in the context of the overall strategy at the global, sectoral and country levels. It will target ILO development partners and international and multilateral organizations, including UN agencies and UN resident coordinators, international financial institutions, the media and the public.
40. The ILO will follow the recommended evaluation policy set out for all action programmes and will carry out an independent evaluation of the strategy in year 3 of implementation, as referenced in the decision point, aiming to assess constituents' views of the progress achieved and adjust accordingly. Concurrently, a monitoring and evaluation strategy setting out specific goals and targets for the strategy will be developed, building on existing efforts with ILOSTAT data. A broader impact assessment of the different components of the strategy, relying on mixed method approaches, will be designed and implemented.

Output 20. Standard Operating Procedures ensure all staff engaged in the coordinated implementation of the supply chain strategy have sufficient guidance and accountability in operational decision-making

41. The holistic and ambitious nature of the strategy necessitates innovation in working arrangements to enable the cross-Office collaboration required to deliver the priorities identified in the strategy. New modalities will support prompt, accountable decisions concerning the allocation of staff time to collaborative tasks. Management arrangements will ensure effective coordination in the Office's engagement with donors to mobilize resources for implementing the supply chains strategy. Since effective development and management of knowledge and policy products requires accountability for the systematic collection and analysis of data across the Organization, standard operating procedures will be developed at an early stage to ensure these critical areas of work are fully coordinated.

Phasing and resource considerations of the proposed strategy

42. The Office will dedicate resources to ensure effective Office-wide coordination in the implementation and oversight of the strategy, including all functions ascribed to the AP/Supply Chains.¹ The implementation of the strategy also assumes that staff from across the Office funded by existing resources, and whose work relates to supply chains, will commit time to ensure that outputs are developed and delivered in a fully coordinated and integrated manner. The table below includes resource considerations for each action area.
43. To ensure coherence of the strategy as a whole, the action areas have been designed to complement and build on one another. The phasing of the outputs is set out in the table below.

¹ See GB.347/PFA/1.

► Preliminary indicative phasing and resource implications of outputs

	2023	2024	2025	2026	2027
Action area 1: International labour standards					
Output 1	Targeted promotional work designed within existing ratification campaigns	Ongoing implementation			
Output 2	Tool created for SRM TWG and consideration of future standard-setting exercises	Ongoing use/implementation			
Output 3	Analysis of supervisory mechanisms' comments relevant to decent work in supply chains	Protocol developed to share information	Ongoing use/implementation		
Output 4	Terms of reference developed	Mapping and analysis of regulatory and non-regulatory initiatives completed	Meetings: exchange good practices and make use of bilateral and multilateral cooperation		
Output 5		Preparation/consultations on options for initiatives to complement international labour standards, including to address any gaps	Options presented for discussion by Governing Body		

RESOURCE CONSIDERATIONS

Resources will be committed by the Office to this action area within its constitutionally mandated standards-related work under the Programme and Budget. However, integrating the information from the supervisory mechanisms into other ILO work will require resources to gather the information and transform it into a useable format; and other outputs in this action area are particularly resource intensive including mapping and analysing initiatives addressing decent work deficits in supply chains, disseminating the information in a useful and sustainable way and engaging in meaningful exchanges with constituents to identify good practices.

Resource estimate range: US\$5,000,000–6,500,000

	2023	2024	2025	2026	2027
Action area 2: MNE Declaration					
Output 6	Guidance and standard operating procedures (SOPs) on promotion of MNE Declaration and national tripartite dialogues in supply chain activities	Ongoing implementation			
Output 7	Guidance and SOPs on home-host country dialogues and cooperation in supply chain activities	Ongoing implementation			
Output 8	Guidance and Office capacity-building on promoting company–union dialogue procedure		Ongoing implementation		
Output 9	Mapping and coordinating Office approach to support constituents and enterprises with respect to access to remedy in supply chains		Ongoing implementation		

RESOURCE CONSIDERATIONS

The Office dedicates significant resources to the promotion of the MNE Declaration. Mainstreaming the MNE Declaration into ILO development cooperation programmes will not require significant resources. The full costs of the outputs that aim to build the capacity of constituents to make better use of the MNE Declaration will depend on constituent demand and cannot be reliably estimated at this stage.

Resource estimate range: US\$1,500,000–2,000,000

Action area 3: Enabling rights

Output 10	Development and implementation of capacity-building initiatives for constituents on fundamental principles and rights at work	Ongoing implementation
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RESOURCE CONSIDERATIONS

The Office dedicates significant resources to the promotion and realization of fundamental principles and rights at work. Dedicated resources are anticipated to adapt and develop the approaches that will support constituents to realize enabling rights in supply chains. The full costs of providing this support will be determined by the extent of constituent demand and cannot be estimated at this stage.

Resource estimate range: US\$1,000,000-1,500,000

Action area 4: Research, knowledge and practical tools

Output 11	Development of integrated research agenda	Ongoing implementation of new research projects under the strategy and coordination of existing projects
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	2023	2024	2025	2026	2027
Output 12	Compilation of lessons learned from supply chain data collection processes		Expansion of supply chain data collection processes in selected countries		
Output 13	Development of knowledge management plan, strengthening of accessibility and ease of use of Helpdesk		Use of existing ILO knowledge and engagement platforms and hubs including the Helpdesk; series of ad-hoc events to facilitate peer learning, South-South and triangular cooperation; production of practical tools		
Output 14		Mapping of existing tools and needs assessment	Development of practical tools	Ongoing dissemination	

RESOURCE CONSIDERATIONS

In addition to the Office resources already dedicated to research in fields related to supply chains, other research, data collection and knowledge generation and establishment of knowledge management systems will be resource intensive and require collaboration with academic institutions and experts. Effective dissemination of knowledge, data and evidence to the appropriate audiences is also time-consuming and resource intensive.

Resource estimate range: US\$8,000,000–10,000,000

Action area 5: Development cooperation

Output 15	Development of guidance for development cooperation interventions	Ongoing coordination	Ongoing coordination		
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RESOURCE CONSIDERATIONS

The Office has a wide portfolio of Development Cooperation relating to decent work in supply chains and will make the resources available to ensure this means of action is implemented in a fully coordinated and coherent manner. The full cost of future development cooperation in the area of supply chains will be determined by the extent of constituent demand and cannot be estimated at this stage.

Resource estimate range: US\$1,000,000–2,000,000

Action area 6: Policy coherence

Output 16	Engagement with the multilateral system, including through the Global Coalition	Engagement with the multilateral system, including through the Global Coalition	Engagement with the multilateral system, including through the Global Coalition		
Output 17		Policy advice and capacity-building on labour provisions in trade and investment agreements	Ongoing implementation		
Output 18		Development of materials for social auditors on international labour standards, including the fundamental principles and rights at work, as the basis for human rights due diligence processes	Ongoing dissemination		

RESOURCE CONSIDERATIONS

The Office will make available resources to implement the outputs in this action area, most of which concern staff time. Developing targeted materials for specific audiences can be resource intensive and require expert external advice.

Resource estimate range: US\$1,000,000–1,500,000

	2023	2024	2025	2026	2027
Action area 7: Operationalization					
Output 19	Development of resource mobilization plan	Ongoing implementation			Ongoing implementation
Output 20	Development of Standard Operating Procedures				

RESOURCE CONSIDERATIONS

The Office will provide the resources to ensure effective operationalization of the strategy, the majority of which is staff time.

Resource estimate range: US\$1,000,000–1,500,000

► **Annex**

Linkages between the Strategy and the building blocks

The table below illustrates how the ILO Strategy for Achieving Decent Work in Supply Chains – as set out above – takes account of the building blocks for a comprehensive strategy on achieving decent work in supply chains, as adopted by the Tripartite Working Group on Options to Ensure Decent Work in Supply Chains (Geneva, 27 June–1 July 2022).

Text of the Building blocks as adopted by the Tripartite Working Group, June–July 2022	Corresponding references in the Supply Chain Strategy
<p>Preamble</p> <ol style="list-style-type: none"> 1. This document is the result of the discussions that followed the Tripartite Working Group on Options to Ensure Decent Work in Supply Chains (Tripartite Working Group). Following the decision of the Governing Body at its 341st Session, the aim of this discussion was to develop, with the assistance of the Office, the building blocks for a comprehensive strategy on achieving decent work in supply chains. 2. The Tripartite Working Group took into account in its discussions the Office’s “Gap analysis of ILO normative and non-normative measures to ensure decent work in supply chains”. 3. The following building blocks consist of four parts: the first reaffirms the ILO mandate, the second deals with the ILO’s commitments to action, the third sets out the means of action to ensure decent work in supply chains, and the fourth part ensures the sustainability of the strategy. 	<p>Equivalent text in paras 1–2</p>
<p>Part 1. Reaffirming mandate</p> <ol style="list-style-type: none"> 1. Reaffirming the International Labour Conference 2016 resolution and Conclusions concerning decent work in global supply chains, the Conclusions of the meetings of experts on cross-border social dialogue and on export processing zones and on the lessons learned from the programme of action adopted by the Governing Body. 2. Responding to the evolution of the world of work, the International Labour Conference has adopted the Centenary Declaration and a number of important conclusions with relevance to ensuring decent work in supply chains and Member States and social partners have taken further initiatives at national, regional and international levels. 3. Recognizing the unique role of the ILO with its tripartite structure, and its normative mandate, accompanied by other functions, such as its programmes and policies, to promote decent work, which equips the Organization to guide a globally relevant approach to enable its constituents to pursue decent work in supply chains, taking into account national context. 	<p>Incorporated into para. 1</p> <p>Incorporated into para. 2</p>
<p>Part 2. Commitment to action</p> <p>A shared commitment, taking into account the different and complementary roles and responsibilities of constituents, to:</p> <ol style="list-style-type: none"> 1. equip the ILO to take a leading role in ensuring decent work in supply chains by providing guidance and support to Member States and tripartite constituents; 	<p>Reflected in para. 3</p>

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2. use all available ILO means of action to ensure decent work in supply chains, recognizing the imperative of concerted ILO action in this regard; and
3. actively pursue social dialogue and promote, respect and realize the fundamental principles and rights at work, including full respect for freedom of association and effective recognition of the right to collective bargaining in supply chains.

Part 3. Means of action to ensure decent work in supply chains

A fully coordinated, ambitious, holistic, comprehensive ILO strategy that reflects a smart mix of national and international mandatory and voluntary measures to optimize the impact of the ILO's work to ensure decent work in supply chains, building on its tripartite structure and standards system and using all available ILO means of action.

Reflected in para. 5

A. International labour standards

1. Targeted promotion of the ratification and effective implementation in national law and practice of international labour standards relevant to decent work in supply chains with special attention to those underpinning fundamental principles and rights at work and the governance Conventions.
2. Where appropriate, take into account decent work in supply chains within the Organization's efforts to keep a clear, robust and up-to-date body of international labour standards, fit for purpose and responsive to new challenges in the world of work, both in the Standards Review Mechanism Tripartite Working Group and in future standard-setting exercises, combined with an authoritative and effective supervisory system.
3. Information from the work of the supervisory mechanisms with relevance to supply chains is taken into account in ILO technical and research work, and in turn their outcomes are brought to the attention of the supervisory mechanisms.
4. Mapping and analysis of regulatory and non-regulatory initiatives addressing decent work deficits in supply chains, subsequently facilitating meetings to exchange and assess best practices and make use of bilateral and multilateral cooperation.
5. Assess the impact and effectiveness of global, regional, and national regulatory initiatives and trends to protect human rights, in particular labour rights in supply chains to inform the development of the ILO approach regarding normative measures focused on addressing any gaps in international labour standards.
6. Assess new normative and non-normative measures and their possible impact to strengthen the state obligation to protect and the corporate responsibility to respect human rights, in particular labour rights in all levels of supply chains.
7. Further develop options for initiatives that complement the body of international labour standards to take into account the changing world of work, the challenges of cross-border supply chains, implementation gaps, and national circumstances, whether through new normative

Implemented through output 1

Implemented through output 2

Implemented through output 3

Implemented through output 4

Implemented through outputs 4 and 5

Implemented through output 4

Implemented through output 5

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<p>measures, the revisions of existing measures, or supplementary guidelines and tools.</p>	
<p>B. Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)</p>	<p>Implemented through output 6</p>
<p>Make better use of the MNE Declaration including by:</p>	
<p>1. facilitating national dialogues to address challenges at national level, to support employers' and workers' organizations to promote the principles of the Declaration and responsible business conduct through a variety of means, and to help companies understand how they can contribute to the realization of the principles in their operations;</p>	
<p>2. facilitating dialogues and cooperation between home and host countries of multinational enterprises to assist developing countries in implementing international labour standards to ensure decent work in supply chains in line with the MNE Declaration;</p>	<p>Implemented through output 7</p>
<p>3. supporting company–union dialogue and dialogue between home and host country governments;</p>	<p>Implemented through output 8</p>
<p>4. supporting governments and multinational as well as national enterprises to take appropriate steps to ensure access to effective remedy; and</p>	<p>Implemented through output 9</p>
<p>5. awareness-raising and capacity-building of tripartite constituents and enterprises with technical support at country level.</p>	<p>Implemented through outputs 6 and 9</p>
<p>C. Enabling rights</p>	<p>Implemented through output 10</p>
<p>Promote the respect and realization of the fundamental principles and rights at work, as well as the principles embodied in the UN Guiding Principles and the MNE Declaration, recognizing that freedom of association and collective bargaining are enabling rights and recognizing that social dialogue is at the heart of the ILO's mandate and that cross-border social dialogue is an essential aspect of it, and supporting social partners to engage in industrial relations and a broader social dialogue to reduce fundamental rights and decent work challenges and deficits, including in export processing zones.</p>	
<p>D. Research, knowledge, and practical tools</p>	<p>Implemented through output 11</p>
<p>1. Develop a coordinated research agenda on supply chains, including:</p> <ul style="list-style-type: none"> (a) analysis of challenges, best practices, as well as root causes and drivers of decent work deficits at all levels and tiers in developing and developed countries; (b) research on global, regional and bilateral trade and its impact on the realization of decent work in supply chains; (c) research on access to remedy and effective grievance mechanisms in supply chains; and (d) partnerships with international and multilateral organizations. 	
<p>2. Support states in collecting and analysing data to inform evidence-based policies to advance decent work in supply chains, for example, by addressing informality.</p>	<p>Implemented through output 12</p>

Text of the Building blocks as adopted by the Tripartite Working Group, June–July 2022	Corresponding references in the Supply Chain Strategy
3. Sharing of best practices, including through peer learning and South–South and triangular cooperation.	Implemented through output 13
4. Strengthen the ILO Helpdesk to assist companies as well as workers' and employers' organizations with regard to human rights due diligence processes, in line with the UN Guiding Principles and the MNE Declaration, and to provide information on the findings of the ILO supervisory system and country data and information on decent work in supply chains.	Implemented through output 13
5. Develop practical tools to strengthen the means of labour inspection in supply chains.	Implemented through output 14
E. Development cooperation	Implemented through output 15
Strengthen ILO coordination for development cooperation, including the “One ILO” approach, using supply chains as an entry point to address constituents' needs in Decent Work Country Programmes (DWCPs), including with respect to priority sectors, and focusing on:	
1. root causes of decent work deficits, including supporting good governance and the transition to formality;	
2. all tiers of supply chains, including small and medium-sized enterprises, and relationships between buyers and suppliers;	
3. the added value of a sectoral approach to address decent work deficits in specific sectors;	
4. opportunities to expand South–South and triangular development cooperation;	
5. collective action, and the state duty to protect and the corporate responsibility to respect human rights as outlined in the United Nations Guiding Principles on Business and Human Rights and the MNE Declaration;	
<ul style="list-style-type: none"> • strengthening the governance capacity of public institutions • building the capacity of the social partners • supporting enterprise and constituent engagement to promote decent work in supply chains; 	
6. coherent resource mobilization in support of ILO coordination for development cooperation, including the “One ILO” approach, with the full involvement of the social partners and in line with the constituents' needs and priorities and DWCPs.	Implemented through output 19
F. Policy coherence	Implemented through output 16
1. Actively engage with and achieve a leading role among multilateral, international financial, and other relevant organizations on decent work in supply chains, including those within the international trade architecture.	
2. Recognize the importance of the principle of transparency in human rights due diligence processes and offer training for social auditors on ILO standards and policies, including fundamental principles and rights at work.	Implemented through output 18
3. Support ILO Members regarding labour provisions in trade agreements.	Implemented through output 17

Text of the Building blocks as adopted by the Tripartite Working Group, June–July 2022	Corresponding references in the Supply Chain Strategy
<p>4. Promote fair and rules-based international trade that respects labour rights, promotes fair wages and working conditions, and value addition along global supply chains can be a catalyst for economic growth and development and contribute to reducing income inequality between countries.</p>	<p>Implemented through outputs 16, 17, and 18</p>
<p>Part 4. Ensuring sustainability of the strategy</p> <ol style="list-style-type: none"> 1. Tripartite commitment to mobilize the necessary resources to ensure that the ILO is equipped to provide Member States and employers' and workers' organizations with the necessary support and assistance. 2. Regular evaluation and impact assessment of the strategy. 3. Enhanced efforts to better communicate the ILO's engagement on decent work in supply chains. 4. Strengthen coordination in the ILO's work and research on supply chains – in the field as well as at headquarters. 	<p>Implemented through outputs 19 and 20</p>