



The MNE Declaration: Your gateway to understanding and implementing labour standards

What is the Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (known as the MNE Declaration)?

- ➔ ILO's international guide on enterprises and their interaction with labour and social policy issues.
- ➔ Voluntary instrument to promote good practice by enterprises.
- ➔ Practical instrument founded on ILO labour standards, which reflects good practice accepted internationally by employers, workers and governments.

What is the objective of the MNE Declaration?

Encourage the positive contribution that enterprises can make to economic and social progress

Minimise and resolve the difficulties associated with the activities and operations of multinational enterprises in relation to economic and social progress.

Why is the MNE Declaration necessary?

The MNE declaration was drawn in response to the global concern in the 1960s and 1970s about the growing economic and political influence of MNEs .

Globalization poses substantial benefits and risks. The actions of MNEs can contribute to these benefits and risks. The MNE Declaration places emphasis on the role MNEs can play in sustainable development, fair globalization and the achievement of decent work practices.

The MNE Declaration provides the most comprehensive framework for enterprises in relation to the labour dimension of CSR.

The MNE Declaration provides a framework of principles for responsible enterprise behaviour which is essential in times of economic crisis.

Does the Declaration only apply to the actions of MNEs?

The Declaration principles apply equally to MNEs and national enterprises. They reflect good practice for all.

How does the MNE Declaration fit with other international instruments that relate to CSR?

The MNE Declaration is the most comprehensive international instrument on the labour dimension of CSR. It is unique amongst international instruments because it was negotiated by governments and employers and workers representatives.

International agencies (UN, OECD, ISO) recognise ILO as the competent body to establish and monitor labour standards. The MNE Declaration is recognised by these organisations as a key instrument related to CSR.

What does the MNE Declaration ask enterprises to do?

The principles in the MNE Declaration are intended to guide governments, employer's organisations, trade unions and enterprises in relation to the behaviour of those enterprises.

Enterprises are asked to

General:

- ➔ Obey national laws and respect international standards
- ➔ Contribute to the realization of the fundamental principles and rights at work
 - Freedom of association and the effective recognition of the right to collective bargaining;
 - The elimination of all forms of forced or compulsory labour;
 - The effective abolition of child labour; and
 - The elimination of discrimination in respect of employment and occupation.
- ➔ Consult with government, employers' and workers' organizations to ensure that operations are consistent with national development priorities.

Employment:

- ➔ Endeavour to increase employment opportunities and standards, taking the employment policies and objectives of governments into account
- ➔ Give priority to the employment, occupational development, promotion and advancement of nationals of the host country
- ➔ Use technologies which generate employment, both directly and indirectly
- ➔ Build linkages with local enterprises

by sourcing local inputs, promoting the local processing of raw materials and local manufacturing of parts and equipment

- ➔ Extend equality of opportunity and treatment in employment
- ➔ Assume a leading role in promoting security of employment, providing reasonable notice of intended changes in operations and avoiding arbitrary dismissal.

Training:

- ➔ Provide training for all levels of employees to meet needs of enterprises as well as development policies of the country
- ➔ Participate in programs to encourage skill formation and development
- ➔ Afford opportunities within MNEs for local management to broaden their experience.

Conditions of work and life:

- ➔ Provide wages, benefits and conditions of work not less favourable than those offered by comparable employers in the country concerned
- ➔ Provide the best possible wages, benefits and conditions of work, within the framework of government policies, to meet basic needs of employees and their families
- ➔ Respect the minimum age for admission to employment
- ➔ Maintain highest standards of safety and health at work
- ➔ Examine the causes of industrial safety and health hazards, provide information on good practice observed in other countries, and effect necessary improvements.

Industrial Relations:

- ➔ Observe industrial relations no less favourable than those observed by comparable employers
- ➔ Respect freedom of association and the right to collective bargaining, providing the facilities and information required for meaningful negotiations
- ➔ Support representative employers' organizations
- ➔ Provide for regular consultation on matters of mutual concern;
- ➔ Examine the grievances of worker(s), pursuant to an appropriate procedure.

ILO Helpdesk
Multinational Enterprises Programme
International Labour Office
4, route des Morillons
1211 Geneva 22, Switzerland
Tel: +41.22.799.6264
Fax: +41.22.799.6354
assistance@ilo.org