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Policy Development Section

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**FOR INFORMATION**

### **Area of critical importance: The promotion of decent work in the rural economy**

**Summary:** This document provides additional information on the strategic orientation and focus areas of the area of critical importance on the promotion of decent work in the rural economy (2014–15), with a focus on the linkages with pertinent resolutions and conclusions of the International Labour Conference (ILC) as well as relevant decisions of the Governing Body.

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**Related documents:** GB.322/POL/2; GB.310/ESP/1; Resolution and conclusions on promoting rural employment for poverty reduction, International Labour Conference, 97th Session (Geneva, June 2008).



## I. Introduction

1. In November 2014, the Governing Body discussed the area of critical importance on the promotion of decent work in the rural economy (ACI 5), including its strategic orientation, focus areas, main deliverables, conclusions and results thus far.<sup>1</sup> The discussions demonstrated the breadth of support and commitment across the Government group for ACI 5 objectives and work. The Employers' group highlighted the need for clear alignment with pertinent resolutions and conclusions of the International Labour Conference (ILC) as well as relevant decisions of the Governing Body, whereas the Workers' group, while supporting selected ACI 5 priorities, emphasized the importance of keeping focus on issues where the ILO has comparative advantage.
2. In light of the request for further information on ACI 5 made by the Employers' and Workers' groups, this paper explains the linkages between the 2008 ILC resolution and conclusions on promoting rural employment for poverty reduction and the ACI's strategy and activities, highlighting how ACI 5 work adds value to the efforts of other UN agencies, funds and programmes active in the field of rural development.

## II. The 2008 ILC Resolution and conclusions on promoting rural employment for poverty reduction and ACI 5 strategy

3. Discussions at the 97th Session of the ILC in 2008 on rural employment culminated in a strong consensus among Governments, Employers and Workers on the need for a more prominent ILO presence in rural areas, mobilizing its entire Decent Work Agenda and Office-wide expertise while promoting active engagement of, and cooperation among, tripartite constituents and coordinating efforts with other intergovernmental agencies and development actors. The Resolution and conclusions on promoting rural employment for poverty reduction adopted by the 2008 ILC,<sup>2</sup> which were followed by a strategy entitled *Unleashing rural development through productive employment and decent work*,<sup>3</sup> endorsed by the Governing Body in March 2011, reaffirmed the commitment of the ILO to rural employment and decent work.
4. The scale and the multifaceted nature of the challenges faced by rural people called for a more integrated and longer-term ILO approach on the rural economy, one that could enhance the impact, visibility and sustainability of its interventions. In this context, *Decent work in the rural economy* was identified as one of the eight ACIs for priority action in 2014–15, which were designed to respond to the consensus among constituents on the need for prioritization, focus, critical mass and greater impact.
5. ACI 5's strategic orientation is guided by the 2008 ILC: *Conclusions on promoting rural employment for poverty reduction*. It reflects the priorities agreed to by the ILC, which encompass the four strategic pillars of the Decent Work Agenda, and is designed to advance work in accordance with the rural action plan outlined in the conclusions.
6. As highlighted in document GB.322/POL/2, the overall work under ACI 5 aims at: (i) enhancing the ILO knowledge base on decent work and productive employment in the rural economy; (ii) building the capacity of tripartite constituents to address decent work challenges and opportunities in rural areas; and (iii) fostering partnerships with relevant

<sup>1</sup> GB.322/POL/2.

<sup>2</sup> ILO: *Provisional Record No. 15*, International Labour Conference, 97th Session (Geneva, 2008).

<sup>3</sup> GB.310/ESP/1.

international organizations and development partners, while increasing the visibility of ILO's work on the promotion of decent work in the rural economy.

7. Given the limited resource availability, the selection of specific interventions required the setting of priorities, keeping in mind areas of work covered by the other ACIs. It was also guided by the potential to achieve results in a relatively short period of time and to generate knowledge that would facilitate efforts aimed at scaling up and replicating these strategies elsewhere. The selection of areas of focus was guided by the thematic clusters proposed by the *Unleashing rural development through productive employment and decent work* strategy which were strongly supported by the Governing Body in 2011. These included: rural-friendly agribusiness value chains; career guidance and relevant skills acquisition; rural tourism; food security; the social protection floor; labour standards rural coverage; and reaching and giving a voice to rural employers and workers.
8. Three interrelated priority themes have thus been established to guide the ACI's work in 2014–15: (i) decent work for disadvantaged, marginalized and vulnerable rural populations; (ii) decent work for rural workers in supply chains; and (iii) decent work on plantations. Specific interventions at global and country levels contribute to one or more thematic clusters.

### **III. Linkages between ACI 5 priorities and the 2008 ILC conclusions and action plan**

9. Synergies with other ACIs are clearly identified and built upon. ACI 5 emphasizes entrepreneurship and rural sustainable enterprise development in line with the ILC 2008 conclusions, which explicitly highlight the central role of enterprises in rural areas and the 2007 ILC conclusions concerning the promotion of sustainable enterprises. Skills, entrepreneurship and enterprise development are a key feature in most ACI 5 country-level initiatives. For example, in Sri Lanka, the project supports the development and implementation of a coherent programme for pro-poor, inclusive and gender-sensitive enterprise development in the hospitality and travel industry. In Indonesia's Nusa Tenggara Timur province, one of the three outcomes focuses on enhancing entrepreneurial capacity, employability and skills of local communities, paying particular attention to women and young people, to pursue opportunities or improve existing businesses in the selected value chains and related sectors of the local economy. In Lao People's Democratic Republic, programme activities include the design and delivery of rural skills and entrepreneurship training, based on local economic opportunities and training needs assessment, and labour intensive works. In Lebanon, ACI 5 activities contribute to building management skills for enterprises and cooperatives within the selected supply chain through targeted provision of business development services and improving working conditions and productivity in micro-, small and medium-sized enterprises (MSMEs) through the implementation of WISE (Work Improvement in Small Enterprises). In Mali and Niger, the ACI 5 initiative promotes employment creation and the building of resilient livelihoods through economic diversification, labour intensive works and the extension of social protection. Best practices and lessons learned from other relevant ILO initiatives are being incorporated into the learning process initiated within the framework of ACI 5. This, for instance, includes the production of new tools for career guidance and the promotion of entrepreneurship for youth in Senegal and Viet Nam.
10. The ACI 5 strategy acknowledges important barriers to ratification of international labour standards and to their implementation in rural areas. These issues are reflected in a policy guidance note on rights at work in the rural economy<sup>4</sup> and a number of country initiatives.

<sup>4</sup> ILO: "Rights at work in the rural economy", Policy Brief on the Promotion of Decent Work in the Rural Economy (Geneva, forthcoming).

For instance, in Latin America, the ILO published a study on minimum wage policy<sup>5</sup> and continues its policy-oriented work on labour law compliance and skills development, with a particular focus on the countries of the Southern Cone. Labour standards also form the focus of the stream of work on plantations, which is informed by a trends and development report, desk research and national surveys to be conducted in a selected number of countries for three commodities (banana, palm oil and tea). Survey questionnaires are based on the Plantations Convention, 1958 (No. 110), and cover such areas as recruitment and retention of migrant workers, wages, freedom of association and collective bargaining, forced labour, child labour, equality of opportunity and treatment, labour inspection, occupational safety and health, social security, etc. This work will not only allow the ILO to update its knowledge on the plantations sector but should also support efforts aimed at the promotion of the fundamental Conventions as well as other relevant ILO instruments such as the Safety and Health in Agriculture Convention, 2001 (No. 184); the Labour Inspection (Agriculture) Convention, 1969 (No. 129), and the Labour Inspection (Agriculture) Recommendation, 1969 (No. 133); and the Rural Workers' Organisations Convention, 1975 (No. 141), and the Rural Workers' Organisations Recommendation, 1975 (No. 149).

11. The promotion of social protection to all, including the rural poor, is the focus of the ACI 3 on creating and extending social protection floors. ACI 5 work on disadvantaged, marginalized and vulnerable rural populations and those facing multiple discriminations such as indigenous and tribal peoples, ethnic minorities and migrants, makes an important contribution. The two ACIs have jointly prepared a study on rural/urban health access deficits based on key indicators and legal coverage. As part of ACI 5 work on access to services, a study on recruitment and retention of teachers in rural areas is being carried out and a draft tool is being prepared. In addition, research is being carried out on the gender-differentiated impact of water in employment generation and the impact of employment policies in improving water supply and sanitation to support the World Water Development Report 2016.
12. On the issue of HIV and AIDS at the workplace, it is worth noting that many of the ILO's programmes on employment intensive investment in rural areas promote awareness and undertake specific training to build competence of both workers and employers on prevention and issues of discrimination and stigmatization.
13. The Office has been enhancing its data-collection system and tools in order to support national efforts to strengthen evidence-based policy making concerning rural employment and decent work in rural areas. A particular focus and important added value of this ACI is the development of a set of decent work indicators disaggregated by rural/urban areas. This includes the collection of relevant statistical data from official sources and its inclusion in the ILOSTAT database for public dissemination as well as the preparation of a report on best practices in statistical methods on rural/urban data collection. The Office is collaborating on data collection with the Food and Agriculture Organization (FAO) that also seeks to support constituents in monitoring decent work in rural areas and in agriculture.
14. Increasing the technical and institutional capacity of constituents is vital to the promotion of decent work in the rural economy and constitutes a key element in ACI 5 strategy. This is being done through country-level initiatives and discussions at subregional and national level on best practices and lessons learned, as well as the development and dissemination of knowledge products, tools and global training events. The Rural Development Academy, scheduled for October 2015, will present to the constituents a range of

<sup>5</sup> Andrés Marinakis (ed.): *Incumplimiento con el salario mínimo en América Latina. El peso de los factores económicos e institucionales*, ILO and FAO (Santiago, 2014).

integrated approaches, innovative tools and training packages on the promotion of decent work in the rural economy. Additional capacity development activities are being organized by ACTRAV and ACT/EMP within the framework of ACI 5.

#### **IV. Partnerships and the added value of ILO engagement in the rural economy**

- 15.** Given the ILO's limited capacity to respond to the huge challenges to realize decent work in the rural economy, it is vital to leverage resources and align policy through partnerships with key international organizations with a clear focus on comparative advantage. The ILO has continued strengthening synergies and joint work with all relevant stakeholders, including the World Bank, regional development banks, the FAO, the International Fund for Agricultural Development (IFAD), and the United Nations Development Programme (UNDP).
- 16.** The ILO continues to actively participate in the UN Secretary-General's High Level Task Force on Global Food Security (HLTF), supporting HLTF's initiatives in areas of the ILO's comparative advantage, thereby ensuring that employment and decent work dimensions feature solidly in HLTF's planning, advocacy and operational instruments. The ILO, UNDP and IFAD jointly co-lead the working group on rural productivity and incomes of the Zero Hunger Challenge initiative.
- 17.** ACI 5 contributed to the report to the G20 Development Working Group (DWG), *Opportunities for Economic Growth and Job Creation in relation to Food Security and Nutrition*, which identifies ways for the G20 to harness the economic opportunities for jobs and growth in implementing a strategic, evidence-based approach to managing long-term food security and nutrition with a focus on low-income countries.<sup>6</sup> One of the three pillars of the G20 Food Security and Nutrition Framework, endorsed by the G20 leaders in Brisbane in November 2014, is on "increasing incomes and quality jobs".<sup>7</sup>
- 18.** The ILO has been active in the work of the Committee on World Food Security (CFS) and participated in the development of the CFS Principles for Responsible Investment in Agriculture and Food Systems. In particular, Principle 2 (of the ten CFS Principles) highlights how responsible investments in agriculture and food systems – investments which inter alia respect fundamental principles and rights at work and promote other relevant labour standards, create new jobs and foster decent work through entrepreneurship and improved working conditions and incomes, promote social protection coverage and access to services – contribute to sustainable and inclusive economic development and the eradication of poverty. The 1998 ILO Declaration on Fundamental Principles and Rights at Work is referred to as one of the foundation documents for the CFS principles.<sup>8</sup>

Geneva, 11 February 2015

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<sup>6</sup> FAO and OECD et al.: *Opportunities for Economic Growth and Job Creation in relation to Food Security and Nutrition: Report to the G20 Development Working Group*, (Sept. 2014).

<sup>7</sup> G20 Leaders' Communiqué Brisbane Summit (Brisbane, Nov. 2014).

<sup>8</sup> CFS: Principles for Responsible Investment in Agriculture and Food Systems (Rome, Oct. 2014).