



SER



Promoting Workplace Compliance including in Global Supply Chains: The role of Economic and Social Councils and similar social dialogue institutions

Report on the International Conference convened by the International Labour Organization (ILO), the International Association of Economic and Social Councils and Similar Institutions (AICESIS), and the Social and Economic Council of the Netherlands (SER)

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Contents

1. Introduction	1
1.1. What is workplace compliance?	1
2. Workplace compliance including in global supply chains	2
2.1. Who is responsible for compliance in the workplace?	2
2.2. Duty to protect by the State and responsibility to respect by enterprises	4
2.3. Private compliance initiatives (PCIs)	5
2.3.1 What are PCIs?.....	5
2.3.2 Types of PCI.....	6
2.3.3 Scope of PCIs	7
2.3.4 Impact of PCIs.....	7
2.4. Examples of good practices	8
2.5. Roles of various stakeholders	9
2.5.1 Examples of international organizations promoting workplace compliance in global supply chains.....	11
3. Roles of ESC-SIs in workplace compliance including in global supply chains	12
3.1. Importance of national tripartite social dialogue in efforts to promote workplace compliance	12
3.2. Efforts by ESC-SIs to promote workplace compliance	14
3.3. Policy areas on which ESC-SIs are consulted	16
3.4. Activities to support workplace compliance	17
3.4.1 Special committees on workplace compliance or related topics.....	17
3.4.2 Activities to support implementation of workplace compliance policies	17
3.4.3 Key initiatives to promote workplace compliance	20
3.4.4 Attention to gender	21
3.4.5 Policies and guidelines discussed	22
3.4.6 Role of ESC-SIs in promoting workplace compliance in global supply chains	24
3.4.7 Collaboration among ESC-SIs and MNEs in efforts to promote CSR	27
4. Workplace compliance challenges and opportunities, including in global supply chains	29
4.1. Challenges	29
4.1.1 Lack of political will to develop a national preventive safety and health culture.....	30
4.1.2 Pressure to attract investment and the belief that promoting workplace compliance deters investment	30
4.1.3 Contraction of public expenditures and economic downturns.....	30
4.1.4 Large informal economies and significant informal employment	31
4.1.5 Inadequate labour management cooperation in the workplace	31

4.1.6 Inadequate or outdated legislation	32
4.1.7 The urgent need to identify hazards and assess occupational risks	32
4.1.8 Inadequate resources for labour inspectorates	32
4.1.9. Fragmentation of, and lack of institutional coordination among inspection regimes and other enforcement agencies	33
4.1.10 Lack of collaboration among labour inspectorate officials and employers and workers organizations	33
4.1.11 Other challenges	34
4.2. Opportunities	34
4.2.1 Good national practices	34
4.2.2 Good international practices	36
4.2.3 What can ILO and AICESIS do?.....	38
5. Conclusions and recommendations	43
ANNEX I.	48
ANNEX II.....	51
ANNEX III.....	56

List of abbreviations

ADB	Asian Development Bank
ACI	Area of critical importance
AICESIS	International Association of Economic and Social Councils and Similar Institutions
BSCI	Business Social Compliance Initiative
CSR	Corporate social responsibility
DWCP	Decent Work Country Programmes
EC	European Commission
EICC	Electronic Industry Citizenship Coalition
EITI	Extractive Industry Transparency Initiative
EPZ	Export processing zone
ESC-SI	Economic and Social Councils and Similar Institutions
ETI	Ethical Trading Initiative
FTZ	Free trade zone
ICSR	International corporate social responsibility
IFC	International Finance Corporation
IMF	International Monetary Fund
MNE	Multinational enterprise
MOU	Memorandum of understanding
OECD	Organisation for Economic Co-operation and Development
OEL	Occupational exposure limit
OSH	Occupational safety and health
PCI	Private compliance initiative
SEDEX	Supplier Ethical Data Exchange
SEZ	Special economic zone
SME	Small and medium-sized enterprise
UNGP	United Nations Guiding Principles on Business and Human Rights

1. Introduction

The AICESIS-ILO-SER International Conference, held in The Hague, Netherlands on 29 and 30 October 2015, brought together Economic and Social Councils and similar institutions (ESC-SIs) to discuss ways to promote workplace compliance including in global supply chains, the challenges and opportunities presented by workplace compliance, and the roles played in that connection by relevant stakeholders. Changes to labour markets resulting from globalization, information and communication technology developments and more flexible work practices are increasingly affecting workplace compliance – an issue that must be addressed both at the national level and by a wide range of international stakeholders, including multinationals, private compliance institutions and international governmental organizations. These and other stakeholders are finding ways to promote and entrench compliance in sourcing and production countries and, in that regard, ESC-SIs – a diverse group of institutions operating in many parts of the world – are ideally placed to find common ground and share good practices, including with the support of relevant international organizations. In that connection, AICESIS-ILO-SER International Conference participants adopted a key document, namely The Hague Declaration on the Promotion of Workplace Compliance by Economic and Social Councils and Similar Institutions (see Annex).

A worldwide survey of ESC-SIs was conducted to review the roles played and the challenges they faced in their efforts to promote workplace compliance including in global supply chains. The survey also provided many examples of the very diverse initiatives those institutions undertake to promote workplace compliance around the globe. The present report provides an overview of survey responses and relevant information presented at the Conference with a view to empowering ESC-SIs to address the challenges they face. The report also suggests areas in which there is scope for further engagement by ILO and AICESIS.

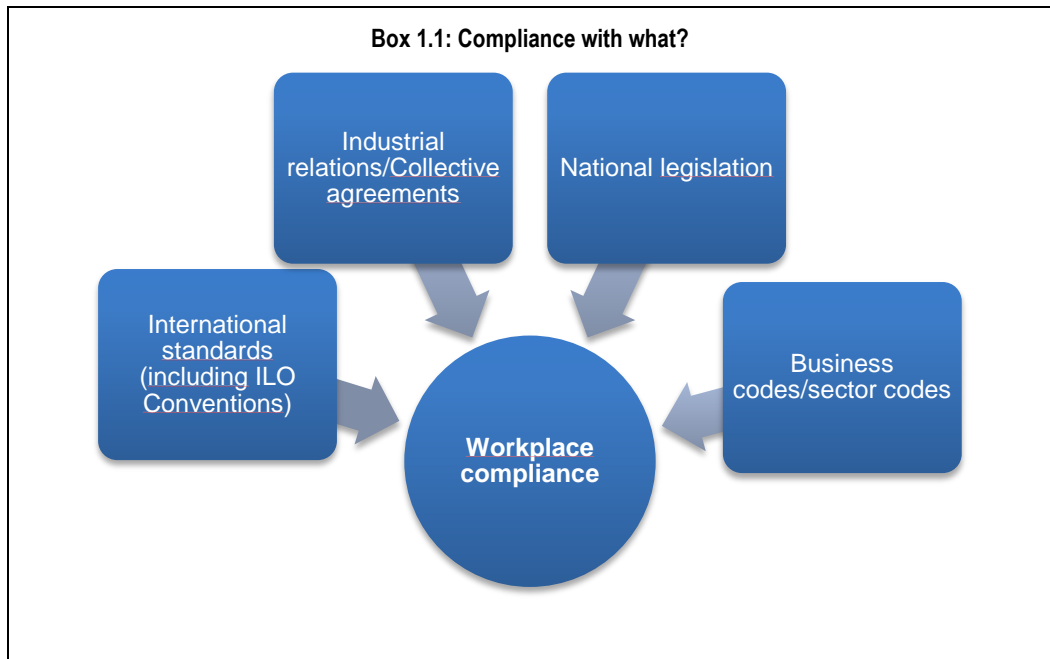
Strengthening workplace compliance through labour inspection is one of eight areas of critical importance (ACIs) included in the ILO Director General's Programme and Budget Proposals for 2014-15. It is also one of the ten policy outcomes included in the Programme and Budget Proposals for 2016-17. Workplace compliance is also closely related to the theme of the 2016 International Labour Conference, namely "Decent work in global supply chains".

1.1. What is workplace compliance?

The ESC-SIs defined workplace compliance as "respect of international labour standards and fundamental principles and rights at work, the enforcement of national legislations, the creation of an environment and culture of respect for the rule of law and international standards in preventing labour law violations through various mechanisms, including campaigns and the promotion of corporate social responsibility".¹

These regulations and standards are applicable to a wide range of issues, including occupational safety and health (OSH), wages, working time (including overtime), discrimination and harassment, maternity protection, employment contracts and paid leave, and the definition of decent work.

¹ The Hague Declaration on the Promotion of Workplace Compliance by Economic and Social Councils and Similar Institutions, 29 and 30 October, The Hague.



Workplace compliance is the concrete result that workers, employers and governments seek to achieve together through a set of strategies, actions and policies to improve working conditions, productivity, competitiveness and social development, whilst considering the diverse development levels of all countries.²

In The Hague Declaration, ESC-SIs underscored that they should give serious consideration in their working agendas and consultation processes to the promotion of workplace compliance, including in global supply chains. They also agreed that they should advocate for workplace compliance to be made a priority in national development agendas.³

Box 1.2: Definition of economic and social councils

Social and economic councils promote the democratic involvement of social partners and other civil society groups in the governance of public affairs. Such councils or other institutions seeking to promote national tripartite social dialogue have been established in some 80 per cent of ILO member States. When effective, these institutions enable tripartite partners to take high-level action to tackle economic and social challenges, thereby ensuring a certain degree of coordination and solidarity that cannot be achieved easily at lower decision-making levels.

2. Workplace compliance including in global supply chains

2.1. Who is responsible for compliance in the workplace?

International organizations, including ILO, have traditionally viewed public authorities as the stakeholders bearing primary responsibility for enforcing compliance with workplace standards. Furthermore, international law provides that States have a duty to

² Idem.

³ Idem.

protect against human rights abuses by non-State actors, including businesses, affecting persons within their territory or jurisdiction.⁴ In many States, the labour inspectorate is entrusted with responsibility for enforcing, promoting compliance with, and raising awareness of that State's labour laws.



Employers, including SMEs or MNEs, must comply with the laws and regulations of the countries in which they operate. They must also respect any contractual obligations entailing compliance with the codes of conduct of their business partners. The responsibility to respect human rights requires business enterprises, including multinational enterprises, to avoid causing or contributing to adverse human rights impacts through their own activities, and to seek to prevent and mitigate adverse human rights impacts that are directly linked to their operations, products or services by its business relationships.⁵ To fulfill that responsibility, business enterprises may participate in what are known as private compliance initiatives (PCIs).

ILO defines PCIs as private, voluntary mechanisms for monitoring compliance with established public (laws or regulations) or private (codes of conduct, etc.) standards. These self-monitoring mechanisms may operate in a number of ways, including through self-assessment (management systems), auditing (internal and external), certification and labelling, and public reporting.⁶ These will be discussed further in Chapter 3.

Furthermore, an important role is foreseen for social dialogue. Constructive and effective dialogue at the workplace and company levels, and positive industrial relations at the national and sectoral levels, can make a significant contribution in efforts to achieve workplace compliance. At the enterprise level, constructive dialogue can help identify priority issues, prevent conflict and improve compliance, while, at the national level,

⁴ Protect, Respect and Remedy: a Framework for Business and Human Rights, Human Rights Council, 2008.

⁵ United Nations Guiding Principles on Business and Human Rights, principle 13 and as described in the OECD Guidelines for Multinational Enterprises.

⁶ Labour inspection and private compliance initiatives: Trends and issues, ILO 2013. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---lab_admin/documents/meetingdocument/wcms_230798.pdf [accessed 17 February 2016].

collaboration between social partners is a key prerequisite for establishing policy frameworks and activities to promote compliance and raise awareness of its importance. Laws and regulations adopted with tripartite consensus are more likely to be implemented at the workplace level. At the sectoral level, efforts to promote compliance should be tailored to address the challenges faced by specific industries, and must incorporate input from both workers' and employers' organizations.

2.2. Duty to protect by the State and responsibility to respect by enterprises

Each legally distinct corporate entity is subject to the laws of the countries in which it is based and operates. Yet States, particularly certain developing countries, may lack the institutional capacity to enforce national laws and regulations flouted by transnational firms operating in their country, even when the will is there, or they may feel constrained from doing so by having to compete internationally for investment. Home States of transnational firms may be reluctant to regulate against overseas harm by those firms because the permissible scope of national regulation with extraterritorial effect remains poorly understood, or out of concern that those firms might lose investment opportunities or relocate their headquarters. To attract investments and promote exports, governments may exempt national firms from certain legal and regulatory requirements or fail to adopt such standards in the first place.⁷ This has led to a governance gap in efforts to ensure workplace compliance in global supply chains.

To address this governance gap, the United Nations Guiding Principles on Business and Human Rights was unanimously endorsed by the Human Rights Council in 2011. The Principles build upon the "Protect, Respect and Remedy" Framework for business and human rights. This Framework consists of three core principles:⁸



States have a duty to protect against human rights abuses, including labour rights, perpetrated by third parties, including business enterprises, by implementing appropriate policies and regulations and by making use of appropriate adjudication mechanisms.

⁷ Protect, Respect and Remedy: a Framework for Business and Human Rights, Human Rights Council, 2008.

⁸ Idem.

Companies, regardless of their size or location, have a corporate responsibility to respect human rights, including labour rights, meaning that they should avoid infringing on the rights of others. This responsibility includes a requirement to carry out human rights due diligence to identify, prevent and mitigate actual and potential adverse impacts and account for how enterprises address their impacts on human rights. This due diligence should address adverse human rights impacts that business enterprises may cause or contribute to through their own activities, or which may be directly linked to their operations, products or services as a result of their business relationships (including through their participation in global supply chains).⁹ The third core principle of the Framework is to ensure that victims enjoy access to effective judicial and non-judicial remedies and to appropriate grievance and dispute settlement mechanisms.

Companies are expected to obey the law, even if it is not enforced, and to respect the principles of relevant international instruments where national law is absent.¹⁰

Increasingly, civil society and the media are holding companies and employers accountable for infringements on human rights worldwide, including labour rights, far down their supply chains. Intergovernmental organizations have adopted instruments, including the OECD Guidelines for Multinational Enterprises. Furthermore, business organizations and individual companies are themselves developing guidelines and making commitments. Indeed, much has changed since 1977 when the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (The MNE Declaration) was adopted to encourage enterprises to make a positive contribution to socio-economic development and mitigate and resolve any negative impacts of their activities.

2.3. Private compliance initiatives (PCIs)

2.3.1 What are PCIs?

As part of their responsibility to respect, companies have increasingly accepted responsibility for compliance, including in their supply chains. Many have established voluntary monitoring mechanisms to promote compliance by all entities that comprise their business enterprises, as well as by their business partners, with the commitments of those enterprises. These so-called private compliance initiatives (PCIs) have been established in every region of the world and across a wide range of economic sectors. They were first established in labour-intensive productive sectors in countries, particularly in the developing world, that lacked effective labour law compliance mechanisms that could provide assurances to reputation-sensitive global enterprises. In the last decade, corporate social responsibility-driven PCIs have expanded the scope of their activities and, with varying degrees of success, States have taken action to

⁹ UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises.

¹⁰ International Organisation of Employers, International Chamber of Commerce, Business and Industry Advisory Committee to OECD, Business and Human Rights: The Role of Government in Weak Governance Zones, para. 15, December 2006.

strengthen their labour administrations and inspectorates to complement those voluntary initiatives.¹¹

All PCIs must, first and foremost, establish standards against which enterprise performance can be measured. These are often based on the standards invoked by the ILO Declaration on Fundamental Principles and Rights at Work and, moreover, usually require business enterprises and their suppliers to comply with national laws.

2.3.2 Types of PCI

As is the case with public labour inspection regimes, with which they have much in common, PCIs adopt methodologies to ensure compliance with established standards. These methodologies include the following:¹²

- ***Self-assessment (management systems)***: to entrench the commitments they have made in their policies and activities, companies establish management and control systems to ensure that business entities can achieve their objectives, including compliance with public or private (as well as national or international) workplace norms. When acting as a buyer, a company may require its suppliers to carry out a self-assessment and provide assurances that they are complying with legal standards. This can be carried out by an individual company on its own or by participating in a sectorial initiative that is relevant to the business entity in question. The Electronics Industry Citizenship Coalition (EICC), for example, requires suppliers to conduct self-assessments prior to engaging in any other activity.
- ***Auditing – Internal and external***: This requires the collection, analysis, and reporting of data on compliance indicators to ensure that established standards are being met. Auditing initiatives use verifiable data to ascertain whether or not compliance has been achieved. Business enterprises can empower their own employees to conduct an internal self-audit or may hire external professional services or another company to conduct an external audit. International buyers can, moreover, require their suppliers to undergo an external audit to verify their compliance.
- ***Certification and labelling***: Certification confirms an enterprise's achievement of benchmark standards. Although certification is often the end result of an audit, the methods used to ascertain whether or not standards are being met are not a critical component of certification regimes.¹³ A well-known example is fair trade certification, which includes compliance with ILO Conventions.
- ***Other approaches***: Certain corporate social responsibility (CSR) initiatives employ other mechanisms to verify compliance. These are often used in combination with the methodologies outlined above. The Ethical Trading Initiative (ETI), for example, promotes compliance among its membership and the sharing of good practices, with the threat of disciplinary action, refusal to

¹¹ Labour inspection and private compliance initiatives: Trends and issues, ILO, 2013. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---lab_admin/documents/meetingdocument/wcms_230798.pdf [accessed 21 February 2016].

¹² Idem.

¹³ Idem.

approve membership and expulsion from the organization in the event of non-compliance.¹⁴

- ***Due diligence and impact assessments:*** this relatively new approach includes a human rights impact assessment, as required under the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Due diligence is, in fact, a system of management. In that regard, companies are now assessing how their operations affect the human rights of their stakeholders, including workers and their representative organizations. An assessment should be a consultative process that involves all relevant stakeholders. Nestlé, for example, has conducted human rights compliance assessments in several countries.¹⁵ Raising awareness of, tracking the effectiveness of, and acting on the findings of assessments are also key steps in the due diligence process.
- ***Reporting:*** Faced with growing pressure from external stakeholders and in order to comply with governmental non-financial reporting requirements, many companies now conduct assessments of their impacts when reporting on their performance.

2.3.3 Scope of PCIs

PCIs are most common when gaps in workplace compliance occur in tandem with the perception by private enterprises that their reputations are potentially at risk.¹⁶ Such PCIs tend to focus on compliance issues within specific companies, sectors or supply chains, and are unlikely to promote broader labour market compliance.

In Europe and North America, self-assessment- and public reporting-type PCIs are more common than in other global regions. Companies headquartered in European and North American countries, and those countries' Governments have often provided strong support to CSR initiatives and their associated PCI mechanisms. Furthermore, as a matter of policy, the European Commission promotes CSR in its external policies.¹⁷ Many PCIs have, moreover, been established in countries where European and North American companies have outsourced their activities.

2.3.4 Impact of PCIs

To date, no in-depth assessments of the impact of PCIs on working conditions have been conducted. There is, however, ample evidence to conclude that they have a number of

¹⁴ <http://www.ethicaltrade.org/faqs> [accessed 21 February 2016].

¹⁵ <http://www.nestle.com/csv/human-rights-compliance/human-rights>

¹⁶ International Trade Centre: When do private standards work? International Trade Centre, 2012. Available at: http://www.intracen.org/uploadedFiles/intracenorg/Content/Policy_Makers/Articles/When%20do%20Private%20Standards%20Work%20-%20Part%20IV%20for%20web.pdf [accessed 17 Feb. 2016].

¹⁷ For example, Directive 2014/95/EU on disclosure of non-financial and diversity information by certain large undertakings and groups. Available at: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0095> [accessed 17 February 2016].

positive impacts, particularly with regard to improvements in health and safety, reducing unreasonable hours of overtime, and the payment of minimum wages. Impacts appear to be weaker with respect to issues based on rights and equity, such as freedom of association and gender equality. Furthermore, the most recent evidence available confirms that it is usually workers with permanent contracts, rather than temporary, seasonal, home-based and other workers in precarious working arrangements, who experience the greatest improvements in their situations.¹⁸

Reasons for this limited success:¹⁹

- Power relations are not as straightforward as the private compliance model assumes (the buyer is not always in a position to force its supplier to improve)
- Root causes of the problems are not always identifiable using the audit model
- The expertise required to identify concrete problems is often too costly
- Working conditions are affected by a range of factors, including late arrivals of key inputs and materials and delayed orders from buyers, that are not addressed in the audit model
- Lack of transparency and cooperation by factory management
- Studies show that regulatory compliance by companies does not occur because they are forced to, but because they have been assisted and educated

It is possible that similar conclusions will be reached for public compliance initiatives.

2.4. Examples of good practices

Box 2.3: INDITEX and INDUSTRIALL

Inditex is one of the largest fashion retail groups in the world with eight brands and over 6,700 stores in 88 markets. Although a high proportion of production takes place in Spain, the group also works with suppliers located in Asia, Africa and America. They perform some 2000 audits per year to check compliance against a code of conduct. Through the Global Framework Agreement with IndusriALL, the industry's international association of unions, the group seeks to empower workers and ensure they are aware of their rights.

Source: Information provided at the AICESIS-ILO-SER International Conference, 29-30 October 2015

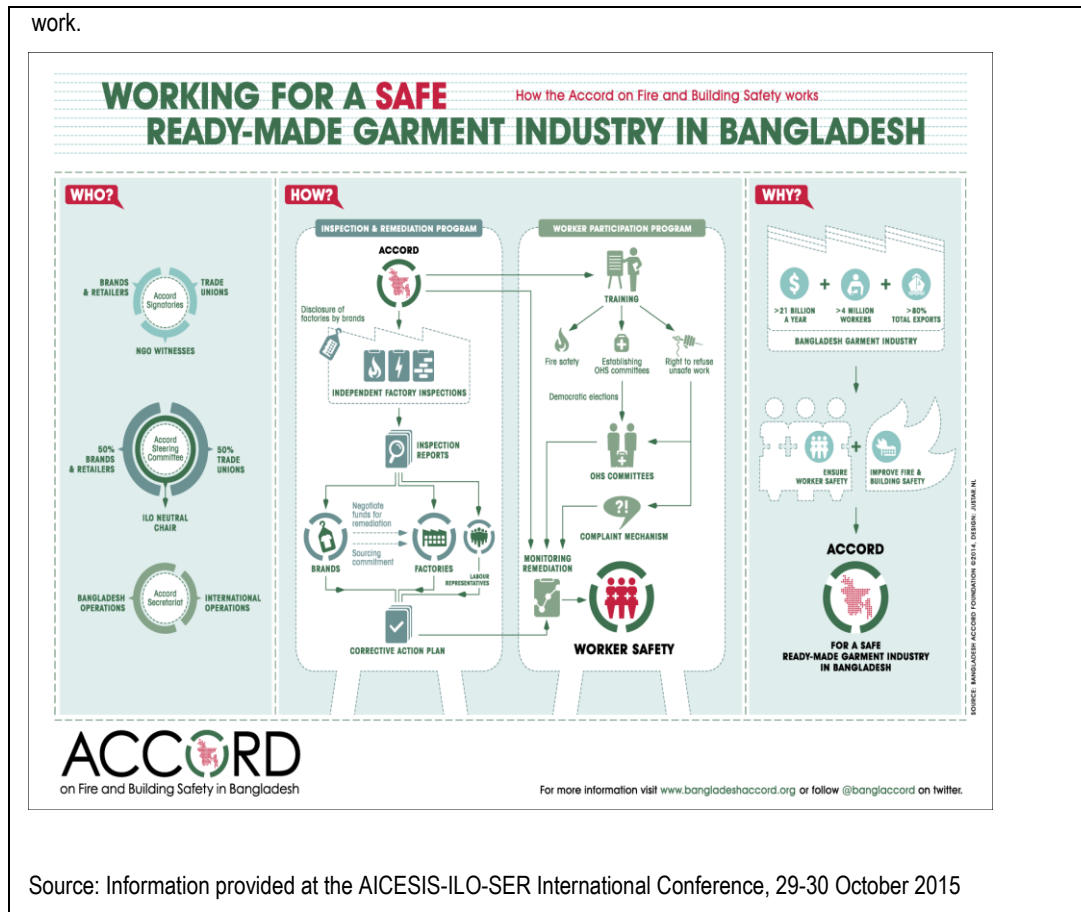
Box 2.4: Accord on Fire and Building Safety in Bangladesh

The Accord is an independent, legally-binding agreement between garment retailers, brands and trade unions that was adopted with a view to promoting a safe and healthy Bangladeshi ready-made garment Industry. The Accord provides for independent inspections with input from workers, public disclosure of all factories, inspection reports and corrective action plans, a commitment by signatory brands that they will ensure sufficient funds are available for remediation and that they will continue sourcing from Bangladesh, the establishment of joint workers-management safety and health committees in all factories, and worker empowerment through the provision of training, the establishment of complaints mechanisms and respect for their right to refuse unsafe

¹⁸ Private Sector voluntary initiatives on labour standards, Ergon Associates, 2013.

¹⁹ The Promise and Limits of Private Power: Promoting Labor Standards in a Global Economy, Richard M. Locke, 2013.

work.



Source: Information provided at the AICESIS-ILO-SER International Conference, 29-30 October 2015

2.5. Roles of various stakeholders

Efforts must be made to address gaps in governance, which constitute a key factor undermining workplace compliance. Individual actions, whether by States or business enterprises, may, however, prove insufficient to address complex workplace compliance issues. Multi-pronged and coordinated approaches are therefore needed. Incremental improvements should result from enhanced cooperation between relevant stakeholders. The following is a list of relevant public and private sector actors and their roles:

- **National governments** – formulating national laws and regulations.
- **National trade unions** – representing workers in consultations regarding laws and regulations, providing feedback and training on the effective application of laws and regulations, and educating workers about their rights. National trade unions also provide assistance, guidance and legal support to union members dealing with cases of non-compliance in the workplace.
- **International unions** – organizing awareness raising campaigns and training sessions for union members and representatives of civil society, acting as watchdog organizations and as key interlocutors in dialogue with multinational enterprises on global compliance.
- **Global union federations (sectoral)** – negotiating international framework agreements with MNEs, which often address workplace compliance, including in MNE supply chains.
- **Workers in the workplace** – raising concerns at work, using established complaints mechanisms to notify management and/or labour inspectorates of cases of non-compliance.

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- **Employers' organizations** – representing private enterprises in consultations on laws and regulations, training members on the importance of compliance and how it can be assessed.
 - **Employers and managers** – upholding legal obligations, collective agreements, codes of conduct, etc.
 - **Multinational enterprises** – managing global supply chains. Increasingly, MNEs require their subsidiaries and offices, as well as their business partners, to comply with national law and international labour standards. These commitments and requirements are often enshrined in corporate codes of conduct or set forth in the terms offered to suppliers.
 - **ESCs** – bringing together employers' and workers' representatives, as well as representatives from civil society and government to build consensus on compliance related issues.
 - **National labour inspectorates** – carrying out awareness raising activities among relevant stakeholders and adopting preventive and enforcement measures with a view to upholding workplace legislation.²⁰
 - **Private standard-setting organizations** – these include the International Organization for Standardization (ISO) and its subsidiary national standards organizations.
 - **Industry (single and multiple) bodies** – working with PCIs to formulate and adopt standards. Although these bodies rarely work with other stakeholders in this area, the Business Social Compliance Initiative (BSCI), Supplier Ethical Data Exchange (SEDEX) and other initiatives suggest that such interaction is becoming more widespread.²¹
 - **Auditors** – monitoring compliance with established standards.
 - **Business partners of enterprises (e.g. buyers)** – ensuring that standards adopted by private sector entities are complied with throughout their supply chains, addressing cases of non-compliance and providing assurances that standards are being met.
 - **Civil society organizations** – advocating for and supporting compliance at the global level and serving as watchdog organizations.
 - **Multi-stakeholder groups** – setting and monitoring standards. Multi-stakeholder groups comprise a wide range of actors, including consumer groups, workers' organizations, trade unions and campaign groups, such as the Ethical Trading Initiative, Fair Labor Association and the Fair Wear Foundation.
 - **Regional groupings** – harmonizing labour administration systems and training modules on labour inspection. The West African Economic and Monetary Union (UEMOA) is one such regional grouping.
 - **International organizations** – promoting the incorporation of standards and PCIs in business enterprise operations. These organizations include the United Nations, acting in particular through the UN Global Compact, OECD and international financial institutions.
 - **ILO** – establishing workplace compliance standards and providing technical support for workplace compliance enforcement.

²⁰ What is labour inspection?, ILO, Available at: http://www.ilo.org/wcmsp5/groups/public/@ed_dialogue/@lab_admin/documents/instructionalmaterial/wcms_141403.pdf [accessed 17 Feb. 2016].

²¹ Labour inspection and private compliance initiatives: Trends and issues, ILO 2013 http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---lab_admin/documents/meetingdocument/wcms_230798.pdf [accessed 17 February 2016].

2.5.1 Examples of international organizations promoting workplace compliance in global supply chains

Box 2.5: Examples of international organizations in the promotion of good practices

The International Labour Organization

The growth of production and global supply chains is an undeniable trend, and a topic which has grown increasingly relevant as our societies advance in a world of globalization and technological change. Yet decent work must remain at the heart of this change, as underscored in the recently adopted Sustainable Development Goals, which call for “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”. ILO provides technical support and policy advice to its tripartite constituents in several areas of technical expertise and has identified strengthening workplace compliance through labour inspection as one of the areas of critical importance for the organization. ILO also views workplace compliance as a development tool in that it fosters safe, healthy and productive working environments where fundamental principles and rights at work are respected. This benefits workers, employers and society as a whole.

The OECD

The OECD Guidelines for Multinational Enterprises (MNEs) are a comprehensive set of guidelines for responsible business conduct; adopted in 1976 and updated in 2011, the Guidelines cover all areas of business ethics and all sectors of the economy. They are non-binding for businesses, but a binding element exists for participating governments, which is enforced through a specific implementation and complaint mechanism involving national contact points. Risk-based due diligence is the main tool to identify, prevent and mitigate risk. The Guidelines aim to provide clear, practical guidance for companies to ensure they do not contribute to conflict or abuses of human rights, damage the environment or promote corruption. The Guidelines strengthen due diligence mechanisms and aim to promote responsible trade.

The World Bank Group

The World Bank Group seeks, inter alia, to promote standards in global value chains and to impede “race to the bottom” scenarios by mitigating the concerns of countries competing at the lower end of value chains. The World Bank Group has been engaged in this area since it provided initial support to Bangladesh in 1972. Bangladesh plays a key role in the global apparel market and the World Bank has adopted a multi-pronged, participatory approach with the aim of enhancing standards in the apparel industry.

UN Global Compact

The UN Global Compact labour principles are derived from the ILO Declaration on Fundamental Principles and Rights at Work. There is, however, an important difference between the two: while the labour principles are of direct relevance to companies, the ILO Declaration provides guidelines for social partners worldwide. The UN Global Compact Human Rights and Labour Working Group, which provides guidance on labour principles, brings together businesses, civil society, trade unions, academics and UN agencies. Through the Working Group, the UN Global Compact identifies and promotes good practices on a range of business and human rights topics by providing resources such as guidance documents, holding webinars, and supporting collective action initiatives. It also provides succinct guidance for companies through the ‘Business Call to Action’ initiative. UN Global Compact local networks operate in 80 countries. Frequently working in collaboration with ILO, they are an integral part of efforts to promote workplace compliance around the globe. Furthermore, an annual UN forum on business and human rights is held to enhance coherence between stakeholders working in this area.

Source: Information provided at the AICESIS-ILO-SER International Conference, 29-30 October 2015

3. Roles of ESC-SIs in workplace compliance including in global supply chains

This chapter examines the current and potential role that Economic and Social Councils and Similar Institutions can play in the promotion of workplace compliance at the national level. It also discusses ways to leverage the role of multinational enterprises to promote workplace compliance and decent work for all, including in global supply chains.

A total of 85 ESC-SIs were asked to respond to a questionnaire, with a view to providing input for a background paper to serve as a basis for discussions at the AICESIS-ILO-SER International Conference. Thirty countries completed the questionnaire, although not all responses were based on a tripartite consensus.²² Brazil and Lebanon stated that they were unable to submit responses because of their domestic political situations. Belgium and Luxembourg stated that they were unable to complete the questionnaire as they were not currently addressing the topics it covered. It is possible that this was the case for other countries.

Table 3.1. Geographical response

Geographical region	Total no. of respondents	% of total received
Americas	4	13
Europe and Central Asia	11	37
Africa	9	30
Arab States	1	3
Asia and Pacific	5	17
Total	30	100

3.1. Importance of national tripartite social dialogue in efforts to promote workplace compliance

Social dialogue is defined by ILO to include all types of negotiation, consultation or information exchange between or among representatives of governments, employers and workers on issues of common interest relating to economic and social policy.²³ Social dialogue can be an effective instrument for enhancing working conditions in the workplace and can take place at the enterprise, sectoral, national and even international levels. ESC-SI-sponsored dialogue is a tool that can promote national social harmony.

As of 2012, approximately 139 ILO member States had established an ESC-SI, and more than 95 per cent of those States had ratified the ILO Tripartite Consultation (International

²² Colombia was unable to reach tripartite consensus and submitted several versions of its completed questionnaire; the present report is based on the questionnaire submitted by Colombian Government. Mongolia submitted a questionnaire that had been completed by Mongolia's employers' organization.

²³ Social dialogue – Finding a common voice, ILO. Available at: <http://www.ilo.org/public/english/dialogue/download/brochure.pdf> [accessed 17 February 2016].

Labour Standards) Convention, 1976 (No. 144).²⁴ Since 2013, a number of other States have taken action to create a framework for national tripartite social dialogue with a view to enhancing participatory labour market governance.

National tripartite social dialogue brings together government actors, workers and employers to discuss public policies, laws and decisions that affect social partners. Tripartite consultations can enhance cooperation among tripartite partners and build consensus on relevant national policies. Social dialogue is not an outcome in itself, but a key tool and process to promote and achieve decent work, inclusive development and social cohesion, and strengthen good governance.²⁵ It can be applied in various ways to a range of issues from the enforcement of workplace compliance to the formulation of labour standards.

The following factors are particularly important for effective national tripartite social dialogue:²⁶

- Democratic foundations and freedom of association
- Strong, legitimate, independent and representative workers' and employers' organizations
- Political will, a sense of responsibility and the commitment of all parties to engage in social dialogue
- Appropriate institutional support
- Practice and experience.

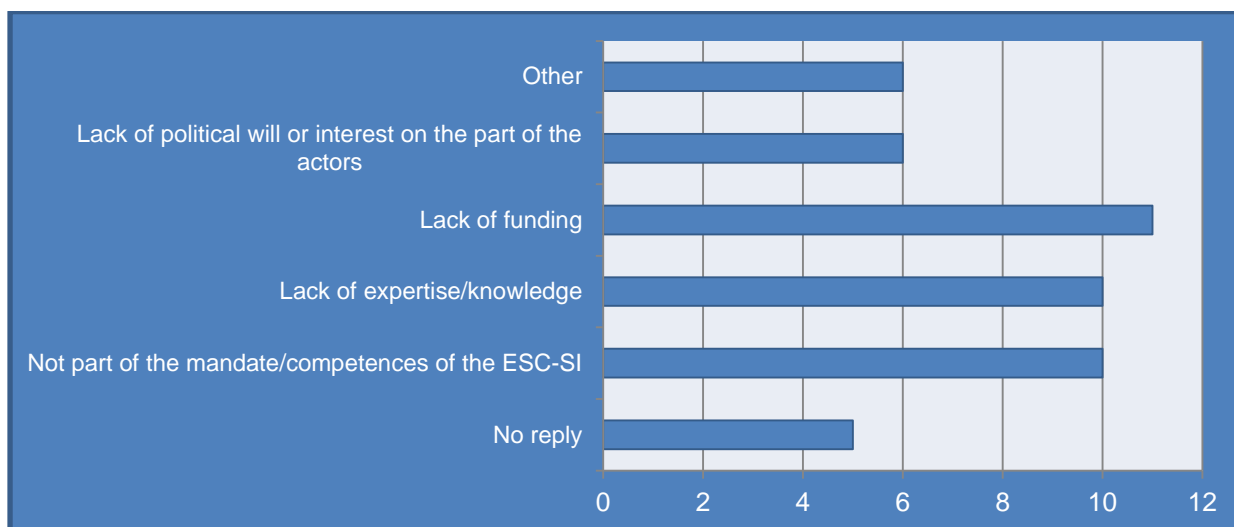
The ESC-SIs identified the following as key obstacles that can impede social dialogue:

²⁴ Social dialogue: recurrent discussion under the ILO Declaration on social justice for a fair globalization, Report IV. International Labour Conference, 102nd Session, ILO, 2013.

²⁵ National Tripartite Social Dialogue, an ILO guide for improved governance, 2013.

²⁶ Idem.

Figure 3.1. Other requests made during the Conference included the following:



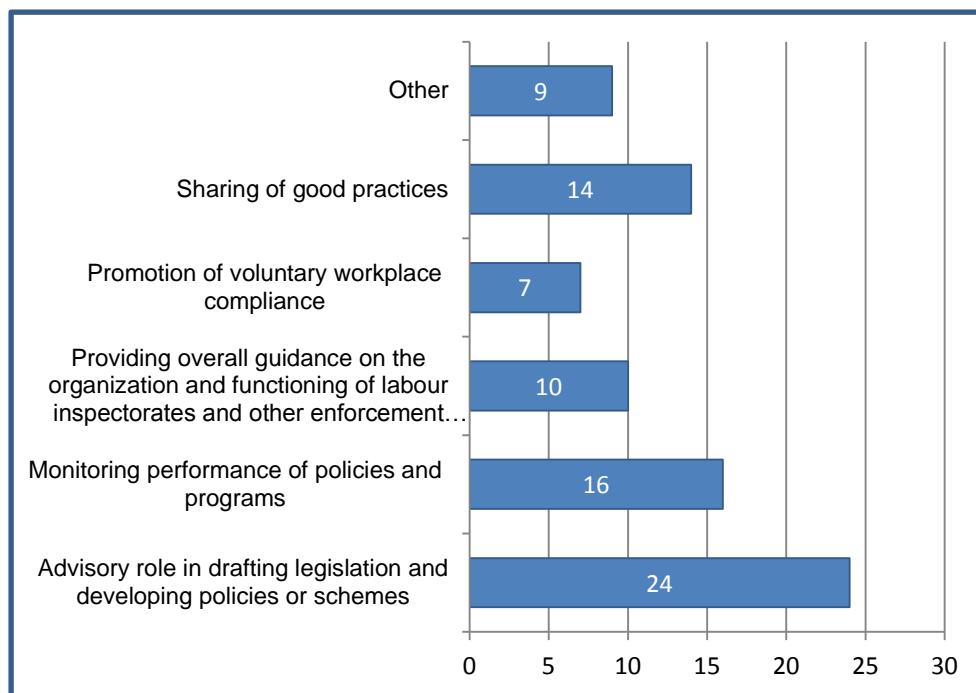
3.2. Efforts by ESC-SIs to promote workplace compliance

Some 90 per cent of ESC-SIs stated that they believed that promoting workplace compliance constituted part of their mandate. Three countries that had not yet taken action to promote workplace compliance indicated that their role was only to provide advice on legislation when asked to do so (**Israel, Mauritius and Romania**). Those countries believed, however, that they could formulate opinions on issues relating to working conditions and the protection of workers when asked. The distinction between their advisory role on legislation and promoting workplace compliance was therefore not always clear and, even when not specified as a distinct ESC-SI policy area, they may, in practice, address workplace compliance in consultations.

The response rate for the 2015 survey stood at 30 per cent, which was lower than for the previous year's survey (40 to 50 per cent). This decrease may have resulted from the fact that workplace compliance, especially with regard to global supply chains, falls outside the usual policy and consultation areas of most ESC-SIs. The 2015 AICESIS-ILO-SER International Conference endeavoured, inter alia, to explore the link between national tripartite social dialogue and workplace compliance and ways to empower ESC-SIs to promote compliance effectively to promote development

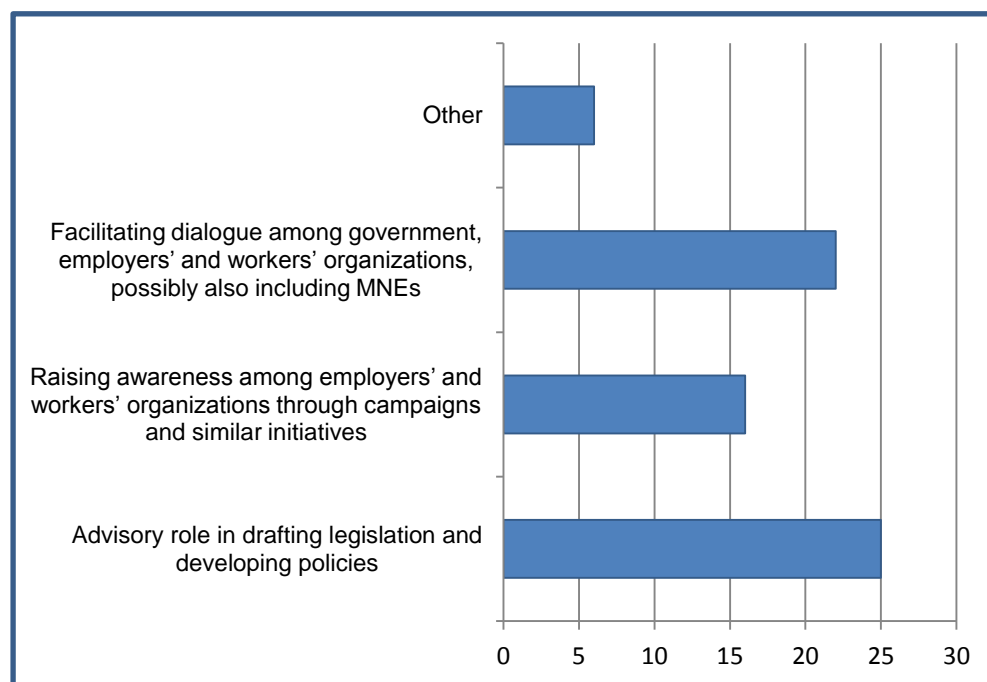
The roles played by the responding ESC-SIs, and the extent to which they are involved in workplace compliance, varies considerably from country to country. However, the core mandates of most ESC-SIs provides for them to play an advisory role in drafting legislation, developing policies and monitoring the implementation of policies and programmes.

Figure 3.2. Type of consultation



Many ESC-SIs also seek to facilitate dialogue among social partners and governments (see Figure 3.3). Over 50 per cent of ESC-SIs stated that they can play an important awareness-raising role. **Spain**, for example, issues reports on ESC-SI initiatives and the **Netherlands** organizes awareness-raising workshops for relevant stakeholders.

Figure 3.3. Roles re: compliance and labour management cooperation



The responding ESC-SIs highlighted several other roles:

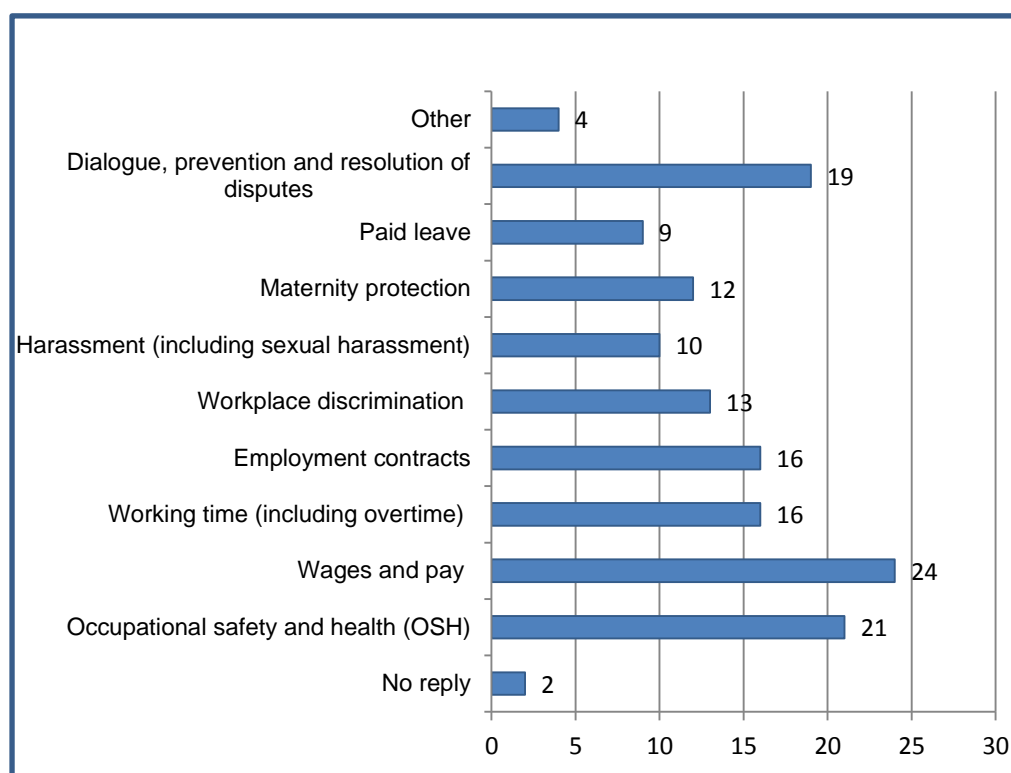
Table 3.2. Other roles played by ESC-SIs

• Mediation	Senegal
• Providing quality information in the field of health in the workplace	Spain
• Reviewing actions required pursuant to the ILO Labour Inspection Convention (No. 81) or other ILO reporting requirements	Colombia
• Providing technical support for ILO Decent Work Country Programmes	Guinea
• Working with labour inspection regimes to review implementation of the labour laws	Algeria
• Discussing challenges and formulating recommendations when requested to do so by the ESDC's subcommittees	Republic of Korea

3.3. Policy areas on which ESC-SIs are consulted

Wages and pay are topics that are discussed by most ESC-SIs (see Figure 3.4). The National Commission on Wages and Labour Policies in **Colombia** and the Social Council in **Montenegro**, for example, debate and define the annual increase in the minimum wage. In **Mongolia**, the Employers Federation indicated its interest in discussing equal wages for equal work and the wage gap between foreign and locally-hired employees. Occupational safety and health is another important policy area on which ESC-SIs are often consulted. **The Republic of Korea** has established several expert groups within its Economic and Social Development Commission, including a committee on occupational safety reform that is seeking to improve occupational safety within the country and raise awareness among the population of its importance. In **Spain**, the country's Economic and Social Council analyses and publishes updates on progress on occupational risk prevention in an annual report on socio-economic and workplace issues in the country.²⁷

Figure 3.4. Policy areas of consultations



²⁷ 2014 Report, pp. 407-423, Consejo Económico y Social. Available at: www.ces.es [accessed 19 February 2016].

Many ESC-SIs stated that they could act as forums where stakeholders could discuss, prevent and resolve disputes in a range of policy areas. In **Senegal** for example, the Economic, Social and Environmental Council mediates and seeks to resolve disputes involving employees and employers. In **Algeria**, the Economic and Social Council has established a committee on labour relations, which, inter alia, addresses industrial relations challenges and promotes social dialogue in the workplace with a view to enhancing workers' rights and fostering productivity.

Other topics discussed by ESC-SIs include the following:

Table 3.3. Other policy areas

Social security	Jordan
Compliance with ratified international conventions	Colombia
Labour productivity	Colombia, Serbia
Development and improvement of collective bargaining mechanisms	Serbia
Childcare services	Republic of Korea
Age discrimination	Republic of Korea

3.4. Activities to support workplace compliance

3.4.1 Special committees on workplace compliance or related topics

Subcommittees or working groups are often established within ESC-SIs to debate or monitor specific topics and policy areas. Some 43 per cent of respondents have established an expert group or special committee on workplace compliance or on a related topic, such as occupational safety and health. These are all tripartite committees that include representatives from employers' and workers' organizations and the government, and they sometimes include independent experts on health, economics, finance, employment and other areas.

Box 3.1: Examples of special committees or working groups

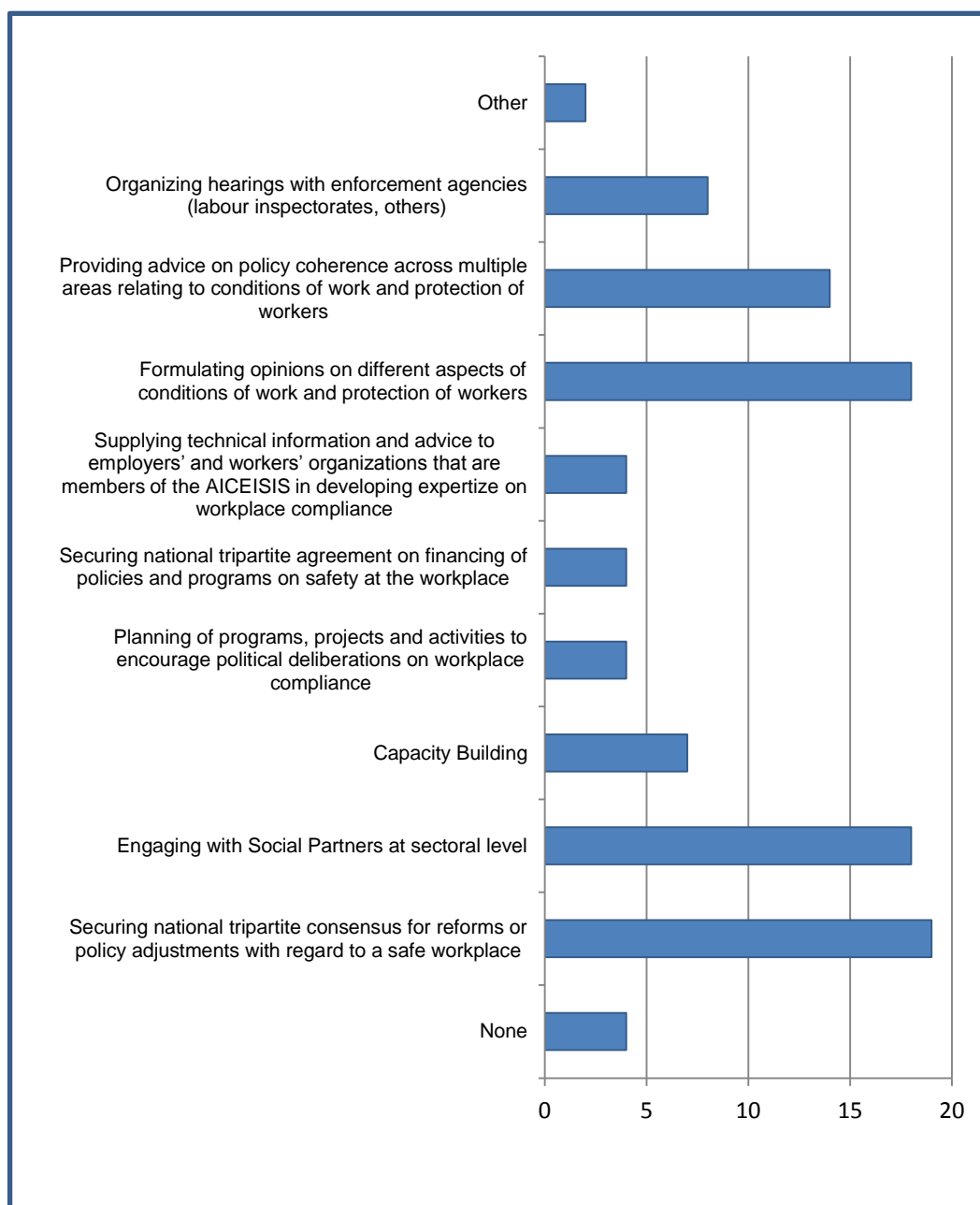
In the **Republic of Korea** the Economic and Social Development Commission includes a number of consultative bodies comprising three or more stakeholders that meet to discuss ways to enhance labour standards for vulnerable groups, including non-regular workers, in-house subcontractors' employees, harbour workers and atypical workers.

Portugal has established the National Council for Health and Safety at Work. Social partners participate in the Standing Committee for Social Dialogue (CPSP) – an autonomous organ of the Economic and Social Council of Portugal. The main role of the Standing Committee is to reduce the number of accidents and monitor crisis situations in the workplace.

3.4.2 Activities to support implementation of workplace compliance policies

Securing national tripartite consensus, promoting sectoral-level dialogue, providing guidance and formulating opinions were all viewed as activities that ESC-SIs should conduct with a view to enhancing workplace compliance (see Figure 3.5).

Figure 3.5. Activities to support implementation of workplace compliance policies



Securing national tripartite consensus on policies to promote safety or ways to finance the implementation of those policies

Many ESC-SIs help stakeholders reach consensus on policies to promote safety in the workplace. Few ESC-SIs indicated, however, that they had reached tripartite agreements on ways to finance those policies. The following countries explained the importance of reaching consensus:

Nicaragua: *“Through the tripartite committee, we have successfully conducted donation-funded training for inspectorates and workers in a number of sectors on themes relevant to health and safety, including safe evacuations, HIV/AIDS and fires. The Better*

Work programme also supported training and initiatives to strengthen compliance with legislation.”

Macao: *“With regard to labour policy issues, the Standing Committee for the Coordination of Social Affairs is an important tripartite communication and consultation platform for the Government, employers and employees that seeks to achieve balance and consensus through communication and consultation, thereby facilitating efforts by the Government of the Special Administrative Region to formulate policies to promote the interests of both employers and employees”.*

Republic of Korea: *“Between March 2012 and March 2013, representatives of the Government, workers and employers, together with relevant experts, participated in a committee on the advancement of occupational accident prevention systems to discuss ways to address the challenges faced by individuals who are not covered by traditional occupational safety and health protections, and to establish a four-way governance mechanism that would bring together Government representatives, workers, employers and civil society groups.”*

Portugal: *“Tripartite agreements have been concluded on workplace-related issues. The most recent agreement, on a national minimum wage and strengthening employment, was concluded in 2014”.*

Engaging with social partners at the sectoral level

Many ESC-SIs engage with social partners at the sectoral level. According to the Social and Economic Council of the Netherlands (SER), social partners at the sectoral level are most likely to become involved because of the participation of the representatives of employers’ and employees’ organizations in relevant bodies, such as the SER Working Conditions Committee or the SER Subcommittee on Limit Values in the Workplace.

Capacity building

A few ESC-SIs stated that they supported capacity-building initiatives for their members. However, capacity-building can also be achieved by encouraging information and knowledge sharing. **Serbia**, for example, stated the following:

“Tripartite debates within institutions provide an opportunity for social partners to participate in the consultation process and strengthen their capacities and expertise. The outcome of such debates, and the extent to which the Government appreciates the opinions of social partners, is another issue.”

Formulating opinions

This constitutes a core activity for many ESC-SIs. By formulating opinions, ESC-SIs can reach tripartite consensus on specific topics. Such consensus can support the adoption of legislation that enjoys broad support and can have a significant impact on political discourse.

In **Morocco**, for example, the Economic, Social and Environmental Council issues opinions on how best to resolve disputes regarding civil pensions, compensation for work-related accidents and the employment and working conditions of domestic workers.

In the **Republic of Korea**, the Economic and Social Development Commission provides advice on policy coherence across multiple areas relating to working conditions and the protection of workers.

Convening hearings with enforcement agencies

For ESC-SIs to be able to formulate opinions and provide guidance, they must fully understand and be provided with accurate information regarding the issues in question. By organizing regular hearings with enforcement agencies, ESC-SIs can gain key insights into workplace compliance challenges. Morocco stated that meetings are convened with the Ministry of Labour or the labour inspectorate with a view to discussing reports or formulating opinions, while the Republic of Korea stated that panellists from the country’s Ministry of Labour and labour inspectorate are invited to participate as panellists in public forums.

Other

In **Spain**, the Economic and Social Council analyses, and publishes an annual report on progress the Council has achieved in promoting social and economic development, while the Economic, Social and Environmental Council of **Senegal** conducts field visits to gain greater insight into specific compliance-related challenges (see box below).

Box 3.2: Field visits in Senegal

The technical commission reviewing gender mainstreaming in Senegal’s legislation assessed activities related to social security, family benefits and occupational hazards conducted by the Senegalese social security fund and the country’s national pension authority. A field visit to SOCAS (Senegal Canned Food Company) also took place to assess women’s working conditions.

3.4.3 Key initiatives to promote workplace compliance

Some 61 per cent of ESC-SIs had recently undertaken action to promote effective workplace compliance, mostly by submitting opinions or recommendations to relevant authorities and stakeholders. ESC-SIs also convene meetings or publish reports on a range of topics with a view to sharing information and good practices (see Figure 3.6).

Figure 3.6. Initiatives to promote workplace compliance

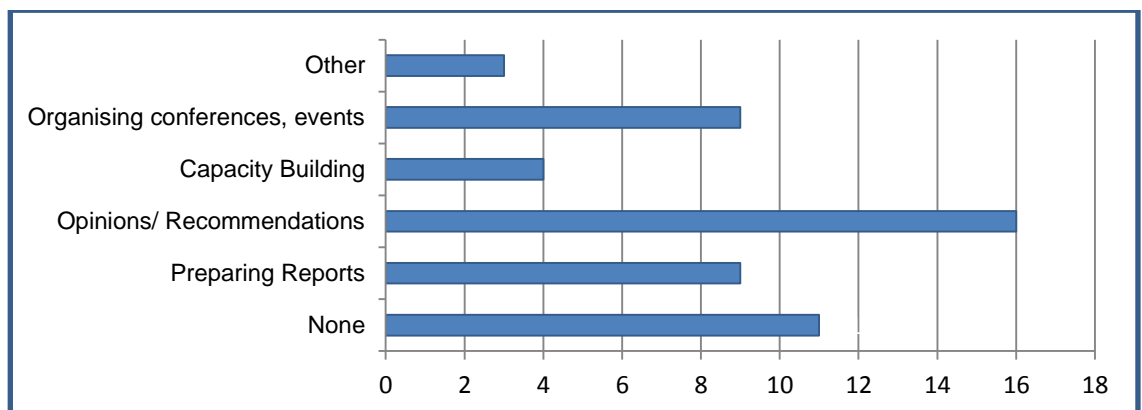


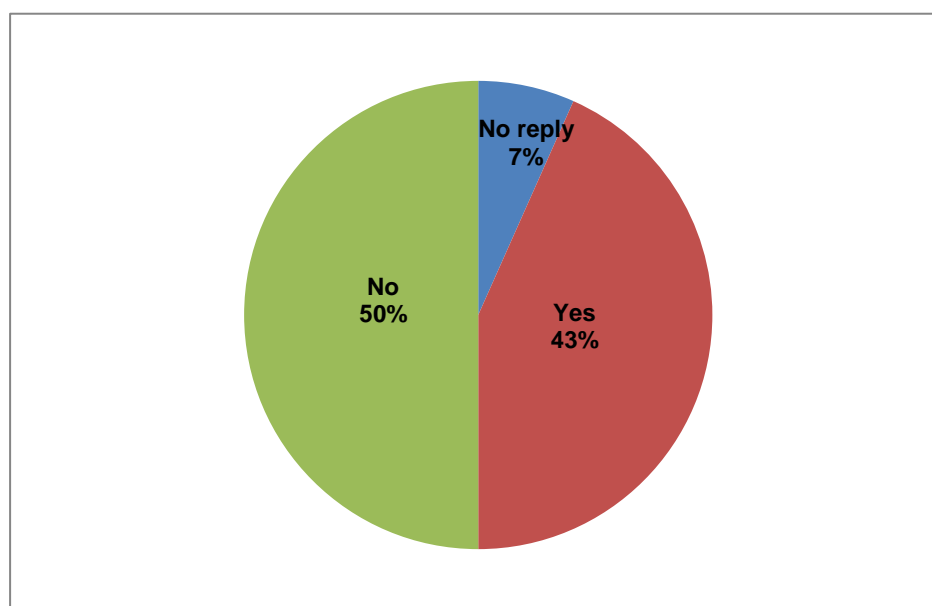
Table 3.4. Examples of key steps taken by ESC-SIs

Publishing recommendations on labour law reform, as well as reports on the situation of agricultural workers, collective work agreements and labour protests, and the impact on the labour market of the Syrian refugee influx.	Jordan
Publishing an opinion on psychosocial risks that called for the identification of risk factors to be made an integral part of overall workplace risk assessments. On the basis of that opinion, extensive consultations took place on risk mitigation strategies that resulted in the adoption in October 2013 of a framework agreement on reducing psychosocial risks in the civil service.	France
The Tripartite Committee for the Free Zones conducts surveys on labour relations and working conditions. It also reviews and issues recommendations on productivity, absenteeism, health, wage settlements and labour management relations.	Nicaragua
Creating a national safety and health observatory, restructuring the workers' health office and supporting human resource development with a view to enhancing occupational safety and health.	Burkina Faso
Providing consultancy services on health and safety and collective bargaining at the sectoral level.	Serbia
Issuing a number of opinions and recommendations, including with regard to the Non-Citizens Employment Act, and on amendments to the country's existing labour laws, with a particular focus on labour standards, HIV/AIDS and codes of good practices.	Tanzania
Issuing an opinion and a report on the resolution of labour disputes and holding a series of seminars on social and civil dialogue.	Morocco
Issuing a number of reports on OSH, including on enhancing the occupational accident prevention system, labour standards, especially with regard to protections for atypical workers, maternity protection, work and family reconciliation and promoting women's employment.	Republic of Korea
Issuing recommendations, including on enhancing the occupational accident prevention system, in-house subcontracting, exceptional working time provisions and reducing working hours.	
Convening public forums that bring together a range of social partners and relevant experts to discuss pertinent issues, including ways to address indirect employment challenges and foster fair labour market practices.	
Holding an international conference, in collaboration with AICESIS and ILO, on social protection, including workplace compliance.	
Verifying, on a quarterly basis, full implementation of tripartite agreements on OSH, maternity protection and labour standards.	
Concluding an agreement to reform the bargaining system for multiple unions and the full-time union system. This has helped both domestic companies and MNEs in Korea initiate collective bargaining with multiple unions.	
Improving workplace compliance, inter alia, by concluding a number of tripartite agreements, including an agreement on structural reforms of the labour market, and formulating guidelines to strengthen basic labour rights.	

3.4.4 Attention to gender

Forty-three per cent of countries reported that they paid particular attention to the situation of women in the workplace.

Figure 3.7. Attention to gender



A number of gender-specific activities undertaken by ESC-SIs are listed in the following table:

Table 3.5. Gender-specific activities undertaken by ESC-SIs

Calling for particular attention to be paid to vulnerability factors in professions usually performed by women.	France
Calling for amendments to labour legislation to provide for workplace nurseries.	Jordan
Carrying out studies on female labour force participation and women's rights.	Jordan
Calling for the provision of maternity leave and ensuring the protection of the woman's job while on maternity leave.	China
Holding public forums on the difficulties faced by working parents, on policy options for employment-friendly childcare services, and on ways to increase social funding to cover the costs of maternity leave and childcare leave benefits.	Republic of Korea
Supporting steps to enforce non-discrimination policies and laws at all levels.	Tanzania
Working closely with the Gender Commission of the Nicaraguan Chamber of Commerce (COSEP) .	Nicaragua
Issuing opinions on the drafting of legislation with a view to promoting equal opportunity and combating discrimination and harassment.	Romania
Monitoring gender equality while seeking to improve working conditions.	Viet Nam

3.4.5 Policies and guidelines discussed

Most countries underscored how the participatory nature of ESC-SIs provides opportunities for tripartite consultations on policies and guidelines to improve workplace safety. To a lesser extent, consultations are also held to discuss policies and guidelines for labour inspections and management cooperation in the workplace.

Figure 3.8. Policies and guidelines discussed

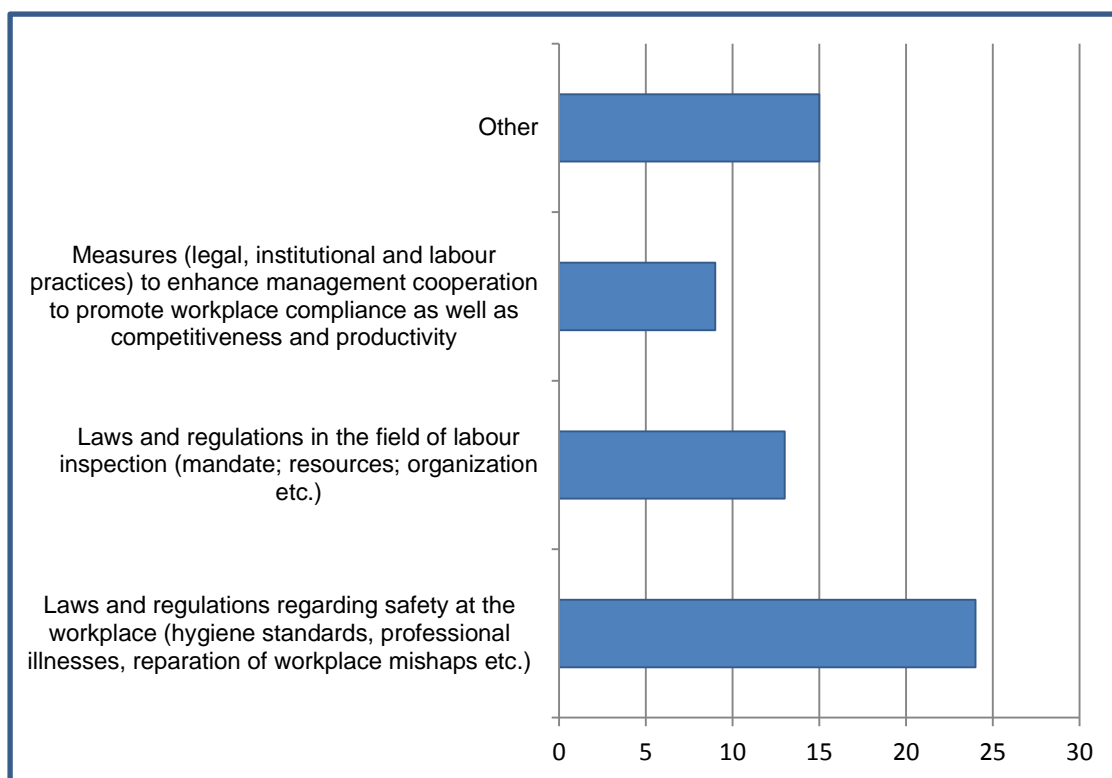


Table 3.6. Examples of policies and guidelines discussed

The Netherlands
<p>The Working Conditions Act (2007), which provides for a system of occupational exposure limits (OELs), was based on an SER advisory report. One major recommendation for the new system was to expand opportunities for employers and employees to take responsibility for their own working conditions policies, thereby considerably reducing the number of regulations and simplifying legislation. At the heart of the new system is a clearer separation of the public and private domains. In the private domain, employers and employees agree on ways of working that allow for prescribed targets to be achieved. At sector or central level, this may take place on the basis of agreement between social partners.</p> <p>In the Netherlands, ways of working thus established may be recorded in a working conditions catalogue, which contains descriptions of methods approved by employers and employees, and from which a choice can be made on ways to meet prescribed targets. At company level, employers and employees may agree on ways of working using an approach adopted pursuant to an obligatory working conditions risk inventory and evaluation. The public domain contains specific and unambiguous prescribed targets, based on clear and scientifically supported health and safety standards.</p>
Republic of Korea
<p>The Committee on OSH Reform has discussed amendments to legislation with a view to improving safety management mechanisms in individual workplaces, promoting workers' health and enhancing their awareness of safety issues.</p>
Nicaragua
<p>Discussions have taken place regarding, inter alia, amendments to, and implementation of, provisional legislation to strengthen respect for labour standards, a project to enhance compliance in the clothing and textile industry, and the provisions of Law 815 on the labour code and social security.</p>

Tanzania
Discussions have been held regarding amendments to Tanzanian labour legislation in order to strengthen the role of labour officers, establish and oversee workers' councils in all workplaces, restructure the Labour Division, and establish a modern social security department.
Macao
Discussions held led to consensus among the Government, employers and employees and the adoption of Law no. 3/2014 on Construction Safety Card Regulation. This law requires construction workers to take a construction safety course, or a test on basic construction industry safety, and to obtain a construction safety card proving that they have the knowledge and skills they need to work safely in construction.
Montenegro
The country's ESC has been consulted on the adoption of amendments to relevant legislation, including laws on the peaceful settlement of labour disputes, workplace harassment and health and safety at work. Tripartite consultations are now being held on amendments to the labour code.
Serbia
Discussions were recently held on labour inspections and protections for migrant workers. Tripartite consultations have also taken place with a view to drafting legislation on that issue.

3.4.6 Role of ESC-SIs in promoting workplace compliance in global supply chains

The role of national ESC-SIs in global supply chains may vary depending on whether the ESC-SI is based in the home country of a multinational, or in a country hosting MNE supply chain operations. Multinational enterprises based in industrialized countries often outsource their production to countries with low labour costs or obtain the raw materials they need from a number of countries around the world. Traditionally, multinationals have been based in European and North American countries, with African, South American or Asian countries hosting many of their subsidiaries and related business enterprises. This has changed in recent decades, and many large multinationals are now based in Latin America, Asia or other parts of the world.

ESC-SIs can play a key role in fostering consensus and strengthening cooperation among key social actors with a view to addressing workplace compliance challenges. ESC-SIs can therefore play an important role in addressing challenges related to global supply chains and MNE operations. Nonetheless, only one third of the participating ESC-SIs indicated that they discussed global supply chains and the role of MNEs (see Table 3.7). The decision to discuss global supply chains did not seem to depend on the location of the country, or on whether or not the ESC-SI was based in an MNE home country or a country hosting MNE supply chain operations. Many ESC-SIs believed that responsibility for holding such discussions lay with governments. Indeed, it seems that in many countries, and particularly in countries hosting multinational supply chain operations, governments decline to use established channels for tripartite cooperation when seeking to attract MNEs or foreign direct investment.

Table 3.7. Countries where ESC-SIs address issues related to global supply chains and have established relations with MNEs

ESC-SI activities related to MNE global supply chains	Policies address MNE global supply chains	Engagement with MNEs on social and environmental issues	Engagement with MNEs on workplace PCIs
Nicaragua	Y	Y	Y
Sint Maarten	Y	Y	N
Netherlands	Y	Y	Y
Russian Federation	Y	Y	Y
Spain	Y	N	N
Burkina Faso	Y	N	N
Guinea	Y	Y	Y
Kenya	Y	Y	N
Morocco	N	Y	N
China	Y	Y	N
Viet Nam	Y	Y	Y

Most ESC-SIs addressing issues related to global supply chains have established relationships with individual MNEs. Overall, however, most ESC-SIs have not established such relationships. Indeed, some 50 per cent of the ESC-SIs surveyed believed that engagement with MNEs lay outside their mandate, and that responsibility for establishing relations with MNEs lay with the governments. **Morocco** indicated that, although it had established relationships with such enterprises, it did not consider global supply chains and the role of MNEs to be an ESC-SI policy area.

However, ten ESC-SIs that are not currently addressing global supply chain issues believed that, in future, they should take action to engage with individual MNEs as part of their efforts to address global supply chain issues. In that connection, the Economic and Social Council of **Jordan** indicated that it was now devoting greater attention to SMEs. The Economic and Social Council of **Republika Srpska/Bosnia and Herzegovina** stated that only one MNE is based in that country, while the Economic and Social Council of **Tanzania** believed that the issue needed to be raised at ministerial level and addressed in the national strategic plan that the country was in the process of formulating. Several ESC-SIs, including the Economic and Social Council of **Romania**, believed that amendments to national legislation would need to be enacted before engagement with MNEs could become part of their mandate, while others, including the Economic and Social Council of the **Republic of Korea**, stated that a formal tripartite decision in that regard was required before it could engage with such enterprises.

Table 3.8. Examples of actions taken by ESC-SIs to promote workplace compliance in global supply chains

Nicaragua
Discussions regarding MNEs and global supply chains take place, primarily, within the framework of the ILO/IFC Better Work Programme, particularly insofar as it relates to the textile industry.
Spain
The Economic and Social Council of Spain addressed global supply chains and global value chains in its 2015 report on the competitiveness of Spanish companies in the domestic market. The report concluded that global supply chains are a particular feature of the modern world economy, and underscored the growing interdependence of States. The report focused on the integration of Spanish producers in global supply chains and analysed relationships between importers and exporters.

Netherlands
<p>The Social and Economic Council of the Netherlands (SER) takes an active role in promoting international corporate social responsibility (ICSR), including responsible supply chain management. In the last couple of years, it has focused on due diligence, which is now required under the amended OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. The SER ICSR Committee has issued a report on due diligence, developed a practical module on various due diligence steps and, in collaboration with the Netherlands Standardization Institute, formulated a code of conduct with a view to integrating due diligence into existing risk management systems. The SER ICSR Committee also organized a conference on due diligence and has advised relevant stakeholders on ICSR agreements. In that connection, the Dutch Government has sought input from SER with a view to concluding agreements with a number of sectors, including the labour sector, to reduce ICSR risks.</p> <p>SER also organized a workshop for companies, including SME and MNEs, on how to identify, prioritize, and address their most salient human rights risks, in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.</p> <p>The overarching theme of SER in 2014 and 2015 was the development of a national agenda to identify the opportunities stemming from specific risks and, in that connection, SER focused in particular on the theme “a living wage”. The SER has used, and will continue to use, the revised OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights as the framework for its ICSR activities.</p>
Burkina Faso and China
<p>ESC-SIs have convened a number of conferences and roundtable meetings on workplace compliance issues.</p>

Participants in the Conference also gave examples of sharing good practices on workplace compliance in global supply chains:

Table 3.9. Examples of good practice sharing by ESC-SIs

Sharing good practices
China
<p>Providing advisory opinions to legislatures and working closely with other social partners.</p>
Republic of Korea
<p>Disseminating reports published by international organizations, including ILO, OECD and IMF, to encourage the dissemination of good practices on workplace compliance and social dialogue in global supply chains/global value chains.</p> <p>Concluding MOUs with ESC-SIs in other countries, including Brazil and the Russian Federation, to promote cooperation and exchanges.</p> <p>Participating in and organizing international conferences on social dialogue.</p>
Morocco
<p>Carrying out comparative studies of national and international best practices to add value to recommendations on workplace compliance.</p>
France
<p>Issuing opinions on CSR to support the dissemination of good practices.</p>
Russian Federation
<p>Providing insight into the potential of markets to safeguard and strengthen labour standards and working conditions in global apparel supply chains. Examining the potential and limitations of market approaches to social compliance in global manufacturing industries by reviewing the origins of social labelling, both in trade union and consumer constituencies, considering industry and consumer perspectives on the benefits and drawbacks of social labelling, comparing efforts to develop and implement labelling regimes, reviewing how contemporary forums are addressing the issue of social labelling, and reviewing disagreements concerning the implications of globalization for workers worldwide.</p>
Burkina Faso

Providing advice and facilitating dialogue among relevant stakeholders and raising awareness of workplace compliance issues.
Tanzania
Establishing links and sharing relevant experience with similar institutions in other countries.
Jordan
Convening seminars and workshops, including on investment opportunities and challenges, and working closely with relevant stakeholders.

International guidelines for companies, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights are key considerations in discussions within ESC-SIs on global supply chains. The most frequently invoked instruments are the fundamental ILO Conventions, but standards set by private standard-setting organizations that address workplace system management issues, including ISO, also provide important guidance. In some countries, however, including the **Russian Federation**, international guidelines established by bodies other than ISO are rarely invoked even though the mandates of ESC-SIs in those countries allow them to examine global supply chains. Furthermore, the **Republic of Korea** and **Senegal**, while underscoring the importance of international guidelines, stated that supply chains do not fall within the mandates of their ESC-SIs.

3.4.7 Collaboration among ESC-SIs and MNEs in efforts to promote CSR

Most ESC-SIs that address global supply chain issues seek to engage with MNEs, inter alia by undertaking the following:

- Convening forums, symposiums and workshops on CSR (**Netherlands, Nicaragua, Senegal, Sint Maarten**). For example the initial SER Sint Maarten symposium discussed CSR with a view to formulating a definition of that term, as well as the roles and responsibilities of businesses and other stakeholders. An expert meeting was convened with MNEs following the conclusion of the symposium to discuss ways to create long-term value by taking into account the “profit, people planet” triple bottom line.
- Convening expert meetings (**Netherlands, Sint Maarten**). For example in the Netherlands, the SER ICSR Committee organized a workshop for companies, including SMEs and MNEs, on how to identify, prioritize, and address their most salient human rights risks, in line with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.
- Working with employers’ organizations (**Netherlands**)
- Using companies to reach out to local communities (**Guinea**)
- Developing strong relationships with business enterprises, including MNEs (**Netherlands**)
- Engaging in dialogue on policy (**Kenya**)

-
- Establishing a trade union branch (Walmart in **China**, 2006) as part of efforts to unionize foreign-financed enterprises (with a target of 60 per cent unionization by 2006 and of 80 per cent or more by 2008)²⁸

A way to foster dialogue with MNEs is to ensure their inclusion in employers' organizations that participate in ESC-SIs. Some 67 per cent of ESC-SIs responding to the questionnaire stated that MNEs in their countries were affiliated to the employers' organization, although others stated that MNEs did not have a significant ESC-SI presence (**Republika Srpska/Bosnia and Herzegovina**) or that their presence would be incompatible with the mandate of the ESC-SI in question (Economic and Social Council of **Algeria**). Several, including **Mongolia**, believed that MNEs should become affiliated with employers' organizations and that ESC-SIs should reach out to MNEs in the future.

In five countries (**Guinea, Netherlands, Nicaragua, Russian Federation, Viet Nam**) PCIs have been undertaken in areas such as auditing and certification, including as part of the Better Work Programme (**Nicaragua**) and the Extractive Industry Transparency Initiative (**Guinea**).

²⁸ Union Breakthrough at Walmart in China, New York Times, 12 October 2006. Available at: http://www.nytimes.com/2006/10/12/business/worldbusiness/12iht-unions.3141929.html?_r=0 [accessed 20 February 2016].

4. Workplace compliance challenges and opportunities, including in global supply chains

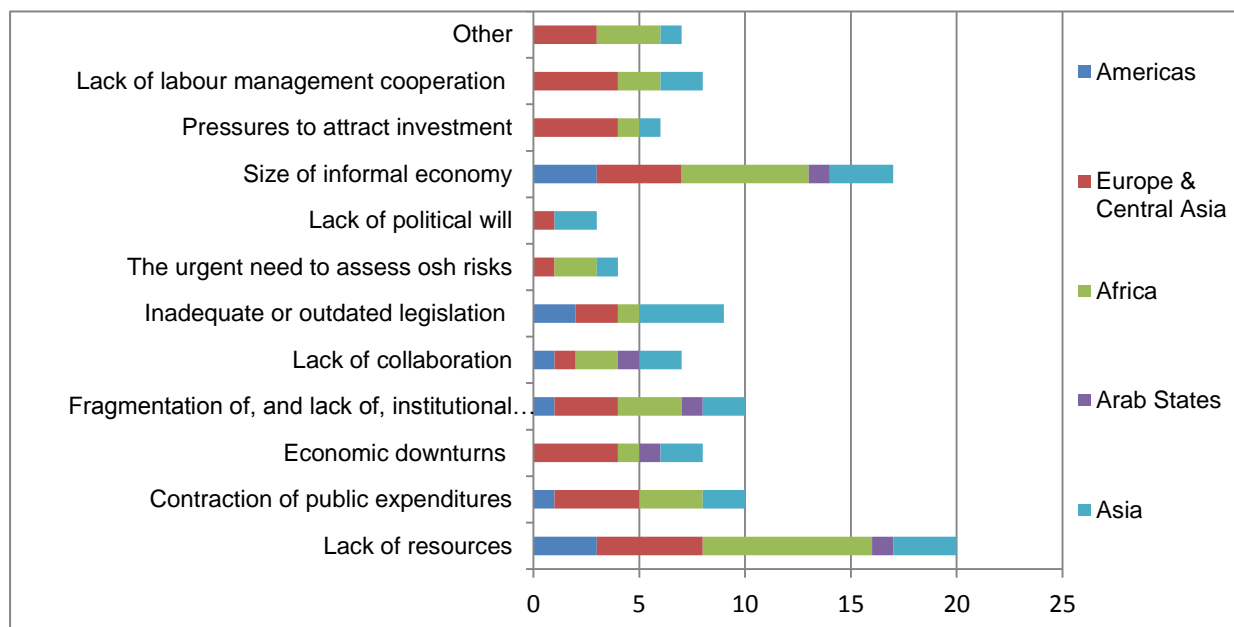
4.1. Challenges

The main goal of workplace compliance is to ensure that all workplaces are safe and healthy, and hence productive, and that all workers, irrespective of their status, are treated with dignity and respect. In countries that have made the greatest investments in quality jobs since the early 2000s, living standards (as measured by the growth in average annual per capita income) have improved more than in developing and emerging economies that have devoted less attention to quality jobs.²⁹ Although the reduction in poverty rates in many developing countries has been impressive, 839 million workers in developing countries are still unable to earn enough to lift themselves and their families above the US\$2-a-day poverty threshold. Moreover, many governments are failing to protect the labour rights of their citizens effectively.

Multinational enterprises need to know where to focus their efforts with a view to establishing PCIs. In that regard, the company Verisk Maplecroft³⁰ produces maps based, inter alia, on ILO data, that indicate where compliance challenges are greatest. Those maps show that non-compliance risks remain high in many parts of the world.

ESC-SIs believe that the size of the informal economy and the allocation of insufficient human and financial resources to countries' labour inspectorates are among the greatest challenges impeding workplace compliance (see Figure 4.1).

Figure 4.1. Challenges impeding workplace compliance



²⁹ World of Work report, ILO, 2014. Available at: http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_243962.pdf [accessed 20 February 2016].

³⁰ www.maplecroft.com

4.1.1 Lack of political will to develop a national preventive safety and health culture

Awareness of health and safety risks is an important prerequisite for preventing work-related accidents and occupational diseases, and governments can play an important role in raising awareness of those dangers and developing a national safety and health culture among workers. Although only three countries believed that work-related accidents and occupational diseases constituted a serious challenge, the Economic and Social Development Commission (ESDC) in the **Republic of Korea** is concerned that occupational fatality rates in that country are four or five times higher than in Japan or Germany. The ESDC is therefore striving to raise awareness of occupational safety and health issues, enhance OSH oversight and increase the number labour inspectors in the country.

4.1.2 Pressure to attract investment and the belief that promoting workplace compliance deters investment

The beneficial effects of labour standards do not go unnoticed by foreign investors. Studies have shown that foreign investors rank workforce quality and political and social stability above low labour costs in evaluating criteria for country investment. There is, moreover, little evidence suggesting that countries that fail to uphold labour standards enjoy a competitive advantage in the global economy.³¹ This is underscored in the MNE Declaration. Furthermore, in its publications entitled “Doing Business”, the World Bank has repeatedly stressed that labour regulations do not always impede business.³² Nonetheless, many countries fear that strict enforcement of workplace compliance will deter investment.

Six countries (**Albania, Romania, Russian Federation, Serbia, Tanzania and Viet Nam**) recognized that workplace compliance was undermined by the belief that promoting compliance would deter investment.

4.1.3 Contraction of public expenditures and economic downturns

Deteriorating economic conditions have spurred many countries to adopt austerity measures. This has strengthened the role and visibility of labour administrations as key crisis-response institutions, especially as they deal with redundancies, the provision of unemployment benefits and job creation programmes. Labour administration and inspection regimes are not immune, however, from ongoing trends in favour of fiscal consolidation and the adoption of austerity measures.³³ As a result, labour ministries, public employment services and labour inspectorates have faced increasingly harsh

³¹ <http://www.ilo.org/global/standards/introduction-to-international-labour-standards/the-benefits-of-international-labour-standards/lang--en/index.htm> [accessed on 20 February 2016].

³² For example, Doing Business 2008, IMF, 2008. Available at: <http://www.doingbusiness.org/~media/GIAWB/Doing%20Business/Documents/Annual-Reports/English/DB08-FullReport.pdf> [accessed 20 February 2016].

³³ Labour administration and labour inspection key to global governance, ILO. Available at: http://www.ilo.org/global/about-the-ilo/newsroom/features/WCMS_156165/lang--en/index.htm [accessed 20 February 2016].

spending cuts, causing even greater difficulties for labour oversight bodies that are already over-burdened.

Ten of the 30 respondents reported a reduction in government funding, and eight listed economic downturns as a challenge to workplace compliance. No significant differences among regions were observed, however, although the low number of respondents made it difficult to draw any firm conclusions in that regard.

4.1.4 Large informal economies and significant informal employment

The informal economy comprises half to three quarters of all non-agricultural employment in developing countries. Some of the characteristic features of informal employment are a lack of protection in the event of non-payment of wages, compulsory overtime or extra shifts, lay-offs without notice or compensation, unsafe working conditions, and the absence of social benefits such as pensions, sick pay and health insurance. Women, migrants and other vulnerable groups of workers who are excluded from other employment opportunities have little choice but to take informal low-quality jobs.³⁴ Their workplaces are often out of reach for labour inspection regimes, unions and private sector compliance initiatives. Moreover, non-recognition of trade union rights in the informal economy significantly impedes social dialogue.

Some 56 per cent of the ESC-SIs believed that this situation severely undermines workplace compliance, especially in African countries, and called on governments to take stronger action to facilitating the transition towards a formal economy. In that regard, social dialogue can play a key facilitative and preventative role. Furthermore, International Labour Conference (ILC) Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy underscores the roles that various stakeholders can play in that transition. In particular, the participation of women is viewed as critical to labour market prosperity and to the social dialogue process. It is therefore crucial to empower women in order to accelerate the transition to the formal economy, particularly, as was emphasized by a representative from **Guinea**, it is mostly women in the informal economy who lose their jobs following the implementation of economic adjustment programmes.

4.1.5 Inadequate labour management cooperation in the workplace

Workplace cooperation is a process whereby employees or their representatives participate with management, through consultation and discussion, in resolving issues of common concern. Effective labour management cooperation increases workplace compliance.

Eight countries see this as a major challenge impeding workplace compliance. In its annual report, the Economic and Social Council of **Spain** noted that improving coordination between relevant administrations can increase the impact of financial resources spent and calls for the role of social partners to be enhanced so that they can develop effective prevention policies.³⁵ An example of good practices in that regard is

³⁴ <http://www.ilo.org/global/topics/employment-promotion/informal-economy/lang--en/index.htm>

³⁵ Annual report, CES, 2014, p. 412.

the Working Conditions Act (2007) in the **Netherlands**, which drew on suggestions made in an SER advisory report. The Act provides for employers and employees to agree on working methods for achieving public domain targets on occupational exposure limits, and employers and employees at the company level may agree on ways of working using an approach adopted following an obligatory working conditions risk inventory and evaluation.

4.1.6 Inadequate or outdated legislation

National legislation may fail to deal effectively with labour issues or comply with international labour standards.

Nine respondents to the questionnaire confirmed that inadequate legislative frameworks can impede effective workplace compliance. In that regard, the **Republic of Korea** gave the following example: Obligations and responsibilities under occupational safety and health legislation are ambiguous, and the legislative system fails to take into consideration ongoing changes in industry, the diversification of employment and the interests of vulnerable groups, including older persons and women, in the area of occupational safety and health protections.

4.1.7 The urgent need to identify hazards and assess occupational risks

When it is difficult to perceive potential hazards and risks in an industry or workplace, it is more difficult to develop, and ensure compliance with preventive measures. Fortunately, most countries (26 out of 30) did not see this as a challenge and we can assume that they have already identified their most serious occupational risks.

4.1.8 Inadequate resources for labour inspectorates

Effective implementation and enforcement of labour legislation depends to a large extent on the presence of an effective labour inspectorate and a robust national legal framework. In this respect, challenges remain in countries where labour inspection systems are underfunded and understaffed, and are consequently unable to fulfil their mandates. Some studies estimate that less than 1 per cent of the national budget of certain developing countries is spent on labour administration, and that labour inspection mechanisms receive only a small fraction of that sum.³⁶

Twenty out of thirty respondents to the survey (some 67 per cent) indicated that the lack of resources allocated to inspection regimes undermined effective workplace compliance in their countries. Eight of those countries are in Africa. Indeed, nearly all the African countries that took part in the survey indicated that inadequate resources constituted a challenge. **Guinea**, for example, stated that the country has been forced to reduce the number of labour inspectors and that a lack of funding is impeding the work of the few remaining inspectors.

³⁶ International labour standards on labour inspection, ILO. Available at: <http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/labour-inspection/lang--en/index.htm> [accessed 21 February 2016].

4.1.9. Fragmentation of, and lack of institutional coordination among inspection regimes and other enforcement agencies

To improve the effectiveness of labour inspection regimes, it is important that they coordinate their operations with other enforcement agencies. Some 33 per cent of the ESC-SIs that responded to the questionnaire recognized lack of coordination as a challenge impeding effective implementation.

To minimize costs and duplication of effort, it must be clear which agency is responsible for addressing each type of risk. Strengthening coherence among national and local agencies can enhance their flexibility and responsiveness³⁷.

4.1.10 Lack of collaboration among labour inspectorate officials and employers and workers organizations

Labour inspection services should, of course, maintain in regular and close contact with employers, workers and their organizations. ILO Conventions Nos. 81 and No. 129, moreover, call on relevant authorities to promote such collaboration. Ideally, inspectors should be able to engage with employers and workers in a business enterprise prior to and during visits to that enterprise, at safety and health committee or works council meetings, and perhaps when they attend conciliation meetings convened to prevent or settle disputes. Inspectors should also remain in regular contact with workers and employers outside the enterprise. Frequently, they are able to provide information and guidance at their own offices. Inspectors also preside over joint committees, including those convened to negotiate collective agreements or settle disputes, even though this may fall outside their mandate pursuant to the ILO Labour Inspection Convention (No. 81). Inspectors can also teach courses on labour topics for trade unionists or company chiefs.³⁸

Seven respondents (**Jordan, Mauritius, Mongolia, Namibia, Romania, Sint Maarten, and Viet Nam**) identified inadequate collaboration among labour inspectorate officials and employers and workers organizations as a challenge.

Many business enterprises do not fully understand how compliance can benefit their business. Moreover, in some sectors, increasing competition has caused a “race to the bottom” in terms of wages and working conditions, and this in turn may result in weak incentives or a lack of capacity to comply with the law and uphold international standards on working conditions and wages. Although ILO and other organizations promoting sustainable business practices have demonstrated how strengthening workplace compliance can enhance productivity and competitiveness, and have backed up their claims with numerous case studies, there is still a long way to go. Policies and regulations often cover millions of workers, and must be implemented in hundreds of thousands of workplaces. Conditions within those workplaces vary enormously, even within a single industry, and employers often have an incentive to cover up working

³⁷ Inspection Reforms, why, how, and with what results, OECD. Available at <http://www.oecd.org/regreform/Inspection%20reforms%20-%20web%20-F.%20Blanc.pdf> [accessed 21 February 2016] and ILO Convention 81, art 5.

³⁸ Encyclopedia of Occupational Health and Safety, Chapter 23, ILO.

conditions. Furthermore, as the survey makes clear, many national labour inspection agencies have limited budgets and are inadequately staffed.³⁹

4.1.11 Other challenges

Several other challenges were highlighted at the Conference. These included:

- Corruption
- Workers and employers' organizations are not always recognized as legitimate stakeholders in social dialogue initiatives. ESC-SIs can play a key role in addressing that problem.
- Some MNEs have annual turnovers that exceed certain countries' national budgets, potentially giving them undue influence over policy decisions. International organizations can provide support to States in their efforts to promote workplace compliance by MNEs

4.2. Opportunities

4.2.1 Good national practices

Listed below are some examples of good national practices that can help promote workplace compliance. Moreover, many ESC-SIs are working to strengthen social dialogue as part of these practices:

Strengthening social dialogue

- According Constitutional status to tripartite social dialogue (Nicaragua) or strengthening its legal status (**Korea**).
- Establishing tripartite permanent working bodies within ESC-SIs on topics such as safety and health at work or combating undocumented work (**Republika Srpska/Bosnia and Herzegovina**).
- Adopting a six-step approach: 1. establishing a legal framework; 2. identifying social partners and participants; 3. Deciding a date, venue and provisional agenda for a social dialogue event; 4. Identifying skilled facilitators; 5. Promoting a common understanding of social dialogue; 6. Finalizing an agenda (suggestion made by the **Russian Federation**).
- Supporting social dialogue at the national level by bolstering institutional and legal frameworks, raising awareness and strengthening political will (suggestion made by the **Russian Federation**).
- Ensuring that tripartite consultations are held regularly, on time and achieve positive results (**Serbia**).

³⁹ Improving workplace conditions through strategic enforcement, David Weill, 2010. Available at <http://www.dol.gov/whd/resources/strategicEnforcement.pdf> [accessed 21 February 2016].

- Involving government agencies in ESC-SI tripartite meetings (**Algeria**).
- Conducting capacity-building exercises and training on social dialogue for social partners (**Guinea, Mauritius, Namibia, Tanzania**).
- Providing tripartite support and safety training as part of Decent Work Country Programmes (**Mauritius**).
- Organizing roundtable meetings with social partners with a view to submitting opinions to central government authorities (**China**).
- Ensuring policies meet the needs of a range of stakeholders by conducting consultations and taking into account the views of employers, employees, relevant associations, industry, and society at large (**Macao**).
- Widening the range of participants in social dialogue initiatives to include representatives of workers in precarious working arrangements and field experts (**Republic of Korea**).
- Facilitating tripartite discussions by ensuring that all participants are well-informed about key issues before the discussions begin (**Republic of Korea**).

Public and private workplace compliance collaboration

In practice, public institutions (including labour inspection authorities) are rarely involved directly in PCI activities, and private audits and reports are not often shared with public inspection authorities. However, a number of countries are now encouraging this type of collaboration.

Table 4.1. Examples of good practice sharing by ESC-SIs

Colombia
Public-private partnerships have been established with a number of enterprises, including enterprises in supply chains, with the aim of eliminating child labour.
Republika Srpska/Bosnia and Herzegovina
The law on public-private partnerships has provided a legal basis for cooperation in this area and promotes communication between institutional and private sector stakeholders. Only limited input has been sought from ESC-SIs, however, and outcomes have proven unsatisfactory.
Burkina Faso
A public-private partnership law codifying this type of collaboration has been enacted
Examples not provided by the ESC-SI survey
Scandinavia
Governments in Scandinavian countries are routinely involved in designing and overseeing PCIs, such as the Danish OSH certification scheme.
Singapore
Providing an example of PCI implementation by public authorities, the Ministry of Manpower encourages companies to conduct regular inspections to detect safety or health risks in the workplace. ⁴⁰
USA

⁴⁰ Labour inspection and private compliance initiatives: Trends and issues, ILO 2013. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---lab_admin/documents/meetingdocument/wcms_230798.pdf [accessed on 21 February 2016].

Under United States law, the labour inspection services have the authority to embargo goods manufactured in violation of labour laws. In cases where goods have been embargoed as a result of violations found through public labour inspection, the labour inspection authority enters into a direct agreement with the buyer of the apparel products in question to undertake monitoring arrangements with all the buyers' current and future production contractors. The use of Government authority to interrupt the flow of goods therefore creates incentives to induce more extensive private policing of contractors via buyer monitoring.⁴¹

Viet Nam

In Viet Nam, a self-assessment form requires employers to reply to a questionnaire and submit it to the relevant labour inspection authority. The completed form must be signed by the employer and the trade union representative (where an enterprise-level trade union has been established). Violations identified through self-assessment and noted in the questionnaire do not necessarily result in a follow-up inspection visit or penalty. Employers who do not return self-assessment forms are included in the annual inspection plan for a follow-up visit.⁴² A new code of conduct against sexual harassment has been adopted through tripartite agreement with ILO support.

Bangladesh

Working conditions and safety in the country's garment sector have remained unsatisfactory despite many years of PCI engagement by garment brands. It is clear that neither PCIs nor public workplace compliance efforts are effective unless they are implemented in a coherent manner and relevant social actors coordinate their positions. After the Rana Plaza disaster, efforts have increased to prevent such tragedies from happening again. A number of major brands have signed the Accord on Fire and Building Safety in Bangladesh, a private compliance initiative. The ILO has also increased its technical assistance in the country with a view to strengthening labour inspection regimes.

4.2.2 Good international practices

Fairfood International

Fairfood is a non-profit organization, that advocates solutions to create shared value in global food chains. The organization works with local partners to help them ensure that governments promote good working conditions in global supply chains. They also liaise with brand owners, encouraging them to take responsibility for ensuring decent work in supply chains. Fairfood International also works with actors at the local level to assist them on the ground. Sugar cane production in Central America is a major focus area given the challenges that are often associated with that industry, namely lack of freedom of association, child labour, long working hours and health problems. Trade unions often act as key contact points for accessing workers in a particular industry. Fairfood provides an international perspective to these scenarios.

ILO/IFC Better Work Programme

The Better Work Programme is a unique partnership between ILO and the International Finance Corporation (IFC), a member of the World Bank Group. The Programme builds on those organizations' respective strengths in labour standards and private-sector development. Better Work brings together governments, employers' and workers' organizations, and international garment retailers and brands (buyers) to improve working conditions and competitiveness in garment-sector firms. Information on working conditions provided by Better Work helps buyers, suppliers and consumers

⁴¹ Idem.

⁴² International Labour Office Labour Administration and Inspection Programme: Technical memorandum: Viet Nam labour inspection needs assessment, ILO, 2012.

understand the importance of factories' compliance with national labour laws and core labour standards, while assisting firms in improving performance. The programme is now active in eight countries with a focus on the apparel sector.

The Programme is widely known and there is considerable demand for its compliance assessments. Most of its resources are allocated to helping employers and workers establish mechanisms to achieve and maintain compliance, improve productivity and competitiveness and establish workplace social dialogue, in many cases for the first time.

In **Jordan**, the relationship between the country's labour inspectorate and Better Work is governed by a Memorandum of Understanding, which includes a protocol for reporting serious violations to the competent authorities. Labour inspectors participate in training activities and in quarterly meetings with Better Work to share lessons learned and discuss areas of mutual concern.

Better Work adopts a sector-wide approach where possible. At the national level, the tripartite committee overseeing operations also engages with leading firms. The Programme also collaborates with workers and managers in factories to enhance their skills and promote social dialogue. Some positive outcomes of the Programme include a 50 per cent improvement in occupational safety and health in **Haiti, Jordan** and **Viet Nam**. Compliance with contract provisions in **Lesotho** also improved by 50 per cent. Although questions remain regarding how best to enhance the long-term skill sets of workers and employers, the broader impact of the Programme is becoming apparent, which may reassure governments and companies. Key successes include:

- In **Haiti**, improvements in working conditions facilitated by Better Work have coincided with an increase of over 40 per cent in the value of apparel exports to the United States of America.
- In 2013, the Programme supported efforts to strengthen maternity laws in Lesotho, and garment workers working for one year or more saw their paid maternity leave increase from two to up to six weeks.
- A study of factories in **Vietnam** revealed a 5.9 per cent increase in profitability when workers perceived improvements in their conditions, and a 7.6 per cent increase when employees described their workplace as 'comfortable'.
- Workers in comfortable conditions reached their daily production targets nearly 40 minutes faster than their counterparts working in harsher conditions.
- A 1 per cent increase in wage levels was associated with a 0.6 per cent increase in revenue relative to cost.
- Workers sent wages home, bringing health and education benefits to their families.

European companies

The findings of a European company survey conducted by Eurofound,⁴³ which focused on workplace innovations, underscored how social dialogue is shaped by national cultural, institutional and economic developments. Analysis of the survey identified four groups of companies, two of which – ‘extensive and trusting’ and ‘moderate and trusting’ – scored better on establishment performance and workplace well-being. The analysis also suggested that practices associated with the promotion of social dialogue have a greater impact on performance and well-being than organizational and human resource management practices. Furthermore, trust (and the absence of conflict) is more strongly associated with enhanced performance and well-being than the resources available to employee representatives, present in approximately a third of the companies analysed, and their levels of involvement and influence.

4.2.3 What can ILO and AICESIS do?

ILO provides support to Governments, employers and workers worldwide to help them establish labour standards, develop policies and formulate programmes. Decent Work Country Programmes have been established as one of the main vehicles for delivery of ILO support at country-level and have two main objectives. Firstly, to promote decent work as a key component of national development strategies, and secondly to coordinate ILO knowledge, instruments, advocacy and cooperation to serve tripartite constituents to advance the Decent Work Agenda. Tripartism and social dialogue are central to the planning and implementation of a coherent and integrated ILO programme of assistance to constituents in member States.

ILO guidance on workplace compliance

The ILO has also developed several international labour standards that can help strengthen and coordinate workplace compliance initiatives. Key ILO instruments include:

- Labour Inspection Convention, 1947 (No. 81)
- Labour Inspection Recommendation, 1947 (No. 81)
- Labour Inspection (Agriculture) Convention, 1969 (No. 129)
- Labour Inspection (Agriculture) Recommendation, 1969 (No. 133)

Labour Inspection is a key instrument for bringing workplace practices into line with labour legislation, labour standards and human rights. It is a way to secure the enforcement of laws relating to conditions of work and workers’ protections. The international community has recognized that labour inspection is one of the core functions of any system of labour administration and it has always been central to the mandate of ILO. Indeed, “Promoting workplace compliance through labour inspection” is as an area of critical importance in the ILO Programme and Budget for 2014-2015 and will be one of the ten policy outcomes in the ILO Programme and Budget for 2016-2017.

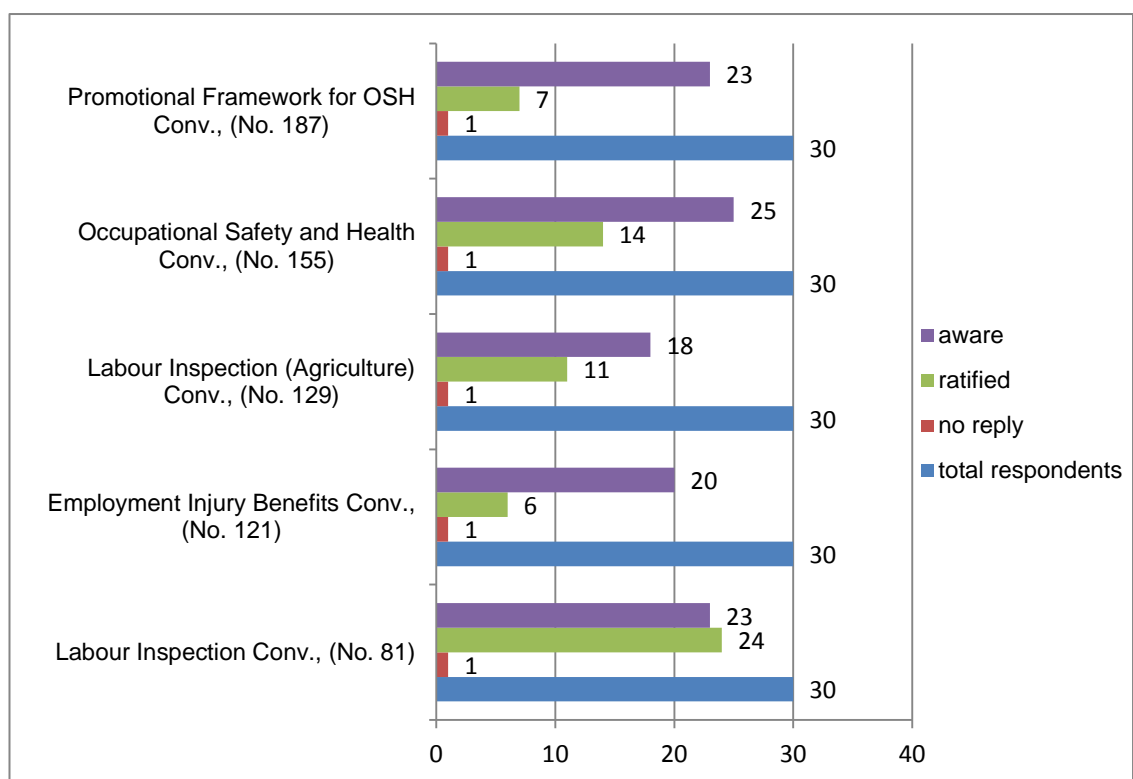
⁴³ Available at: <https://www.eurofound.europa.eu/nl/publications/report/2015/working-conditions/third-european-company-survey-workplace-innovation-in-european-companies> [accessed 21 February 2016].

Safe and healthy workplaces are a foundation for decent work but far from being a reality for many workers. The ILO has adopted several instruments on occupational safety and health in the workplace:

- Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)
- Employment Injury Benefits Convention, 1964 (No. 121)
- Occupational Safety and Health Convention, 1981 (No. 155)

The ESC-SIs were asked whether they were aware of the aforementioned instruments. Figure 4.2 shows that ESC-SIs are often aware of those ILO instruments that their countries have not yet ratified.

Figure 4.2. Awareness of ILO instruments



ILO has, moreover, recently adopted Recommendation 204 concerning the Transition from the Informal to the Formal Economy,⁴⁴ which is of significant relevance to efforts to promote workplace compliance. The Recommendation aims to facilitate the transition of workers and economic units from the informal to the formal economy, to promote the creation of enterprises and decent jobs in the formal economy, and to prevent the informalization of formal jobs.

⁴⁴ ILO Recommendation 204 on the Transition from the Informal to the Formal Economy, 2015. Available at: http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_377774.pdf [accessed 21 February 2016].

Current support

About 57 per cent of the responding countries indicated that ILO currently plays a role in facilitating and supporting consultations on compliance.

Table 4.2. Examples of ILO support related to workplace compliance and tripartite consultation

ILO provided comments on the draft labour law.	Sint Maarten
ILO organised workshops and meetings on enhancing social dialogue in the Republika Srpska/Bosnia and Herzegovina. Through the DWCP, ILO has helped establish the practice of involving union representatives and employer organizations in laws and regulation drafting bodies and social security oversight mechanisms.	Republika Srpska/Bosnia and Herzegovina
Through the DWCP.	Serbia
Government, employers' and workers' representatives have regularly participated in the ILO's International Labour Conference.	Algeria
DWCP support for the implementation of the Declaration on Fundamental Principles and Rights at Work; Support for the publication of a paper on health coverage for civil servants.	Guinea
Training for inspectors and arbitrators.	Namibia
Guidance on the implementation of the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144).	Macao
Guidance on the Occupational Safety and Health Convention, 1981 (No. 155). In that regard, ESDC has implemented, on the basis of social dialogue among tripartite members, an agreement on improving the OSH system and an agreement on improving the occupational accident prevention system.	Republic of Korea
The ILO country office participated in discussions regarding the Labour Law and formulated recommendations on possible future amendments.	China

Anticipated support

As underscored in the Hague Declaration, adopted at the conclusion of the Conference, ESC-SIs are seeking further support from ILO in the form of capacity building and technical assistance (see Figure 4.3), as well as assistance from AICESIS to help them share good practices on issues relating to workplace compliance (see Figure 4.4).

Figure 4.3. Anticipated support from ILO

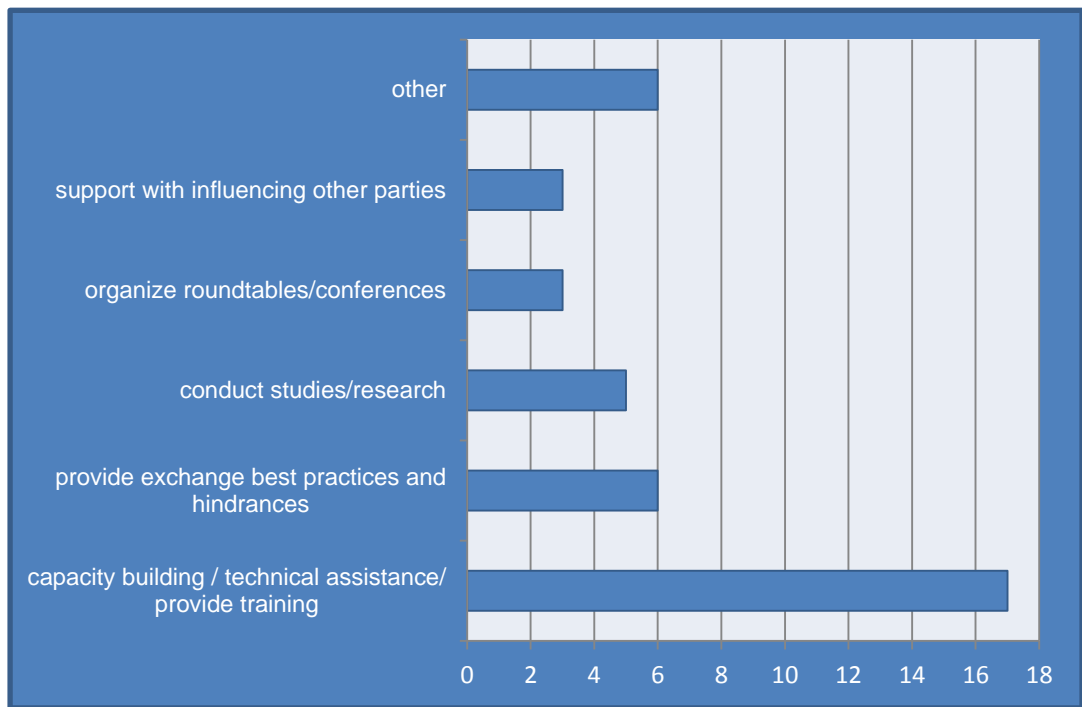
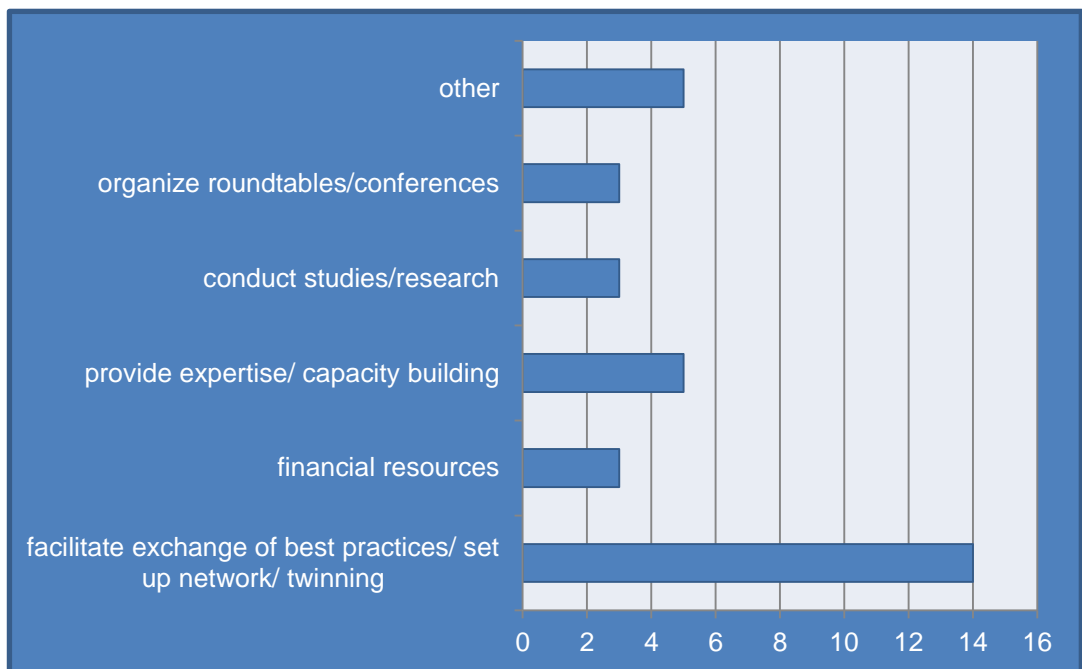


Figure 4.4. Anticipated support from AICESIS



Suggestions for additional areas of assistance included:

- Encouraging bipartite dialogue (**Republika Sprska/Bosnia and Herzegovina**)
- Training in the field of negotiation and advocacy (**Republika Srpska/Bosnia and Herzegovina**)
- Taking firm action to address challenges hindering the smooth operation of social dialogue mechanisms (**Romania**)
- Strengthening relationships between ILO and ESC-SIs (**Viet Nam**)
- Providing a mailing list to facilitate the sharing of good practices (**Aruba**)
- Providing additional financial support (**Burkina Faso, Kenya**)

Other requests made during the Conference included the following:

- Several African countries underscored that they required additional support from ILO and AICESIS to promote workplace compliance. Furthermore, a number of conference participants from African countries stressed the need to create high-quality jobs, rather than jobs at the bottom of supply chains.

The Hague Declaration also calls for:

- Efforts to promote the sharing of experiences among tripartite constituents
- Efforts to analyse global workplace compliance trends, including in global supply chains and the provision of training and appropriate policy tools
- The provision of relevant expertise to help ESC-SIs formulate strategies to strengthen the capacity of their members.

5. Conclusions and recommendations

On the role of ESC-SIs

The roles of ESC-SIs in workplace compliance are diverse and vary between countries and regions. Some ESC-SIs play a reactive role and focus on providing advice on legislation and policies. Others are more proactive and issue opinions and recommendations and convene meetings on compliance-related topics. Although engaging with multinational enterprises on workplace compliance is not yet common practice, it is important that MNEs take part in national discussions on that subject by engaging with ESC-SIs in countries that host their operations.

Facilitating dialogue and providing guidance on how to draft and revise policies and laws are crucial in efforts to strengthen compliance. Many ESC-SIs understand that if they are involved in the elaboration of laws and policies by employers and workers, there is a greater chance that they will be implemented effectively at the workplace level.

Non-compliance impedes inclusive growth, sustainable development and the equitable sharing of the benefits of globalization. It is therefore in the best interests of a country to ensure that ESC-SIs are involved in social dialogue on ways to promote workplace compliance. ESC-SIs need to:

- Commit resources to addressing workplace compliance issues, including by creating specialized committees or working groups on those issues
- Educate their members, including, in particular, their social partners, on fundamental principles and rights at work, the importance of social dialogue in labour administration and other labour-related issues
- Take a more proactive role by calling for consultations on workplace compliance, including in global supply chains, to review legal frameworks, law enforcement, dispute resolution mechanisms and workplace cooperation
- Enhance the role of social partners in ESC-SIs
- Ensure MNEs are represented in a national social dialogue

On the challenges

Workplace compliance is a complex issue in today's globalized economy. The size of informal economies, inadequate resources for public services as well as the increasing fragmentation and diversification of the labour force are major challenges impeding PCIs and workplace compliance in public agencies.

The size of many countries' informal sectors is a huge challenge as it is difficult to obtain information and gain access to unregistered workplaces, which are rarely subject to inspections. Moreover, private compliance initiatives are often ineffective in promoting compliance with fundamental labour rights, including the rights of non-discrimination and freedom of association. Public inspectors in many countries often face similar challenges. Addressing such challenges requires collaboration and social dialogue between all stakeholders, whether they are public or private. To that end, most ESC-SIs are actively involved in national tripartite dialogue to promote workplace compliance.

International Labour Conference (ILC) Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy discusses the roles that various stakeholders can play and is an important tool in that transition. Special attention needs to be paid to the involvement of women, who often play an important role in the informal economy. Their participation in social dialogue is crucial.

ESC-SIs need to:

- Reach out to law enforcement enforcers and provide a dialogue platform for various stakeholders
- Mobilize resources and involve experts by establishing specialized committees
- Ensure that women are included in social dialogue initiatives
- Prevent the informalization of formal economy jobs
- Base their suggestions and decisions on the policy guidance set forth in Recommendation No. 204

Importance of social dialogue

Involving social partners in workplace compliance is critical. Social dialogue to promote workplace compliance is in the interests of both employers and workers, as it reduces the likelihood of conflicts and litigation. Social dialogue supports the freedom and fundamental rights of people worldwide. In that regard, the Tunisian National Dialogue Quartet, which comprises key civil society actors, was awarded the Nobel Peace Prize for its decisive contribution in ensuring a smooth transition to democracy in the wake of the Jasmine Revolution.

ESC-SIs have demonstrated that social dialogue is strengthened when it has a firm institutional basis that is prescribed by law or a tripartite agreement between relevant parties. Formal legally-defined mandates can, however, restrict the ability of ESC-SIs to address new topics or assume new roles. Indeed, some ESC-SIs with less formal mandates have been able take up topics that do not fall within their mandates, such as global supply chains, with greater flexibility. Regardless of the form or status of ESC-SIs, the key for success seems to be the effective institutionalization of social dialogue, the involvement of capable and committed stakeholders, the holding of regular meetings, and the setting of clear objectives.

A survey of European companies by Eurofound demonstrated that:⁴⁵

- Workplace compliance requires the presence of institutions at the workplace level, such as a workers' committee or an OSH committee
- Social dialogue is shaped by national cultural, institutional and economic developments, which affect the types and roles of stakeholders taking part in that process

⁴⁵ Working conditions and social dialogue, European Foundation for social dialogue and working conditions, 2008. Available at: http://www.eurofound.europa.eu/sites/default/files/ef_files/docs/comparative/tn0710019s/tn0710019s.pdf [accessed on 21 February 2016].

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- Practices associated with the promotion of social dialogue have a greater impact on performance and well-being than organizational and human resource management practices.

ESC-SIs need to:

- Engage with managers and workers and raise their awareness of the importance of workplace compliance
- Support members' capacity to engage in social dialogue
- Ensure social dialogue is formally established by law
- Engage with relevant experts other than social partners and government representatives when required
- Establish special committees on workplace compliance or related topics

Global supply chains and MNEs

To ensure that global supply chains deliver substantial benefit to workers, ESC-SIs must actively promote workplace compliance in global supply chains in all countries hosting MNE operations. To that end, they should engage with all relevant stakeholders, including MNEs themselves and international organizations.

To overcome the global governance gap, many initiatives to promote workplace compliance in global supply chains have been implemented by international organizations, including:

- **OECD**, which has issued guidelines for multinational enterprises that incorporate the expectations of governments regarding the conduct of multinationals.
- **The World Bank and the IFC**, which are striving to uphold standards worldwide
- **The UN Global Compact**, which undertakes numerous initiatives to ensure that international standards are respected and facilitates the sharing of good practices
- **ILO**, which sets, and promotes compliance with, international labour standards, including by MNEs
- **The International Organization of Employers and the International Trade Union Confederation** also undertake efforts to promote workplace compliance.

The Better Work Programme and the Accord on Fire and Building Safety in Bangladesh are promising examples of initiatives to promote compliance. Lessons learned of relevance to ESC-SIs include:

- Workplace compliance not only creates better jobs but may attract new business, thereby increasing the likelihood that additional jobs will be created
- The Better Work Programme is helping to promote development by strengthening businesses

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- Social dialogue is key in addressing workplace compliance issues as it promotes the direct involvement of social partners
 - Other stakeholders must be involved in social dialogue, including legislators and law enforcers.

At the national level, the involvement of ESC-SIs in workplace compliance in relation to global supply chains and MNEs remains limited. However, some ESC-SIs are exploring avenues for deepening their involvement in that area.

In some countries, ESC-SIs are taking a pro-active role to reach consensus on the role of MNEs in global supply chains. In other countries, however, this matter is not yet being discussed. Several ESC-SIs are actively involved in efforts to promote the sharing of good practices and raises awareness of pertinent compliance issues among a range of stakeholders.

Five ESC-SIs engage directly with MNEs at conferences or expert meetings. Many do not consider that such activities fall within their mandates. However two thirds of the ESC-SIs surveyed have established indirect relationships with MNEs through their participation in employers' organizations. In general, MNEs are not viewed as partners that should participate in workplace compliance initiatives. In some countries, ESC-SIs are aware that international private compliance initiatives can help improve the situation of employees or combat child labour. Some ESC-SIs are unclear as to how they can participate in such initiatives, especially when they are not led by ILO.

To strengthen the role of ESC-SIs in relation to global supply chains and MNEs, members should:

- Enhance their understanding and capacities with regard to private compliance initiatives
- Enhance their knowledge and promote the application of international guidelines, including the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (The MNE Declaration)
- Make use of existing guidelines, including ILO instruments on social dialogue and International Labour Conference (ILC) Recommendation No. 204 concerning the Transition from the Informal to the Formal Economy
- Collaborate with international actors, including ILO, that are already striving to promote workplace compliance in global supply chains
- Facilitate discussions between public administrations and social partners regarding the impact of private compliance initiatives
- Prioritize compliance, particularly in countries involved in global supply chains.
- Promote the creation of fair global supply chains with a view to creating high-quality jobs. For sustainable development at country level, jobs that add value in the supply chain are critical, especially in extractive industries.

Public and private workplace collaboration

Governments are no longer the only actors involved in promoting workplace compliance. Private initiatives are growing fast, especially where resources and capacity to promote and enforce compliance are limited.

Burkina Faso, Colombia, Netherlands, Republika Srpska/Bosnia and Herzegovina highlighted the importance of public-private partnerships, including those established by law. Although these partnerships could enhance the effectiveness of workplace compliance, few successful examples of such collaboration are known (an exception being ILO/IFC Better Work Programmes). Social dialogue usually plays a limited role in such partnerships.

ESC-SIs are ideally positioned to bring together a wide range of stakeholders:

- ESC-SIs can promote partnerships and collaboration.
- ESC-SIs can also strengthen a sense of ownership in such partnerships and promote international technical cooperation.

ANNEX I. The Hague Declaration



The Hague Declaration on the Promotion of Workplace Compliance by Economic and Social Councils and Similar Institutions

We, representatives from Economic and Social Councils and Similar Institutions (ESC-SIs), participating in the international conference on “Promoting Workplace Compliance including in Global Supply Chains: The role of Economic and Social Councils and similar social dialogue institutions”, hosted by the AICESIS-ILO-The Economic and Social Council of the Netherlands on 29-30 October 2015 in The Hague;

Recalling the Constitution of the ILO, which states that lasting peace can be established only if it is based on social justice;

Reiterating the fundamental principles on which the ILO was founded as described by the Declaration of Philadelphia⁴⁶ of 1944: ”

- a) labour is not a commodity;*
- b) freedom of expression and of association are essential to sustained progress;*
- c) poverty anywhere constitutes a danger to prosperity everywhere;*
- d) the war against want requires to be carried on with unrelenting vigour within each nation, and by continuous and concerted international effort in which the representatives of workers and employers, enjoying equal status with those of governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare.”*

Recalling the ILO Declaration on fundamental principles and rights at work of 1998, promoting principles and rights at work in four categories

- 1) freedom of association and the effective recognition of the right to collective bargaining*
- 2) the elimination of all forms of forced or compulsory labour*
- 3) the abolition of the worst forms of child labour*

⁴⁶ Declaration concerning the Aims and Purposes of the International Labour Organisation, adopted at the 26th session of the General Conference of the International Labour Organisation, Philadelphia, 10 May 1944

4) *the elimination of discrimination in respect of employment and occupation*

Considering that the Economic and Social Councils and Similar Institutions are established to advise the Executive authority/government and/or parliament on how best to ensure both complementarity and coherence between economic requirements and social needs and are determined to advance decent work and social justice for all.

In recognizing the above principles and rights, we affirm that:

Workplace compliance is respect of international labour standards and fundamental principles and rights at work, the enforcement of national legislations, the creation of an environment and culture of respect for the rule of law and international standards in preventing labour law violations through various mechanisms, including campaigns and the promotion of Corporate Social Responsibility.

Workplace compliance is the concrete result that workers, employers and governments seek to achieve together through a set of strategies, actions and policies to improve working conditions, productivity, competitiveness, and social development, whilst considering the diverse development levels of all countries.

The development of decent work standards includes laws, regulations and standards in diverse areas such as freedom of association, collective bargaining, occupational safety and health (OSH), wages, agreed work arrangements, working time (including overtime), discrimination and harassment, maternity protection, employment contracts and paid leave.

The ESCs and SIs should give serious consideration to the promotion of work place compliance including in Global Supply Chains in their working agendas, consultation processes and advocate for it to become a priority in national development agendas.

The common goals of the ILO and the AICESIS were highlighted in the joint cooperation agreement concluded in 2012, the Hague Declaration on workplace compliance aims at giving effect to the agreement and mobilizing ESC-SIs on this strategic issue.

The importance of those best practices, such as the Better Work Programme, the Bangladesh Accord, International Framework Agreements, Compliance Plus (Sri Lanka) and international CSR Covenants at sectoral level are recognized in the promotion of transparency and accountability.

We are determined to:

Reinforce actions at the national level and with regard to different relevant players (Government, Parliament, representative organizations of employers and workers as well as other appropriate representative organizations of persons and groups concerned) in order to promote the recognition of the strategic importance of workplace compliance for both workers and enterprises and for society as a whole;

We the ESC-SIs propose the following action:

As important platforms for both tripartite and enlarged consultations and deliberations on economic and social policies and for building national consensus, we the ESC-SIs will use our best endeavors to:

-
- Further engage ourselves in the national debate about promoting workplace compliance including in global supply chains and enhance our competencies and role as forums for concertation on fundamental principles and rights at work;
 - Mobilize all available resources (human, technical and financial) towards addressing the issue of workplace compliance including, if necessary, the creation of experts committees or working groups devoted to it, in accordance with the constitution of the ESCs-SIs;
 - Enhance the role and the capacity of our members, especially the social partners, on workplace compliance;
 - Cooperate with:
 - Enforcement agencies, especially labour inspectorates, and other relevant institutions in order to activate mutually beneficial relations with them;
 - National and international organisations of employers and workers to strengthen their role and capacity to promote workplace compliance including in global supply chains.
 - Facilitate discussions between the public administration and the social partners concerning voluntary compliance mechanisms and their impact in promoting workplace compliance;
 - Promote the implementation of international guidelines, such as the OECD guidelines for Multinational Enterprises, the UN guiding principles on business and human rights and the ILO Tripartite Declaration of principles concerning multinational enterprises and social policy.
 - Give due consideration to the guidance given by relevant ILO instruments in the area of Social Dialogue, especially Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144) / Labour Inspection Convention, 1947 (No.81) / Protocol of 1995 to the Labour Inspection Convention / Labour Inspection (Agriculture) Convention, 1969 (No. 129).

We as members of the AICESIS propose the following action:

- Facilitate exchanges of information, experiences and good practices between individual ESC-SIs concerning their contributions to national actions promoting workplace compliance;
- Undertake follow-up actions to the Hague Declaration, which will be presented at our General Assembly meeting in 2016 including specific initiatives aiming at reinforcing ESC-SIs' capacities to support the implementation of the Hague Declaration at country level.
- Send all the relevant documents and reports to the Secretariat General of the AICESIS on the work of ESC-SIs in promoting workplace compliance.

We request the ILO, as a strategic partner, to consider the following action:

- Promote exchange of experience amongst tripartite constituents with the support of broad platforms, including ESCs-SIs, in the formulation and implementation of integrated workplace compliance strategies, including in global supply chains;
- Analyse the trends on workplace compliance in the world, including in global supply chains, and provide policy tools and training to support national processes of social dialogue;
- Offer expertise to help ESCs-SIs to formulate strategies that aim at strengthening capacities of their members, especially the social partners, on workplace compliance.

The Hague, 30 October 2015

ANNEX II. The Hague Conference Agenda

“Promoting Workplace Compliance including in Global Supply Chains: The role of Economic and Social Councils and similar social dialogue institutions”

The Hague, 29-30 October 2015

Venue : The Social and Economic Council of the Netherlands (SER)
Bezuidenhoutseweg 60, The Hague

<u>29 October 2015</u>	
08:00 – 09:00	Registration of participants
09:00 – 10:30	<p><u>Opening Session</u></p> <p><i>Moderator: Ms Véronique TIMMERHUIS</i>, Secretary General of the SER of the Netherlands</p> <p>- Welcoming word by:</p> <ul style="list-style-type: none">- <i>Ms Mariëtte HAMER</i>, President of the SER of the Netherlands- <i>Mr. Agripino Antonio NÚÑEZ COLLADO</i>, President of the AICESIS <p>- Welcoming word and key note address by <i>Ms Sandra POLASKI</i>, Deputy Director General/Policy, ILO</p> <p>- <i>Mr Christiaan REBERGEN</i>, Director General for International Cooperation, Ministry of Foreign Affairs of the Netherlands</p> <ul style="list-style-type: none">▪ Intervention▪ Q&A and discussion
10.30 – 10.45	<u>Coffee Break</u>
10:45-12:00	<p><u>Working Session 1</u></p> <p><i>Presentation of the results of the ILO-AICESIS Global Survey on Work Place Compliance including in Global Supply Chains</i></p> <p><i>Moderator: Mr. KIM, Dae-hwan</i>, President of the Korean ESDC</p> <ul style="list-style-type: none">▪ <i>Presentation of the results of the survey (45 minutes): Mr. Youcef GHELLAB</i>, Head of the Social Dialogue and Tripartism Unit, GOVERNANCE Department, ILO and <i>Ms. Liesbeth UNGER</i> (Consultant – Rapporteur of the background paper) <p>Discussion (30 minutes)</p>
12:00 – 13:30	Lunch break and Family Photo
13:30-15:00	<p><u>Working Session 2</u></p> <p><i>Experiences and Views of International organisations/institutions on Improving Workplace practice and compliance especially in Global Supply Chains</i></p>

	<p><i>Moderator: Ms Alexandra VAN SELM, Deputy Director of Social Affairs, SER</i></p> <p>Presentations by the representatives of:</p> <ul style="list-style-type: none"> ▪ OECD: Mr. Tyler GILLARD, Head of Sector Projects, Responsible Business Conduct Unit (<i>by video conference</i>) ▪ World Bank Group : Ms. Daria TAGLIONI, Senior Economist and Global Solution Lead on Global Value Chains, Trade and Competitiveness Global Practice (<i>by video conference</i>) ▪ UN Global Compact: Mr. Ben CHIN, Coordinator Relationship Management and Labor (<i>message video</i>) ▪ ILO: Mr Moussa Oumarou, Director, GOVERNANCE Department <p>Followed by a panel discussion (45 minutes), including participation of:</p> <ul style="list-style-type: none"> ▪ Ms Linda KROMJONG, Secretary-General, International Organization of Employers ▪ Mr Jeffrey VOGT, Director Legal Unit, International Trade Union Confederation
15:00 – 15:30	Coffee break
15:30-17:00	<p><u>Working Session 3</u> <i>How to <u>ensure occupational safety and health</u>? What role can social dialogue play?</i></p> <p>Panellists are requested to present :</p> <ol style="list-style-type: none"> 1. Recent, concrete experience ensuring occupational safety and health in your country and/or in the global supply chain; the role of social dialogue. 2. Lessons learned and what measures would you recommend to ensure that all stakeholders are involved? <p><i>Moderator: Mrs Hadja Rabiadou Serah DIALLO, President of the ESC of Guinea</i></p> <p><i>Panellists:</i></p> <ul style="list-style-type: none"> - Mrs. Sylvie BRUNET, Councillor of the Labour and Employment section, ESEC of France - Mr. Roberto MORENO, Secretary-General, <i>Confederación Unitaria de Trabajadores</i> (CUT) of Nicaragua - Ms Alexandra VAN SELM, Deputy Director of Social Affairs, SER - Mr Javier DIAZ PENA, Corporate social responsibility, INDITEX - Mr. Isidor BOIX, Global Inditex GFA Coordinator, INDITEX <p>Q&A</p>
17:00-18:30	<p><u>Working Session 4</u> <i>Presentation and Panel Discussion on Workplace compliance: International Programmes, Practices and Performance</i></p> <p><i>Moderator: Mr. Patrice EZATY MERIKO EDZIA, President of the ESC of the Democratic Republic of the Congo</i></p> <ul style="list-style-type: none"> ▪ Key Presentation to be made by: <ul style="list-style-type: none"> - Mr. Dan REES (ILO Better Work Programme)

	<p>- Mr. Joris OLDENZIEL (Bangladesh Accord)</p> <p>- Mrs. Stavroula DEMETRIADES (Eurofound, European Company Survey)</p> <p><i>Discussion (30 minutes)</i></p>
18.30-20h00	<p>Drinks at SER, social gathering – <i>SER venue</i></p> <p>[Drafting Committee to review the draft Declaration on Workplace compliance and cooperation through Social Dialogue especially in Global Supply Chains]</p>
20:00 – 21:30	Dinner hosted by the SER – <i>Hampshire Babylon hotel</i>

<u>30 October 2015</u>	
08:45 – 09:15	<p><u>Wrap up Session of the first day</u></p> <p><i>Presentation (20 minutes): Ms Githa ROELANS, Head, Multinational Enterprises and Enterprise Engagement Unit, Enterprises Department, ILO</i></p> <p><i>Q&A (10 minutes)</i></p>
09:15 – 10:45	<p><u>Working Session 5</u></p> <p><i>How to <u>enforce work place compliance (e.g. by labour inspectorates, industrial relations or audits)</u>? What role can social dialogue play?</i></p> <p>Panellists are requested to present :</p> <ol style="list-style-type: none"> 1. Recent, concrete experience on enforcing work place compliance in your country and/or in the global supply chain; the role of social dialogue. 2. Lessons learned and what measures would you recommend to ensure that all stakeholders are involved? <p><i>Moderator: Mr Claude AKPOKAVIE, ACTRAV Senior Advisor, ILO</i></p> <p><i>Panellists:</i></p> <ul style="list-style-type: none"> - Mr. Dick BARTELSE, Director Procurement, Akzo Nobel Specialty Coatings on Akzo's supplier support program - Ms Maria JOSÉ POLICARPO, Chief of Cabinet, CES President, Economic and Social Council of Portugal - Mr Omari SAMA, Labour Officer, Ministry of Labour and Employment of Tanzania - Mr S. M. Gotabhaya JAYARATNE, Secretary to the Ministry of Labour and Trade Union Relations, Sri Lanka <p><i>Q&A</i></p>
10:45 – 11:00	<u>Coffee Break</u>
11:00 – 12:30	<p><u>Working Session 6</u></p> <p><i>How to <u>enhance Fundamental Labour Rights</u>? What role can social dialogue play?</i></p> <p>Panellists are requested to present :</p>

	<p>1. Recent, concrete experience on enhancing fundamental labour rights in your country and/or in the global supply chain; the role of social dialogue.</p> <p>2. Lessons learned and what measures would you recommend to ensure that all stakeholders are involved?</p> <p><i>Moderator: Mr. Francisco Javier GONZÁLEZ DE LENA</i>, Director of the Cabinet of the President of the Spanish ESC</p> <p><i>Panellists:</i></p> <ul style="list-style-type: none"> - Mr. Andres Mauricio RAMIREZ PULIDO, Technical Secretariat of the permanent advisory Commission of wages and labor policy – Ministry of Labor of Colombia - Mr. KIM, Dae-hwan, President of the ESDC, Korea - Ms. Doha ABDELKHALEQ, ICT expert & legal counsel, Member of the ESC of Jordan - Ms. Lieneke WIERINGA, advocacy Manager, Fairfood International on occupational safety & health and social dialogue in Costa Rica and Honduras <p><i>Q&A</i></p>
12:30-14:00	<u>Lunch Break</u>
14:00 – 15:30	<p><u>Working Session 7</u></p> <p><i>How to strengthen the roles of social dialogue, social partners and ESCs/SIs to elaborate, implement, monitor and evaluation the strategy to improve workplace compliance?</i></p> <p><i>How to improve Workplace compliance in Global Supply Chains?</i></p> <p><i>Moderator: Mrs. Alette VAN LEUR</i>, Director Sectoral Policies Department (ILO)</p> <p>Panel discussion with representatives of:</p> <ul style="list-style-type: none"> ▪ Mr Jeffrey VOGT, Director Legal Unit, International Trade Union Confederation ▪ Ms Catelene PASSCHIER, Vice president Netherlands Trade Union Confederation FNV ▪ Ms Linda KROMJONG, Secretary-General, International Organization of Employers ▪ Mr Ton SCHOENMAECKERS, Director Social Affairs Department, Confederation of Netherlands Industry and Employers VNO-NCW
15:30-16:30	<p><u>Coffee Break</u></p> <p>Bilateral meetings and networking time between participants</p> <p>Drafting Committee to finalize the The Hague Declaration on workplace compliance and social dialogue</p>

16:30-17:45

Closing Session

Presentation of the Declaration by **Mr. Youcef GHELLAB**, Head of the Social Dialogue and Tripartism Unit, GOVERNANCE Department, ILO, and adoption

Closing:

- SER: **Ms Véronique TIMMERHUIS**, Secretary General
- ILO: **Mr. Moussa OUMAROU**, Director, GOVERNANCE Department
- AICESIS: **Mr. Agripino Antonio NÚÑEZ COLLADO**, President

ANNEX III. The Hague Conference list of participants

COUNTRY	NAMES	FUNCTION
AICESIS MEMBERS		
Argentina (Buenos Aires) <i>ESC</i>	Mr. Roberto PONS	
	Mr. José Luis PIRRAGLIA	
	Mr. Victor SANTA MARIA	Member of the ESC - Representative from SUTERH
Aruba <i>ESC</i>	Mr. Jose Rudolf GEERMAN	President
	Mr. Felix R.E. BIJLHOUT, Msc.	Secretary-General
Belgium <i>CNT</i>	Mme Alix LEJEUNE	Membre du service d'études sur l'OIT
Burkina Faso <i>ESC</i>	Dr Moïse I. NAPON	President
	Mr. Idrissa NASA	Vice President
	Mr. Gérard NACOULMA	Chief of Department
	Mrs Victorine OUANDAOGO	Representative of employers
	Mr. Blaise Augustin HIEN	Representative of workers
Cameroon <i>ESC</i>	Mr. Luc AYANG	President
	Mr. René Marie ESSOME BIKOU	Secretary-General
Democratic Republic of the Congo <i>ESC</i>	Mr Patrice EZATY MERIKO EDZIA	President
	Mr Léon KYABOBKASOBWA	Rapporteur adjoint
	Mme Odette MWAMBA BANZA	Conseillère de la République et Présidente de la Commission Santé, Affaires Sociales et Culturelles
	Mr Bob EZATY ETOMA	Chargé de Missions auprès du 1 ^{er} Vice-Président
Korea <i>ESDC</i>	Mr. KIM, Dae-hwan	President
	Mr. YOUN, Moo-jeong	Deputy Director of international relations
	Ms. CHO, Ok-hee	Deputy Director
Curacao <i>ESC</i>	Mrs Josephine PROVENCE	Secretary-General
	Mr. Jean DICTUS	Advisor
Spain <i>ESC</i>	Mr. Francisco Javier GONZÁLEZ DE LENA	Director of the Cabinet of the President
	Mrs. Margarita BRAVO TORRES	Director of International Relations
France <i>ESEC</i>	Mrs. Sylvie BRUNET	Conseillère de la section du travail et de l'emploi
Guinea <i>ESC</i>	Mrs Hadja Rabiataou Serah DIALLO	President Former SG of the National Workers Confederation
	Mr. El Hadj Amadou DIALLO	Vice President Representative of workers from public and private sectors, SG of the National Workers Confederation
	Mr. Alain Bertrand TRAORE	Deputy Secretary-General
Ireland	Mr. Kieran MULVEY	Director General of the

		Workplace Relations Commission
Jordan <i>ESC</i>	Ms. Doha ABDELKHALEQ	Representing the Employers Group
	Mr. Ali HADID	Representing the Workers Group
Kenya <i>NESC</i>	Ms. Elizabeth MUENI KIMULU (MUANZA)	Director, Social Sector at NESC
	Mr. Ernest NADOME	Assistant Secretary General of the Central Organization of Trade Unions Secretary General of the Kenya Electrical Trades & Allied Workers Union
Mali <i>ESCC</i>	Mr. Maouloud Ben KATTRA	Secrétaire Général Adjoint de l'Union Nationale des Travailleurs du Mali, 1er Secrétaire du Bureau, Chef de mission
	Mr. Tiémoko Souleymane SANGARE	Représentant les Comités de Coordination des Organisations Non Gouvernementales, Membre du CESC
	Mme Gertrude KEITA	Conseiller Technique de la Commission Affaires Sociales et Santé du CESC
Mauritania <i>ESC</i>	Mrs Vetiya SAMBA	Representative of the employers' organisation
	Mr. Haleman ABDALLAH	Representative of the workers' organisation
Netherlands <i>SER</i>	Mrs Mariëtte HAMER	President
	Mrs Veronique TIMMERHUIS	Secretary General
	Mrs. Alexandra VAN SELM	
	Mr. Jan VAN WIJNGAARDEN	
	Mrs. Nadia CICEK	
	Mr. Nikolai BLOEM	
Portugal	Mr. Augusto PRAÇA	Member of the Executive Committee of CGTP-IN (workers)
	Mme Maria JOSÉ POLICARPO	Coordinator of the Cabinet of the President
	Nuno BISCAYA	Legal and Social Affairs Department, CIP - Confederation of Portuguese Business
Dominican Republic <i>ESC</i>	Mr. Agripino Antonio NÚÑEZ COLLADO	President
	Dr. Iraima CAPRILES	Executive Director
Republic Srpska <i>ESC</i>	Mr. Bojan SMILJANIĆ	Secretary of the ESC
	Mr. Saša AČIĆ	Union of Employers Organization
	Mr. Milenko GRANULIĆ	Confederation of Trade Union
	Mrs. Mira VASIĆ	Ministry of Labour and

		Employment
Romania <i>ESC</i>	Mr. Dragoş MIHALACHE	Vice President from employers side
	M. Ion ALBU	Vice President from the workers side
Sant Maartin <i>Economic Social Council</i>	Mrs Oldine BRYSON- PANTOPHLET	President
	Ms. Ursela SALOMON	Staff member
NON AICESIS MEMBERS		
Albania <i>ESC</i>		
Bangladesh	Mr. Amirul Haque Amin	General Secretary Jatiyo Sramik Federation (JSF) Chairperson of NGWF (National Garment Workers Federation)
	Mr. Asif IBRAHIM	Bangladesh Employers' Federation's
Colombia	Mr. Fabio ARIAS GIRALDO	Secretary-General of the Central Unitaria de Trabajadores (CUT)
	Mrs. Caralina PERAFFAN LONDOÑO	Principal international Advisor of ANDI
	Mrs. Rosa Helena FLERERZ GONZALEZ	Secretary-General of the CTC
	Mr. Andres Mauricio RAMIREZ PULIDO	Technical Secretariat of the permanent advisory Commission of wages and labor policy – Ministry of Labor
	Mrs. Gloria GAVIRIA RAMOS	Director of the office for cooperation and international relations - Ministry of Labor
	Mr. Jorge ESPINOZA PÉREZ	Organizational Secretary of the CGT
Indonesia	Mr. Johannes DARTHA PAKPAHAN	Vice Chairperson of Chemical Federation (KIKES SBSI Federation)
Mongolia	Mr. Ganbaataar KHUYAG	Vice President of the Employers' Federation
Namibia	Mr. Basilius DYAKUGHA	Ministry of Justice
	Mr. Alphaus Vehonga MUHEUA	Deputy Minister of Labour and Chair of the Labour Advisory Council
	Mr. Michael Nande KAYALA	Ministry of Labour
	Mrs. Patricia Joan OLIVIER	Old Mutual Life Assurance Company (Pty) Ltd
	Mahongora KAVIHUHA	Trade Union Congress of Namibia
Nicaragua	Mr. Roberto MORENO MORENO	Worker - CUT

Sri Lanka	Mr. Kanishka WEERASINGHE	Director General / CEO Employers Federation of Ceylon
	Mr S. M. Gotabhaya JAYARATNE	Secretary - Ministry of Labour and Trade Union Relations
Tanzania	Dr. Samuel M. NYANTAHE	Chairman of the Labor Economic and Social Council (LESCO)
	Mr. Nicholas Ernest MGAYA	Secretary General of the Trade Union Congress of Tanzania (TUCTA)
	Dr Aggrey Kalimwage MLIMUKA	Executive Director of the Association of Tanzania Employers
	Mr. Omari SAMA	Secretariat Labor Economic and Social Council (LESCO)-Ministry of Labor and Employment
Tunisia	Mr. Nabil OURARI	Director at the DGT - Ministry of Social Affairs
	Mr. Belgacem AYARI	Deputy Secretary-General UGTT
	Mr. Sami SILINI	Director of social affairs- UTICA
AICESIS	Mr. Patrick VENTURINI	Secretary-General
	Ms. Samira AZARBA	Administrator
ILO	Ms Sandra POLASKI	Deputy Director General for Policy
	Mr. Moussa OUMAROU	Director, GOVERNANCE Department
	Mrs. Alette VAN LEUR	Director Sectoral Policies Department
	Mr. Claude AKPOKAVIE	Bureau for Workers' Activities (ACTRAV)
		Bureau for Employers' Activities (ACT/EMP)
	Mr Youcef GHELLAB	Head of the Social Dialogue and Tripartism Unit, GOVERNANCE Department
	Ms. Githa ROELANS	Head of Multinational Enterprises and Enterprise Engagement Unit
	Mr. Dan REES	Director ILO Better Work Programmes
	Mrs. Yuka OKUMURA	Governance and Strategic Programming Specialist in GOVERNANCE
	Ms. Claire COURTEILLE	Director ILO Office for the European Union and the

		Benelux countries
	Mr. Jules ONI	Social dialogue and labor administration main Specialist DWT/CO-Dakar
	Mr. T. Timothée SOULAMA	National Administrator of Pilot ACI 7 Program in Burkina Faso
	Marwa Maridadi PHANUEL	National Programme Coordinator, Labour Law, ILO Country Office Dar es Salaam
ITUC (International Trade Unions Confederation)	Mr Jeffrey VOGT	Director Legal Unit
IOE (International Organisation of Employers)	Ms Linda KROMJONG	Secretary-General
International Organizations	Mr Tylar GILLARD	Head of Sector Projects, Responsible Business Conduct (RBC) Unit, Investment Division, Directorate for Financial and Enterprise Affairs OECD
		World Bank
	Mr. Ben CHIN	UN Global Compact
	Mr. Joris OLDENZIEL	Bangladesh accord
	Mrs Stavroula DEMETRIADES	Senior Programme Manager Workplace Developments, Working Conditions and Industrial Relations (WCIR), Eurofund
	Mr. Isidor BOIX	Global Inditex GFA Coordinator
	Mr. Félix POZA	Corporate social responsibility Inditex
Guests	Mr Christiaan REBERGEN	Director General for International Cooperation, Ministry of Foreign Affairs of the Netherlands
	Mr. Jos HUBER	Ministry of Foreign Affairs
	Mr. Aart JAN BETTE	Ministry of Social Affairs
	Mrs. Charlotte BERNHARD	Ministry of Social Affairs
	Ms Catelene PASSCHIER	Vice President of FNV
	Mrs Annie VAN WEZEL	FNV
	Mr. Coen VAN DER VEER	FNV
	Mr. Nic VAN HOLSTEIN	VCP
	Mr Ton SCHOENMAECKERS	Director Social Affairs Department, Confederation of Netherlands Industry and Employers VNO-NCW
	Mr. Franck GAMBELLI	Directeur environnement sécurité conditions de travail

		chez UIMM
	Mr. Dick BARTELSE	Director Procurement, Akzo Nobel Specialty Coatings on Akzo's supplier support program
	Ms. Lieneke WIERINGA	Advocacy manager, Fairfood International on occupational safety & health and social dialogue in Costa Rica and Honduras
	Mr. Herman MULDER	NXII
	Ms. Liesbeth UNGER	Consultant – Rapporteur of the background paper
	Ms. Kamala LAGHATE	Assistant
	Mr. Johannes BORGER	Project Officer Private Sector Investment Programme - Rijksdienst voor Ondernemend Nederland
	Mr. Frank PYKE	International Consultant