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Governing Body

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THIRD ITEM ON THE AGENDA

Follow-up to the resolution on the ILO Centenary Declaration for the Future of Work

Proposals aimed at promoting greater coherence within the multilateral system

Purpose of the document

The ILO Centenary Declaration for the Future of Work, adopted by the International Labour Conference at its 108th Session (June 2019), declares that "[o]n the basis of its constitutional mandate, the ILO must take an important role in the multilateral system, by reinforcing its cooperation and developing institutional arrangements with other organizations to promote policy coherence in pursuit of its human-centred approach to the future of work, recognizing the strong, complex and crucial links between social, trade, financial, economic and environmental policies."

This document reviews the Office's collaborative relationships and engagements within the United Nations and the wider multilateral system at the global, regional and national levels. It highlights potential avenues for future collaboration with individual institutions, and provides proposals to advance the Declaration's call for reinforcing cooperation and developing institutional arrangements for the consideration of the Governing Body (see the draft decision in paragraph 48).

Relevant strategic objective: All.

Main relevant outcome: All policy outcomes and enabling outcome A.

Policy implications: Yes.

Legal implications: None.

Financial implications: None.

Follow-up action required: Yes.

Author unit: Multilateral Cooperation Department (MULTILATERALS).

Related documents: GB.338/INS/9; GB.338/POL/5.

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Introduction

- 1. The ILO Centenary Declaration for the Future of Work, adopted by the International Labour Conference at its 108th Session (June 2019), declares that "[o]n the basis of its constitutional mandate, the ILO must take an important role in the multilateral system, by reinforcing its cooperation and developing institutional arrangements with other organizations to promote policy coherence in pursuit of its human-centred approach to the future of work, recognizing the strong, complex and crucial links between social, trade, financial, economic and environmental policies". The accompanying resolution on the Declaration invited the Governing Body to "request the Director-General to submit to the Governing Body proposals aimed at promoting greater coherence within the multilateral system". Building on past policy coherence efforts, this document examines prospects for developing collaboration with multilateral partners, with a focus on the priorities identified in the Declaration.
- 2. The Preamble of the ILO Constitution is one of the first statements on social and economic interdependence, demonstrating that the issue of policy coherence at the international level has always been of strong relevance and interest to the ILO and its tripartite constituents. ¹ This constitutional mandate was reinforced and complemented by the 1944 Declaration of Philadelphia, which also highlights the relationship between international labour standards and economic, financial and trade policies. ² By the same token, the constitutional treaties of the major international economic, financial and trade institutions created after the Second World War the International Monetary Fund (IMF), the World Bank, the Organisation for Economic Co-operation and Development (OECD) and, more recently, the World Trade Organization (WTO) include references to employment and/or conditions of work.
- 3. The rapid expansion of globalization from the 1990s through the liberalization of trade and finance and the emergence of global labour markets led to increasing calls to promote decent conditions of work, and particularly the respect of fundamental rights at work. The 1995 World Summit for Social Development saw the four categories of fundamental rights at work formally identified for the first time. In 1996, the WTO Singapore Ministerial Declaration committed to the observance of internationally recognized core labour standards and identified the ILO as the competent authority to set and deal with them. ³ The adoption of the Declaration on Fundamental Principles and Rights at Work by the International Labour Conference followed in 1998. In 2004, the final report of the ILO's World Commission on the Social Dimension of Globalization called for, among other things, a shared responsibility to tackle inequality within and between countries and contribute to eliminating poverty through decent work and a stronger and more efficient multilateral system as key to creating a democratic, legitimate and coherent framework for globalization. It also called on the ILO to lead "policy coherence initiatives" involving other international

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¹ "... the failure of any nation to adopt humane conditions of labour is an obstacle in the way of other nations which desire to improve the conditions in their own countries ..." (ILO Constitution, Preamble, third recital)

² "...it is a responsibility of the International Labour Organization to examine and consider all international economic and financial policies and measures ..." (Declaration of Philadelphia, Part II(d)

[&]quot;...the fuller and broader utilization of the world's productive resources... can be secured by effective international and national action ... to promote a high and steady volume of international trade ... and for the promotion of the health, education and well-being of all peoples..." (Declaration of Philadelphia, Part IV)

³ WTO, "Singapore Ministerial Declaration", 13 December 1996.

organizations, specifically relevant UN bodies, the World Bank, the IMF and the WTO, with a view to contributing to a fairer and more inclusive globalization; a series of meetings to discuss such initiatives were held over the following years. Subsequently, the Declaration on Social Justice for a Fair Globalization (Social Justice Declaration) adopted by the International Labour Conference in June 2008 stressed again the interdependence and interlinkages between economic, financial, trade and employment policies. ⁴

- **4.** The 2008 global financial and economic crisis led to regular G20 gatherings at the Head of State level, with the participation of the executive heads of the IMF, World Bank, WTO, OECD, UN and ILO, as well as to the holding of annual meetings of G20 Labour Ministers. From that time to the present, G20 declarations have recognized repeatedly the importance of decent work, as well as of the need for multilateral cooperation and coherent policy responses in order to attain both quality employment growth and economic and financial stability.
- **5.** The UN System Chief Executives Board for Coordination (CEB) adopted in April 2009 nine joint initiatives in response to the crisis, including one on a global jobs pact and another on a social protection floor. ⁵ At the 98th Session of the International Labour Conference (June 2009), the Global Jobs Pact was endorsed by the Conference plenary. In September 2010, the ILO and the IMF co-organized a High-level Conference on the Challenges of Growth, Employment and Social Cohesion in Oslo, ⁶ which recognized the strong existing links between financial, economic and employment policies and led to joint ILO–IMF pilot programmes in selected countries around the themes of the Conference.

Challenges and opportunities for multilateralism

- **6.** Two UN instruments of fundamental importance that were adopted in 2015 the 2030 Agenda for Sustainable Development, and the Paris Climate Agreement opened up major new perspectives, and an urgent need, for reinforced multilateral cooperation. The ILO was quick to align its programme to the 2030 Agenda, and to integrate a just transition to climate neutrality in its work, as reflected in the Programme of Work for 2020–21 adopted by the Governing Body at its 337th Session (October–November 2019). More broadly, the main objective of the reform of the UN development system initiated by the UN Secretary-General in 2018 was greater coherence across the system for the delivery of the 2030 Agenda, which now enters its crucial last ten years, while the UN Climate Action Summit of September 2019 saw the announcement of the Climate Action for Jobs initiative.
- 7. However, these important steps have been accompanied by increased challenges to effective multilateral cooperation, and growing tensions in the system. The UN Secretary-General has evoked five global risks or fractures behind these developments: the fracture between two great power blocs; the fracture between people and the institutions of government with the breakdown of the social contract; the fracture resulting from a breakdown of solidarity, manifested by a lack of readiness to act to aid those in urgent need of protection; the fracture between people and planet resulting from climate change; and the technological fracture

⁴ "... As trade and financial market policy both affect employment, it is the ILO's role to evaluate those employment effects to achieve its aim of placing employment at the heart of economic policies." (ILO Social Justice Declaration, Part II, Section C)

⁵ CEB, first regular session of 2009, "Summary of Conclusions".

⁶ The executive heads of the ILO and the IMF, the Norwegian prime minister and several other Heads of State and Government participated in the conference.

between those possessing the means to benefit from digital transformations and those excluded from access to them. ⁷

- 8. The increasingly evident, and growing, gap between the global challenges facing the international community and the formal commitments it has made to address them on the one hand, and the real level of cooperation and achievement on the other, presents a possibly unprecedented risk to the functioning of multilateralism. The particular danger is of a vicious circle of underperformance and withdrawal of popular and political support. Should that take hold, then the capacity of the ILO to realize the objectives set out in the Centenary Declaration would be correspondingly constrained.
- 9. The magnitude and urgency of the global challenges that require multilateral responses, and the strains in multilateralism itself, argue strongly for a robust and determined follow-up to the relevant provisions of the Centenary Declaration. It should not be lost from view that the widespread mobilizations of public opinion around the world, and manifestations of anger and discontent with established institutions and actors of public life, can in large measure be attributed to policy failures precisely where multilateralism has a key role to play: above all in reducing inequalities, in tackling climate change, in extending human security, in protecting human rights, in managing human mobility, and in offering opportunities for decent work for all. In this perspective, what looks like a rejection of multilateralism might better be understood as "we the peoples" making a pressing call for multilateralism to do its job better.
- **10.** The question before the Governing Body is how the ILO and its multilateral partners can best respond to that call. A survey of current ILO activities and cooperation with those partners is the point of departure in framing that response.

ILO collaboration with multilateral institutions

United Nations

- 11. With reform of the United Nations development system now in full implementation, tighter and more coherent collaboration and increased joint programming among entities within the system in support of member States' national development plans and efforts to achieve the Sustainable Development Goals (SDGs) is a key tenet of the ILO's work. The opportunities and challenges for promoting international labour standards and tripartism within the reformed development system have been considered at several Governing Body sessions in the past three years, and the Office has acted vigorously to exploit them fully. ⁸ The ILO Plan of Action for 2019–20 to maximize the opportunities of UN development system reform for the ILO and tripartite constituents, endorsed by the Governing Body in March 2019, articulates specific efforts in this regard. ⁹
- 12. A key continuing aspect of UN development system reform is the restructuring of the regional assets of the system, which seeks to better integrate the technical, normative and convening capacities of the UN regional commissions with those of the UN development system entities both at the regional and country levels with a view to reducing gaps and

⁷ UN Secretary-General, "Secretary-General's remarks at the Paris Peace Forum", 11 November 2019.

⁸ See GB.338/INS/9.

⁹ GB.335/INS/10.

overlaps and improving coordination of the UN's extensive expertise. ¹⁰ As part of this effort, the regional commissions will contribute policy expertise on regional and transboundary issues for national UN Sustainable Development Cooperation Frameworks and participate in developing regional issue-based coalitions with UN entities. For example, in Latin America, the ILO, the UN Economic Commission for Latin America and the Caribbean and the United Nations Development Programme (UNDP) will lead a coalition on equitable growth.

- 13. UN inter-agency issue-based coalitions have been growing in importance in assisting countries in achieving the SDGs. Through its leadership roles in the UN Social Protection Floor Initiative and the Social Protection Inter-agency Cooperation Board, the Office has been successful in increasing the importance of social protection in the priority development areas of many UN agencies that are today developing their own strategies on social protection. The Office has also raised extrabudgetary resources through UN joint programmes in many countries, including through the UN Joint Fund for the 2030 Agenda, increasing its field presence and country relevance. The Partnership for Action on the Green Economy (PAGE) brings together five UN agencies (the UN Environment Programme, the ILO, the UNDP, the United Nations Industrial Development Organization and the United Nations Institute for Training and Research) with funding partners and like-minded institutions to help countries to reframe economic policies and practices around sustainability and strengthen the ecological foundations of their economies. Currently active in 20 countries, PAGE has contributed to the creation of enabling policies, national plans, employment strategies, fiscal reforms and investment mechanisms for achieving the SDGs and the climate target of 1.5 degrees Celsius.
- 14. At the global level, in May 2019 in the run-up to the 108th (Centenary) Session of the International Labour Conference, the CEB adopted a UN system-wide strategy on the future of work. ¹¹ This approach, led by the ILO, recognized the unique role of the UN system, with its expertise, convening power, capacity-building and normative functions, in assisting countries with policies and programmes that help people benefit from the productivity gains and life-improving promises of technological change while ensuring that it does not widen inequalities within and among countries. In September 2019, the UN General Assembly endorsed the ILO Centenary Declaration and called on UN bodies to consider integrating the Declaration's policy proposals into their work. ¹²
- 15. Inequality is a major area of shared concern across the UN system. The objective of SDG 10 is to "reduce inequality within and among countries". The last UNDP *Human Development Report* took as its theme "Inequalities in human development in the 21st century". ¹³ Similarly, the UN *World Social Report* issued in January 2020 is entitled "Inequality in a Rapidly Changing World". ¹⁴ The ILO has contributed to both of these publications.

¹⁰ See GB.338/INS/9.

¹¹ CEB, "United Nations System Strategy on the Future of Work", CEB/2019/1/Add.2.

¹² In resolution 73/342, "International Labour Organization Centenary Declaration for the Future of Work", the General Assembly recognized that "full and productive employment and decent work for all is one of the key elements of sustained, inclusive and sustainable economic growth that facilitate the achievement of the internationally agreed development goals".

¹³ UNDP, Human Development Report 2019: Beyond Income, Beyond Averages, Beyond Today – Inequalities in Human Development in the 21st Century.

¹⁴ UN Department of Economic and Social Affairs: *World Social Report 2020: Inequality in a Rapidly Changing World*.

16. The aforementioned high-level initiatives provide a firm basis for future collaboration with UN entities with mandates that are complementary to the ILO's, both at the global level in the context of multi-stakeholder partnerships and at the country level as part of UN country teams. One avenue being explored is the revision and updating of memoranda of understanding (MoU) with key UN entities regarding the mutually reinforcing roles each can play, at the country level in particular, to launch technically sound joint programmes for assisting member countries in achieving the SDGs according to their respective strengths and mandates.

International Monetary Fund

- 17. At present, the ILO does not have a formal cooperation agreement or framework with the IMF, although there has been collaboration in recent years on an ad hoc basis. The ILO is one of the few international organizations to enjoy official observer status at the IMF's International Monetary and Financial Committee. This status allows the Director-General to submit a written statement reflecting ILO perspectives on the latest economic and financial developments and their implications for decent work and social justice.
- 18. In recent months, better alignment on policy issues between the ILO and the IMF in the area of combating inequality through social protection has become evident. The IMF acknowledges rising inequality as a macro-critical issue, meaning that it becomes a trigger for IMF engagement on all structural issues. ¹⁵ The Strategy for IMF Engagement on Social Spending, launched by the IMF Managing Director at the International Labour Conference in June 2019, is a further step in recognizing the importance of social spending ¹⁶ for inclusive growth, achieving the SDGs and tackling the new challenges of the world of work. ¹⁷ The two organizations, having recently conducted an initial workshop, are now in discussions on further joint engagement on social protection issues at the country level. Within the context of the organizations' shared concern about growing inequalities, this work would aim to achieve greater respect for, and implementation of, the ILO's principles for social protection systems over the long term.

Organisation for Economic Co-operation and Development

19. In recent years collaboration between the ILO and the OECD has benefited from a growing convergence of views on labour market issues, social protection, responsible business conduct, collective bargaining and the role of social dialogue, including through the Global Deal. Consultative representation of workers' and employers' organizations ¹⁸ on the OECD's Employment, Labour and Social Affairs Committee (ELSAC) provides a unique

¹⁵ "In Fund-supported programs, while economic stability and poverty reduction should remain central, if high and raising inequality is assessed to have adverse implications for stability, policy recommendations would also need to address inequality, which could also take the form of conditionality, if deemed to be macro-critical for the program." IMF, *How to Operationalize Inequality Issues in Country Work*, p. 13.

¹⁶ Defined as public spending on social protection, health and education.

¹⁷ Christine Lagarde, Managing Director, IMF, "Forging a Stronger Social Contract – The IMF's Approach to Social Spending", Geneva, 14 June 2019.

¹⁸ The Business and Industry Advisory Committee to the OECD (BIAC) and the Trade Union Advisory Committee (TUAC).

link between the two organizations. The ILO regularly participates as an observer in OECD Ministerial Council Meetings, the ELSAC sessions and various other technical bodies, and the OECD equally has observer status at the Governing Body and the International Labour Conference. The ILO and OECD have co-produced numerous policy papers for G20 and G7 meetings at the request of their respective government members. The ILO's MoU with the OECD was last updated in 2011 in the wake of the 2008 financial crisis and included 15 areas of common interest where the organizations could enhance collaboration.

- 20. Further to the long-standing ILO engagement with the OECD on their Guidelines for Multinational Enterprises and the strong relationship of the Guidelines with the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), the ILO and the OECD are currently partnering with the European Union (EU) in two projects related to the promotion of responsible business. ¹⁹
- 21. The communiqué of the G7 Social Ministers' Meeting ²⁰ as well as the G7 Social Tripartite Declaration ²¹ adopted in June 2019 on the eve of the 108th (Centenary) Session of the International Labour Conference encourage the two organizations to tighten the relationship further. The communiqué called for "concrete measures ... to ensure reinforced dialogue and closer collaboration among and between relevant international organizations, notably the ILO and OECD, to reduce inequalities". It cites three key areas of action in that regard: (1) promoting the social sustainability of international financial programmes; (2) promoting international labour standards in a global and open economy; and (3) promoting a sustainable and inclusive future of work. Both organizations have expressed commitment to support this process in the future.

World Bank Group

22. In recent years, the ILO has pursued a range of collaborative activities with the International Finance Corporation (IFC) and the World Bank, including successful joint programmes such as Better Work and the third-party monitoring of the cotton harvest in Uzbekistan. The ILO and the World Bank co-chair the Social Protection Inter-agency Cooperation Board and have been instrumental in the creation of multi-stakeholder partnerships such as the Global Partnership for Universal Social Protection to Achieve the Sustainable Development Goals (USP 2030). The ILO has participated with the World Bank in joint research, inter-agency policy papers for the G20 and statistical projects, and has implemented components of World Bank projects in the areas of employment-intensive infrastructure and the development of small and medium-sized enterprises, among others. In 2015, the ILO contributed to a World Bank manual, *Balancing Regulations to Promote Jobs*, ²² which represented an important step forward in policy coherence on labour market themes.

¹⁹ In Asia, in six trading partners of the EU: China, Japan, Myanmar, the Philippines, Thailand and Viet Nam; and in Latin America (Argentina, Brazil, Chile, Colombia, Costa Rica, Ecuador, Mexico, Panama and Peru), in which the Office of the United Nations High Commissioner for Human Rights (OHCHR) is the third implementing partner.

²⁰ "G7 Social Communiqué", June 2019.

²¹ G7 Social Tripartite Declaration, June 2019.

²² Arvo Kuddo, David Robalino and Michael Weber, *Balancing Regulations to Promote Jobs: From Employment Contracts to Unemployment Benefits* (World Bank Group).

23. The ILO does not have an overarching MoU with the World Bank but generally holds discussions on cooperation during the annual meetings of the IMF and the World Bank.

World Trade Organization

24. The ILO does not currently have an institutional collaborative arrangement, such as an MoU or equivalent, with the WTO, and while the WTO enjoys observer status at the ILO Governing Body and International Labour Conference, the ILO does not have reciprocal status at the WTO General Council or Ministerial Conference. There has been joint research and mutual participation in conferences and workshops over the years, but collaboration has not developed further. The Office continues to maintain contacts with the WTO secretariat and to participate in WTO Public Forum events.

Regional development banks

25. The regional multilateral development banks (MDBs) have been important players in development finance for many years and are considered key actors in the scaling-up needed for realization of the SDGs. Cooperation among the regional MDBs has been on the rise since the adoption of the Addis Ababa Action Agenda in 2015, including agreements on common actions to address issues such as forced displacement, infrastructure, private investment and urbanization. They are increasingly active on climate finance and issues related to a just transition, as evidenced by a collective high-level statement at the UN Secretary-General's Climate Action Summit in September 2019, where eight regional MDBs plus the World Bank Group reiterated their commitment to helping clients deliver on the goals of the Paris Agreement. ²³ Over the past ten years, several key regional MDBs ²⁴ have put in place environmental and social safeguard policies, similar to those of the IFC, for their lending and investment operations. These safeguards have generally included a labour and working conditions standard that is based on, or directly references, ILO core labour standards and other key standards on working conditions and occupational safety and health. They generally also include a safeguard on indigenous peoples, and in that regard reference the ILO Indigenous and Tribal Peoples Convention. 1989 (No. 169).

Regional intergovernmental organizations and institutions

26. Regional intergovernmental groupings and their institutions have traditionally provided the ILO with opportunities to foster political support for the Decent Work Agenda and pursue joint programmes and projects that respond to regional priorities. In Africa, the ILO works closely with the African Union (AU) and has formal partnership agreements with five of the eight AU-recognized Regional Economic Communities, ²⁵ such as the agreement with

²³ Asian Development Bank (ADB), African Development Bank (AfDB), Asian Infrastructure Investment Bank (AIIB), European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), Inter-American Development Bank (IDB), Islamic Development Bank (ISDB), New Development Bank (NDB) and World Bank Group, "High Level MDB Statement".

²⁴ In particular, the AfDB, EBRD, EIB and IDB (currently in draft).

²⁵ East African Community (EAC), Economic Community of Central African States (ECCAS), Economic Community of West African States (ECOWAS), Intergovernmental Authority on Development (IGAD) and Southern Africa Development Community (SADC); MoUs with the EAC and the SADC were renewed in 2018 and 2019, respectively.

IGAD, ECOWAS, the EAC and the SADC on migration and labour mobility projects. In Asia and the Pacific and the Arab States, the ILO has formed close relationships over the years with the Association of Southeast Asian Nations, the South Asian Association for Regional Cooperation, the Pacific Island Forum, the Arab Labour Organization and the Gulf Cooperation Council, which have contributed to ensuring that tripartite social dialogue and social justice are part of policy debates. The Latin America and the Caribbean region supports technical work with the Organization of American States, among others. In Europe, the ILO has benefited from close ties with the institutions of the EU, and in particular the European Commission, which is currently one of the ILO's largest development cooperation partners. The European Commission supports the Decent Work Agenda through external and internal policies ²⁶ and promotes ILO core Conventions in its free trade agreements. In October 2019 the Council of the European Union adopted conclusions to promote the ILO Centenary Declaration. ²⁷

Multi-stakeholder partnerships

- 27. A key feature of the 2030 Agenda is the recognition of the intrinsic and critical role of multistakeholder partnerships, reaching out beyond the intergovernmental organizations in helping countries achieve the SDGs. Since the adoption of the Agenda in 2015, a number of such partnerships have been created and existing ones expanded. The ILO leads or participates in several significant ones that have important donor support. While their transaction costs can be heavy, the experience has been positive and is being built upon.
- **28.** For example, the Global Initiative on Decent Jobs for Youth, the first comprehensive UN system-wide effort for the promotion of youth employment, has brought together the resources and convening power of the UN and other key global partners to maximize the effectiveness of investments in youth employment. The Office is looking to strengthen the partnership between the Global Initiative and the Generation Unlimited partnership of the United Nations Children's Fund (UNICEF), leveraging the convening power of both organizations for greater impact at the country level. Alliance 8.7 to eliminate child labour, forced labour, modern slavery and human trafficking has attracted some 225 partners from across the world since its establishment, representing governments, social partners, UN and regional organizations as well as civil society. It has fostered policy coherence on critical issues across government, the UN system and beyond, and helped accelerate action in concerned countries. The Equal Pay International Coalition (EPIC), led by the ILO, UN Women and the OECD, has a diverse and growing membership of over 30 entities from UN agencies, governments, employers' and workers' organizations, civil society and academia, and has become an international hub for technical knowledge and innovation on effective measures to promote pay equity and the achievement of target 8.5 of the 2030 Agenda.

Looking ahead: Prioritizing strategic policy coherence efforts

29. In the light of the opportunities, challenges and existing cooperation outlined above, the Governing Body is called upon to decide on the approach to be taken in giving effect to the provisions of the Centenary Declaration that instruct the ILO to take an important role in the

²⁶ Such as the 2017 European Consensus for Development.

²⁷ Council of the European Union "The Future of Work: the European Union promoting the ILO Centenary Declaration – Council Conclusions", 24 October 2019.

- multilateral system by reinforcing its cooperation and developing institutional arrangements with other organizations to promote policy coherence in pursuit of its human-centred approach to the future of work.
- **30.** It is clear that any initiatives in this regard should be consistent with the ILO's constitutional mandate, and recognize the respective mandates of other entities as well as the strong, complex and crucial links between the social, trade, financial, economic and environmental policies which fall within them. More specifically, they should be integral to the delivery of the ILO's Programme of Work for 2020–21 and the UN 2030 Agenda for Sustainable Development, with which it is strongly aligned.
- 31. Any initiative at this time would be introduced in a dynamic context, because whatever the headwinds it faces, the multilateral system is moving ahead with profound reform of its development system and embarking on a critical decade of delivery of the 2030 Agenda. It should serve to complement and facilitate such reform and to contribute to accelerated delivery of that Agenda. It is, and must remain, a distinctive duty of the ILO to promote and reinforce the role and capacities of its tripartite constituency in this context and ensure the application of its normative framework.
- **32.** In broad terms, it would appear that the Governing Body has two options in following up on the relevant provisions of the Centenary Declaration, and that they are not mutually exclusive.
- 33. The first is to build further upon the current substance and modalities of cooperation outlined in this document. This approach would be "evolutionary" in character, with the Office seeking to systematize, deepen and extend existing partnerships and develop new ones. Such an approach would be consistent with, and a continuation of, the practices of recent years, when successive ILO programme documents have placed explicit emphasis on partnerships as an important modality for delivery. The Governing Body may wish to identify priority policy themes arising from the Centenary Declaration and/or specific organizations for prospection by the Office, should this approach find favour with the Governing Body. Similarly, it might provide guidance on whether new institutional arrangements should be sought or simply operational areas of cooperation.
- **34.** The second approach would involve a renewed effort to bring about greater system-level interaction and coherence between those organizations whose mandates make them particularly important for the realization of the objectives of the Centenary Declaration, keeping in mind its explicit reference to social, financial, economic and environmental policies in the context of reinforced cooperation and coherence. This would be distinct from and complementary to the efforts already under way through the process of UN reform.
- **35.** The following orientation on themes and modalities for reinforced multilateral cooperation and coherence may facilitate the Governing Body's consideration of these two options.
- **36.** In the case of the first option, a number of policy themes would seem to offer good prospects, both because they are strongly present in the Centenary Declaration, and hence in the ILO programme of work for the current biennium, and also because they are the subject of particular attention from potential partners. These include, but are not necessarily limited to, the following issues.
- 37. Social protection: There are opportunities to reinforce ILO leadership on social protection through new collaboration with the IMF in the context of the Fund's Strategy for Engagement on Social Spending. The ILO could advocate for the principles established in its standards to be duly taken into account by the IMF in its recommendations on social spending, which would impact their redistributional impact and social acceptance. A

common policy framework compatible with both agencies' standards and guidelines could be developed through pilot projects in a handful of countries. The Office could also increase its impact through the Social Protection Inter-agency Cooperation Board, the Global Partnership for Universal Social Protection (USP 2030) and the UN-wide Social Protection Floor Initiative by implementing and documenting One United Nations country programmes on social protection, developing and applying inter-agency social protection assessment tools, carrying out inter-agency research and further extending USP 2030 to more countries.

- **38.** Economic policies for full and productive employment: An important new area of potential collaboration with the World Bank could link to the World Bank Group's Jobs and Economic Transformation framework. This could include, for example, work on structural transformation and economic diversification, macroeconomic and other economic policies to support quality employment creation and enterprise upgrading, the transition to formality, skills, and gender equality. This could provide an opportunity to work on both economic and social policy with the World Bank and to further explore potential collaboration on sustainable enterprises and supply chains.
- **39. Just transition and climate action for jobs:** The announcement by the UN Secretary-General at the 2019 UN Climate Action Summit of a Climate Action for Jobs initiative to be spearheaded by the ILO generates both a major opportunity and responsibility for the Office to promote coherence in approaches based on the ILO *Guidelines for a just transition towards environmentally sustainable economies and societies for all.* The initiative could become the umbrella for just-transition initiatives around the globe, based on tripartite participation and involving a range of UN entities, international financial institutions and other development partners.
- **40. Statistics:** Other international organizations are increasingly turning to the ILO for methodologies on how to measure critical elements of the world of work, and there is potential for enhanced collaboration with international financial institutions and the regional development banks, for example in data collection for monitoring the SDGs, especially through the indicators for which the ILO is custodian in the Global Indicator Framework. The World Bank Group's World Development Indicators use data compiled by the ILO for labour market indicators. Both the IMF and the World Bank participate in the working group on revising the statistical framework for measuring informality that will be presented to the next International Conference of Labour Statisticians for adoption. The World Bank Group and the ILO will jointly issue guidelines on the implementation of the standards adopted at the 19th International Conference of Labour Statisticians in different types of household surveys, building on the experience of a joint pilot study in Sri Lanka. These will supplement tools and guidelines already issued by the ILO for labour force surveys. All of these initiatives can drive greater policy coherence through harmonization of definitions and survey instruments.
- 41. International labour standards: While the ILO has responsibility for across-the-board promotion of its normative instruments in the multilateral system, more systematic engagement in assisting development banks with labour issues that arise in the application of their social safeguards is a particularly promising area for future engagement. A closer working relationship with the UN and its treaty bodies both at the global and country levels would also be important for reinforcing the critical links between labour rights and human rights. UN development system reform is providing new opportunities for the ILO to collaborate with the Office of the High Commissioner for Human Rights and other UN agencies in providing assistance to States in meeting their human rights obligations.
- **42. Skills and lifelong learning:** With the need for upskilling and reskilling for today's rapidly changing labour market now widely recognized, a number of important opportunities have arisen for work with other multilateral entities. These include a revised framework on core

work skills, including digital and foundation skills for employability in collaboration with the United Nations Educational, Scientific and Cultural Organization (UNESCO), UNICEF, the International Telecommunication Union and other partners; the Global Skills Partnerships on Migration with the International Organization for Migration and UNESCO; and a Skills for Jobs database with the OECD. Building on its existing engagement with the African Development Bank, the Office could explore collaboration with other regional financial institutions.

- **43.** It is clear that the identification of partners for cooperation would depend very much on the policy themes to be pursued, and their own interest in working together with the ILO. Nevertheless, the Governing Body may also see merit in the further development of regional-level partnerships on a more systematic basis. The ILO's own past record in this regard is uneven, and new efforts could be particularly timely, since the issue of the optimal use of the UN's regional assets is under ongoing examination in the UN reform process.
- **44.** Over the last decade, the ILO has established itself as a valued partner to a number of intergovernmental groupings, notably the G20, the G7 and the BRICS countries (Brazil, Russian Federation, India, China and South Africa), which has had the additional result of consolidating its cooperation with other international organizations that offer similar support. While continuing to offer its services to those groups, opportunities might also be pursued to extend them to others, including at the regional and subregional levels.
- **45.** The second option necessarily implies a higher level of innovation and ambition than the first. The Governing Body may take the view that such ambition is justified and necessary in the light of the nature of current global challenges, public perception of the current performance of the multilateral system, and the instructions handed down in the Centenary Declaration.
- **46.** If so, it would be appropriate for the ILO to seek to convene at an early date, and in a conducive setting, a debate involving all relevant and interested partners on how joint initiatives, including possible new institutional arrangements, could contribute to the implementation of the terms of the Centenary Declaration and reinforced international policy coherence. Additional sanction for such a debate is provided by resolution 73/342, adopted by the General Assembly in September 2019, in strong support of action on the Declaration across the UN system.
- 47. Should this approach find support in the Governing Body, an early opportunity for follow-up would be to convene a high-level debate at its 340th Session (November 2020), to which the executive heads of relevant organizations could be invited. This would allow the Governing Body's newly elected membership to benefit from and sustain the momentum generated by the Centenary year, and to assume fully its responsibility to implement the Centenary Declaration.

Draft decision

48. The Governing Body requested the Director-General to take the necessary action in accordance with its guidance to enhance the ILO's role in the multilateral system by reinforcing its cooperation and developing institutional arrangements with other organizations to promote policy coherence in pursuit of its human-centred approach to the future of work.