
International Labour Organization



1. A universal mandate and an agenda for development: Combating poverty through decent work

The ILO's mandate is to promote social justice through the world of work. Its 1919 Constitution points out that "...conditions of labour exist involving such injustice, hardship and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperilled..." It is also founded on the principle that "labour is not a commodity".

Work is a key factor in human dignity, in determining standards of living, and in underpinning the stability of families, communities and societies. It is integral to processes of national and international economic and social development. Work and stability, and work and prosperity are interconnected themes of the Organization's mission. It follows that the quality of work is as important as the availability of work itself and that work must play a key role in sustainable poverty eradication.

In the era of globalization, the ILO has expressed its mandate as the promotion of decent work, with the following strategic objectives:

- promoting job creation and enterprise development because through employment and incomes, production and output are translated into effective demand and decent standards of living
- respecting fundamental principles and rights at work which provide the ground rules and framework for development
- extending social protection, especially basic income security and access to health care, which ensures human security and inclusion and enables economic reform
- promoting social dialogue, which links production with distribution and ensures equity and participation.

In this universal and integrated Decent Work Agenda, gender and development are cross-cutting themes. It embraces all workers, in both the formal and the informal economy. It informs a development agenda and a "working out of poverty" approach in a dynamic, empowering and transformational process within the productive framework of the real economy. The ILO with its constituents advances decent work objectives through programme and project action and through policy development in a mutually supportive approach. Decent work has been integrated into a number of national policies and strategies.

With its unique tripartite structure, the Organization brings together governments, employers and workers on an equal footing to address world of work issues.

The ILO's principal and interrelated related means of action are its comprehensive body of international labour standards, research, and development cooperation activities, while knowledge is of growing importance.

2. Reaching out to promote Decent Work

The comprehensive nature of the Decent Work Agenda requires the ILO to strive to influence global policy debates that will set the framework for the generation of decent work. It is active at regional level where processes of regional integration and cooperation can support decent work outcomes. The Decent Work Agenda has been widely endorsed globally, including at the highest level by the international community in the framework of the United Nations, the G20 and regionally.

Decent work is now established as an internationally recognized global development goal and the subject of MDG Target 1.B ("Eradicate extreme poverty and hunger – achieve full and productive employment and decent work for all, including women and young people").

Within the multilateral system, including through the UN Chief Executives Board, the ILO promotes a coherent, system-wide policy approach to decent work. The recent UN Social Protection Floor Initiative, under the joint leadership of the ILO and the WHO, brought together the UN system and the development community to promote the developmental role of social protection and the feasibility of establishing social protection floors.

In other initiatives with the IMF and the WTO, for example, it undertakes research on specific economic and social policy issues from a decent work perspective.

At the G20 the ILO has systematically pointed to the imperative of a job-rich recovery as the basis of people-centred recovery, and has underscored the role of employment and social protection with respect for fundamental principles and rights at work and social dialogue in realizing the G20 Framework for Strong, Sustainable and Balanced Growth. The G20 Summit welcomed the ILO's Global Jobs Pact and the building of an employment-oriented framework for future economic growth.

3. A global results framework: Strategic management and results-based performance

The ILO's development cooperation programmes combine international labour standards, advocacy, practical action and policy development. Issues of organization and representation, freedom and equality are integrated into programmes. These must be reflected in its methods of work and performance evaluation systems.

Using results-based methodology, the ILO is committed to striving for continual improvements in management and efficiency to achieve its objectives, as mandated in the ILO Declaration on Social Justice for a Fair Globalization of 2008. The foundations have been established –

Strategic planning: A six-year Strategic Policy Framework for 2010 – 2015 sets out clear organizational outcomes and performance indicators with related targets set for each biennium.

At the country level, the ILO has invested heavily in coordinating its planning with the work of the United Nations system. Decent Work Country Programmes (DWCPs) increasingly support and align with UNDAFs, Poverty Reduction Strategies, and other national development plans.

Results-based workplanning: Internal outcome-based workplans have been set for each DWCP outcome, which establish targets for the biennium, and identify the core and voluntary resources that will be allocated to achieve the targets. The workplans also identify resource gaps, which guide the ILO's resource mobilization strategy and the development of technical cooperation proposals. The use of resources in relation to programmed outcomes is managed by the ILO's Enterprise Resource Planning system, IRIS. Quality control and validation of results is ensured through independent evaluation and audit oversight.

4. The ILO's alignment with Australia's development objectives

The ILO's 19 programme Outcomes based on the four Strategic Objectives are directly relevant to Australia's identified development goals.

Sustainable economic growth and private sector development: Eight Outcomes are relevant, including employment promotion, skills development, and sustainable enterprises. Sustainable enterprises are the principal source of growth, wealth creation and employment. The realization of decent work in turn promotes their sustainability.

Security and quality of governance and strengthening civil society: Most of the Outcomes are fully or partly relevant, the most salient being international labour standards, strengthening employers' and workers' organizations, social security, labour migration and labour administration. The body of international labour standards provides a comprehensive system of instruments on work and social policy, backed by a supervisory system designed to address issues in their application at the national level. Some 166 of these instruments are currently applicable and in force, with a total of over 6,000 ratifications.

Health: Seven Outcomes are fully or partly relevant, including social security, child labour, international labour standards, occupational safety and health, and HIV/AIDS. As the lead UN agency on HIV and AIDS in the workplace and related private sector mobilization, the ILO plays an important role in the global HIV and AIDS response.

Education, gender equality and disability: Opportunities for all: Eleven Outcomes are fully or partly relevant to these issues, including child labour, discrimination at work, skills development, and social security. The ILO's International Programme on the Elimination of Child Labour has rescued millions of children from labour or prevented them from falling into it, and placed them in education, with indirect benefits for nearly a hundred million people. It promotes Education for All through its decent work campaign contributes to the achievement of MDG 2 by promoting universally accessible, free and compulsory education. It promotes social protection policies which also enable families to keep children in school, including girls.

The ILO contributed significantly to work on the UN Convention on the Rights of Persons with Disabilities, produces tools for including people with disabilities in the workplace, and has recently compiled data on

employment-to-population rates for people with disabilities and conducted an exploratory study on the price of excluding people with disabilities from the world of work and the associated cost to societies.

5. Selected examples of ILO programmes with a global reach and major development results

(a) International Programme on the Elimination of Child Labour (IPEC)

ILO-IPEC projects have provided technical guidance and advice to over 90 countries. This has led to over 50 countries adopting and implementing child labour policies, programmes and action plans to eliminate child labour.

In 2008-09, the last period for which complete figures are available, ILO-IPEC projects withdrew and prevented from entering child labour a total of 147,983 girls and 159,279 boys (41% in Africa and 39% in Asia and the Pacific).

During the same period 36 countries adopted or revised national legislation to adhere to the provisions of ILO Convention Nos. 138 and 182 on child labour with ILO advice and support, and 33 countries took action to mainstream and integrate child labour into their wider development policies

In *Indonesia* in a recently completed \$5.5 million project results included but are not limited to withdrawing over 4,500 child labourers from child labour; preventing a further 14,800 children from entering child labour through the provision of educational services; integrating child labour issues into the National Mid-Term Development Plan 2010-2014; and at the local level.

In *Kenya*, a project undertaken from September 2004 to September 2009 led, *inter alia*, to the withdrawal and prevention of a total of 14,200 girls and 11,300 boys from child labour; a training guide on child labour for district and local child labour committees was produced in 2008, and two training of trainers courses were carried out targeting committee members. A Memorandum of Agreement between the Kenya Coffee Growers' and Employers' Association and the Kenya Plantation and Agricultural Workers' Union included a clause on the abolition of all forms of child labour and was signed following support to the Federation of Employers; the Sexual Offences Act was enacted and regulations published whereby the commercial sexual exploitation of children and trafficking in children for sexual purposes was criminalized and child labour was integrated into the curricula for teacher training, technical industrial, vocational and entrepreneurship training, and non-formal education.

In *Cambodia*, where ILO-IPEC is currently implementing a four-year project (2008-2012), results to date include the withdrawal from and prevention from entering child labour of a total of 1,398 girls and 1,321 boys by providing education support. Following ILO advice and support, child labour and education has been fully integrated into the National Social Protection Strategy approved by the Council of Ministers in March 2011; non-formal educators were selected and are now teaching at the Child Labour Centres, delivering non-formal education (NFE) courses to children before their admission to the formal education system. Non-formal educators were trained in the use of ILO/IPEC's *Support Children's Rights through Education, Arts and Media* (SCREAM) manual.

(b) Youth employment

The **ILO Youth Employment Programme (YEP)** was established in 2005 to address the global development goal and national challenges of promoting decent work opportunities for young people. The programme operates through a global network of specialists in more than 60 offices around the world, supported by ILO headquarters.

The strategy combines technical assistance to strengthen the policy making process, while supporting institutional reforms, with direct interventions and pilot projects to demonstrate the effectiveness of youth employment programmes. ILO intervention is based on a coherent set of gender-sensitive activities involving a wide array of partners, including several ministries, employers' and workers' organizations, and other organizations representing the interests of young people. Action involves –

- a review of the effectiveness of policies, programmes and institutions, application of lessons from evaluation and best practice, and identification of the key challenges to be addressed through policy options stemming from evidence collected with national school-to-work transition surveys
- the development of gender-sensitive policies that are embedded in larger national development frameworks
- the implementation of priority measures through the development of plans that translate commitment into action and are supported by national budgets
- the monitoring and rigorous evaluation of activities.

The Programme currently manages 55 youth employment projects globally which support and empower young people and which also seek to influence policy for wider and long-term impact.

Recent mid-term and final evaluations of youth employment projects have demonstrated impact in terms of policy and institutional change, and the creation of decent jobs for young people, as follows:

- In an initiative in *Indonesia*: i) more than 70,000 young people benefited from job and education counselling, employability and entrepreneurship services through the education system and employment centres; ii) around 65 per cent of the young people who attended skills training sessions are already (self) employed, and 47 per cent of them are women; iii) the Ministry of National Education introduced reforms in the provision of non-formal competency-based training by private providers and NGOs.
- In *Timor Leste* the programme: i) generated 1,046,014 work days for 35,533 people in rural areas; 70 per cent of participants in the employment-intensive projects improved literacy and numeracy skills; ii) 12,238 jobseekers received counselling, work experience, internship and job placement services; iii) through the establishment of an Employment and Training Fund, 3,656 young people received off- and on-the-job training, work experience programmes, internships, enterprise development, and self-employment training.
- In *Peru* the Government's Youth Employment Action Plan (2009-2012) developed with ILO technical support has helped more than 260,000 disadvantaged young people find a job, and the Government has introduced the following institutional reforms: reduction of "red tape" and costs relating to job applications through the introduction, by the Public Employment Service (PES), of a "one-stop-shop" free-of-charge single certificate that contains all pieces of information (Certi Joven); the modernization of career guidance services; the establishment of a training programme targeting young entrepreneurs alongside an information system that simplifies market assessments; and the creation of an online information and orientation service for young migrants living abroad and young Peruvians planning to seek work abroad.
- The programme on public-private partnerships for youth employment in *Latin America* (PREJAL) provided cost-effective employment and training programmes to more than 17,000 disadvantaged youth, with an average cost of approximately US\$150 per programme participant.
- In *Kosovo*, around 135,000 youth received counselling and guidance services, 12,317 unemployed individuals were trained in 27 priority occupations, and 2,000 unemployed persons underwent self-employment and entrepreneurship training with follow-up assistance leading to a business plan. The same project supported the development of a youth employment policy and action plan. Some 80 per cent of beneficiaries were women.

Strategic partnerships: Within the United Nations the ILO is responsible for reporting on youth employment progress toward the achievement of MDG 1. The ILO co-chairs the UN Inter-Agency Network on Youth Development that comprises 34 UN entities, and is one of the lead agencies of the Youth Employment Network, an interagency partnership between the United Nations, the ILO, and the World Bank, through which it provides advisory services, including evaluation clinics.

(c) Better Work

Better Work, an innovative ILO-IFC partnership, brings together national constituents with all actors in the supply chain to improve compliance with international labour standards and national labour law, while promoting business competitiveness. Better Work's current engagement in the garment sector addresses key development challenges. In particular, workers in the garment sector in Asia are consistently earning at or below poverty wages (real wages average US\$ 1.50-2.50/day). They comprise vulnerable groups (over 80% are young women, many are migrants), and most have vulnerable employment relationships.

Strategy and approach

The Better Work strategy is to harness the commercial power of the supply chain to incentivize decent work and improve the effectiveness of employers. Better Work establishes industry-wide programmes that use enterprise-level assessments of labour compliance and supports continuous improvements in employment practices through advisory services and training. Better Work regularly publishes compliance synthesis reports, as evidence shows that such public reporting helps encourage continuous improvement and reduces the probability of reversing compliance gains.

The global programme ensures quality, consistency and effective knowledge management, supporting country programmes with global tools for assessment and advisory services, M&E and impact assessment.

Scope and scale (within current plans)

- Seven country programmes: Cambodia, Haiti, Indonesia, Jordan, Lesotho, Nicaragua and Viet Nam

- 650,000 workers, rising to an estimated 1.3m by 2014 (Asia programmes account for 80% of workers)
- 500 large factories, rising to an estimated 1,500 by 2013.

Engagement with the private sector

- 44 international buyers are engaged with the programme, including some of the world's largest companies and most high-profile brands (e.g. Gap Inc., H&M, Inditex, Levi Strauss & Co., Nike and Wal-Mart)
- Between January 2009 and June 2011, nearly 1,600 annual factory subscriptions were secured (including assessment reports and progress updates: approximately 90% were for Asia country programmes)
- 25 international buyers have signed the Better Work International Buyer Principles, which include a commitment to stop auditing suppliers in areas covered by Better Work assessments.

Impact results to date

Better Factories Cambodia (results for 2001–2008)

- Over 160,000 new jobs created
- Over 90% of factories paying correct wages and overtime rates, and granting maternity leave and paid annual leave (increase in compliance of 37%)
- Nearly 4 out of 5 factories ensuring overtime is voluntary and workers are receiving paid sick leave
- Compliance with occupational safety and health requirements has improved by 20%
- Compliance with freedom of association (FoA) indicators has improved by 14%.

Better Work, Viet Nam (2010-present)

- Compliance in the documentation and protection of young workers has increased by 25%
- Compliance with gender discrimination requirements has improved by 25%
- Within FoA indicators, compliance with interference and discrimination requirements improved by 50%
- Compliance with OSH indicators improved by 33%.

Summary of achievements in Better Work country programmes funded partially or totally by AusAID

Indicators (last reporting period: January-June 2011)	Cambodia	Indonesia	Viet Nam
Number of registered factories	288	25	117
Total number of workers in registered factories	330,972	48,707	167,453
Number of assessment reports completed	197	–	46
Number of synthesis reports available (total)	26	–	2
Total number of buyers that have subscribed to any factory report	35	–	21
Total number of factory reports purchased	168	–	185

(d) Employment-Intensive Investment Programme

Strategy and approach

EIIP links local infrastructure development with productive employment through public investments using a local resource-based approach. It has 30 years of experience in over 70 countries worldwide addressing key economic, social and environmental problems that alleviate poverty. This comprehensive and integrated approach –

- builds the capacity of the public sector at national, local government and community level
- builds the capacity of the private sector through skills and entrepreneurship development
- improves access to goods and basic services (health, education, water, transport, etc.) through the creation and maintenance of local economic and social assets
- improves social protection and stability through employment creation and increased income.

The EIIP added value

Through national and local level planning, local resource-based approaches, small-scale contracting and maintenance systems development, the EIIP approach results in significant added value to existing public investments, as follows:

- sectoral investments with a higher employment content (three to five times more jobs) producing equally cost competitive and quality assets in a comparable time-frame
- through economic multiplier effects and increased aggregate demand, contributing to local development with measurable impact on GDP (typically 1.5 to 2 indirect jobs created for each direct job)
- reduced backlog of much needed local infrastructure and assets, providing for greater local impact through local level participation
- promoting appropriate wages and improving labour standards and working conditions through public procurement procedures and practices while at the same time enabling SMEs' access to new opportunities
- acquired skills and entrepreneurship with the private sector and good governance at local public sector and community level provide future returns (EIIP is a capability approach).

Through South-South collaboration and courses (such as "EIIP for Sustainable Development and Innovations in Public Employment Programmes") at international, regional and national level, the EIIP remains a main driver of local capacity development. Close partnerships with some leading countries (India, Indonesia, South Africa and others), IFIs (World Bank) and various UN agencies (including UN-Habitat (urban), UNICEF (education), WFP (safety nets), etc. ensures that knowledge development and policy elaboration are mutually reinforcing.

Results in public investment and employment programmes

Afghanistan: National Rural Access Program (NRAP, 2003-2006): improved 15,000 ha of irrigation schemes, 3,750 ha of soil and water conservation, and rehabilitated or constructed 3,000 km of roads. Around 20 million worker-days of work opportunities (> 90,000 jobs FTE ¹)

India: National Rural Employment Guarantee Act (NREGA): some 60 million beneficiaries, increasing minimum wage level in country. EIIP has reaffirmed its competence in public employment programmes through the development of the Innovations in Public Employment Programmes ([IPEP](#)) ² in close collaboration with NREGA.

Indonesia: In Aceh the programme improved some 170 kilometres of rural road and created 260,000 worker-days. In Nias some 57 contractors and 44 communities were trained in contracting access interventions; building access roads and trails (some 100 km), suspension bridges (36 units) and other community access improvements; employment impact assessment methodologies of investments were developed (DySAM) with CMEA, BAPPENAS, etc.

South Africa: the Expanded Public Works Programme (EPWP) created 1.6 million job opportunities (2005-2009), with a target of 4.5 million job opportunities (2010-2014). In 2010-11 EPWP created some 200,000 jobs FTE (50% youth, 60% women); seven international ILO experts financed by the Government itself are building capacities.

15 countries in Africa and Asia (including Cambodia, Egypt, Kenya, and Ghana): Contributing to design, appraisal, implementation, monitoring and evaluation of government and IFI programmes (US\$ 50 to 200 million budgets). Through the IPEP framework, core support is provided in the area of wage policies, promoting decent working conditions, employability (skills/entrepreneurship), productive assets, graduation and exit strategies contributing to a social protection floor.

Geneva, 14 October 2011.

¹ FTE = Full Time Equivalent calculated at 220 days per year.

² See also [document](#).

The Strategic Policy Framework, 2010-15

