The International Labour Organization (ILO) is the specialised UN agency that brings together governments, employers and workers of 183 countries with the aim of promoting decent work for all. The ILO was founded back in 1919. It is the only tripartite organisation in the international system. The ILO’s key objective of fostering social justice remains very relevant in times of globalisation and financial, economic and social crisis. At the same time, the ILO has been able to adapt its role and operations to remain pertinent in the context of a changing world, including the immediate aftermath of the Second World War, the cold war and its end, the intensification of globalisation, the growing role of emerging economies such as Brazil, China, India and South Africa and of regional actors such as the EU. The ILO also responded to the visible manifestation of the financial and economic crisis in September 2008 that quickly turned into a social and employment crisis.

The ILO celebrated its 90th anniversary in 2009 amidst the most serious financial, economic and social crisis since 1929. Fortunately, world leaders did not make the same mistakes in 2009 as in 1929. They have developed concerted action to support the stabilisation of the financial, economic, employment and social situation. The ILO, fully supported by its constituents, was able to influence some of these steps, for instance through the 2009 Global Jobs Pact and preceding initiatives taken by the ILO Governing Body in November 2008 and March 2009. The ILO was also involved in the September G20 Summit in Pittsburgh.

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However, the jobs crisis is far from over yet. Analysis has revealed that the recovery in terms of jobs may take five years or more after the end of the crisis signalled by financial and economic indicators.

1. Jobs and social policy: from a marginal to a central policy objective

The ILO Office is the secretariat of the ILO (Organization) and is based in Geneva. The ILO also has offices in over 50 countries. In countries without an ILO office, the ILO operates through a variety of approaches such as through national contact points (mainly in the wider European region), technical cooperation initiatives, One UN and the ILO constituents (employers, workers, governments).

The ILO is relevant for both industrialised and developing countries. Its supervision system for the application of conventions and recommendations and the specialised Freedom of Association Committee cover all ILO Member States. The decent work agenda has been agreed on by all 183 ILO Member States through their tripartite delegations, and also by regional integration organisations such as the EU through the EU coordination and common position within the International Labour Conference and the ILO Governing Body. Decent work is a shared objective in both North and South. Unlike many UN funds and programmes, the ILO is not a development organisation. However, its mandate and activities are very relevant to development. The difficulty is that because of the zero growth in ILO budgets, for too many years now, the vast bulk of technical cooperation has to come from voluntary contributions and donations. The regular budget has to be used primarily for covering constitutional obligations such as standard setting and supervision, institutional meetings and key support work under the different pillars of the decent work agenda. The management of donations and voluntary contributions is complex and time consuming as all donors, including the European Commission, set their own priorities.

2. One UN relates to the UN reform whereby different UN agencies, funds and programmes deliver as one coordinated group based on the complementary role of their respective mandates. A key part in this is played by the UN resident coordinator active in the respective countries where the UN has a presence. The ILO is recognised as the lead agency when it comes to the world of work.
timelines and procedures. At the same time, the number of requests for ILO advice and support has increased dramatically during the last fifteen years, in particular because of globalisation. Therefore the ILO is trying to streamline and facilitate the management of voluntary contributions by requesting, for instance, less earmarking of funds and by agreeing longer-term commitments such as through strategic partnerships.3

The implementation of employment and social policy standards and frameworks requires a good deal of technical assistance, in particular in developing countries and countries in transition. Interest in development policy and action for decent work has been growing since 2005. The European Consensus on Development of 20 December 2005 also includes decent work and related issues. This is the key EU text on development policy and it is relevant for development policy implemented by the European Commission and the EU Member States. The recognition of employment and decent work as an explicit MDG objective (Millennium Development Goals, Target 1.B) since 2008 is also a breakthrough. However, employment and decent work are not yet very present in mainstream development programmes and projects.

The adaptation of the role and operations of the ILO since 1919 has not been a smooth, gradual process. The ILO has gone through times of both intensive activity and stagnation. In recent years it has enjoyed a remarkable period of intensive action, such as the successful work of the World Commission on the Social Dimension of Globalisation (established by the ILO, with a final report issued in 2004), the adoption by global consensus of both the June 2008 ILO Declaration on Social Justice for a Fair Globalization and the June 2009 ILO Global Jobs Pact. The key operational priority for the ILO now is the implementation of these two key frameworks adopted in 2008 and 2009 at country, regional and global level. This also entails an update of the ILO’s internal functioning so as to contribute to strengthening the global policy coherence necessary to realise the decent work agenda and contribute to the mutually reinforcing economic, employment, social and environmental policy objectives.

3. The ILO has introduced the Regular Budget Supplementary Account (RBSA). This is based on voluntary contributions but with no, or only minimal, earmarking. Belgium, the Netherlands, Spain and others are contributing to this account.
A period of relative stagnation occurred in the context of the structural adjustments of the 1980s. It was followed by the fall of the iron curtain, which led to a period dominated by an economic ideology, driven by a rhetoric based on economic free markets and often ignoring the different complex national and regional positions. There was a scaling-back of the role of authorities in economic and social policy in many parts of the world. This also resulted in a financial globalisation with heightened inequalities, an increasing deficit of decent work, declining sustainable investment in the real economy and a larger share of the informal economy, in particular in developing countries. The ILO was no longer at the centre of socio-economic reform and governance.

The World Social Summit of 1995, followed by the adoption of the ILO Declaration on Fundamental Rights and Principles at Work in 1998, constituted a first turning point. It resulted in the classification of eight ILO conventions and related rights and principles as core labour standards (CLS). The CLS are enabling standards, as they establish the basic framework and principles for national stakeholders to elaborate a national social policy taking into account the local context and socio-economic possibilities. The Declaration was accompanied by a worldwide campaign for the ratification and application of the eight CLS conventions. By 2009 over 85% of all countries had ratified the eight CLS conventions, including all 27 EU Member States. In addition, the principles set out in these conventions must also be respected by countries that have only ratified some of the eight conventions, including the US, China, India and Brazil. Additional efforts on ratification and application are therefore required as these are very large countries, representing the majority of workers in the world.

One encouraging sign is that a number of large emerging economies, as well as other developing countries, have launched renewed efforts to ratify and apply the CLS conventions, along with other up-to-date ILO conventions. Brazil for instance ratified in 2009 the important social security convention (No.102); India ratified in 2009 the skills develop-

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4. The ratification by the EU-27 is important as it enhances EU credibility when it comes to promoting CLS, such as through the GSP and GSP plus system and FTAs. The ratification by all 27 Member States strengthens the status of an international treaty; this is based on the final articles of the EU Charter of Fundamental Rights that has become EU law under the EU Lisbon Treaty.
ment convention. China has in recent years ratified a number of conventions on health and safety at work and on working conditions; its new labour code is inspired by international labour standards on a large number of issues (with the exception of freedom of association). Several developing countries, ones with large maritime registers, were also quick to ratify the ILO Consolidated Maritime Convention of 2006. Maritime transport is the most globalised sector in the world.

The renewed global efforts towards ratification and application of the eight core labour standards conventions, as well as other up-to-date conventions, is also reflected in the June 2008 ILO Declaration on Social Justice for a Fair Globalization and in the June 2009 ILO Global Jobs Pact (GJP). The GJP highlights the fact that international labour standards are important in times of crisis and that the undermining of labour rights is not a viable option for a sustainable way out of the crisis. This approach is also implicitly reflected in the EU Crisis Recovery Plan, as presented by the European Commission and endorsed by the European Council in December 2008, in declarations of the Employment and Social Affairs Council and in the support for decent work expressed in Mr Barroso’s proposals to the European Parliament in September 2009 for his re-election.

2. ILO-EU relations

Relations and cooperation between the ILO and the EU have intensified considerably in recent years and cover both internal and external EU policies and actions. This is related to a number of institutional and political developments, such as the progressive evolution of the EU from a common market to a political and global actor, the emergence of EU social dialogue and of EU employment and social protection strategies, the intensification of globalisation and the inclusion of decent work in EU external action, in trade policies and development cooperation.

ILO-EU relations are multidimensional and have been evolving constantly since 1958. All 27 EU Member States are members of the ILO and operate more and more as a group within ILO institutional meetings, owing to EU coordination at the ILO, involving the European Commission, the presidency of the Council and the Member States. The EU also holds consultations with social partners in a variety of informal and sometimes more formal settings. The EU presents its agreed positions or amendments at ILO institutional and other meetings and engages in discussions with other countries, regions and groups. The EU positions are often presented by the presidency of the EU Council. However, the presidency may also request another EU Member State or the European Commission to present the EU stance. The Lisbon Treaty will also have an impact here as it has made changes to the external representation of the EU. But the precise repercussions of the Lisbon Treaty on EU external representation at the UN, including the ILO, are not yet crystal clear. The growing presence of the EU in the ILO has also enabled the EU to project its values, policies and its social and economic model of integration, as well as to engage in dialogue with third countries and regions. However, before 2003 the EU’s visibility at the ILO was much more limited as many EU Member States preferred to coordinate through the Western group (IMEC), chaired since the 1970s by Canada and also involving the US, Australia, New Zealand, South Korea, Norway and Switzerland. IMEC still exists but this no longer prevents the EU from playing its role, in both the ILO Governing Body and the International Labour Conference.

The European Commission and the ILO have signed a succession of cooperation agreements since 1958. The renewed cooperation agreement was formalised through an Exchange of Letters of 14 May 2001 and covered cooperation both inside and outside of the EU. This was followed by the signature in 2004 of a strategic partnership in the field of development cooperation and the accession of the ILO to the EC-UN Financial and Administrative Framework Agreement (FAFA) in 2004. The European Commission obtained observer status in the ILO on EU external representation at the UN, including the ILO, are 6.

6. The origin of IMEC goes back to the efforts made by Western countries to convince the US to return to the ILO. The US had left the ILO under Reagan. However, the role of IMEC has been affected by the end of the cold war, the appearance of the emerging economies, EU enlargement and the growing relevance of EU standards and policies in the ILO context.

The ILO and its role in responding to the financial, economic and social crisis

Governed by the Governing Body (GB) and the International Labour Conference (ILC) and is invited to other tripartite meetings. The standing orders of the ILO GB and the ILC provide the European Commission with opportunities to intervene in debates. The ILO is invited to relevant EC meetings. The ILO Office and the European Commission services hold an annual high-level meeting in order to review and steer the cooperation involving both internal and external EU policies.

The 2010 annual high-level meeting that took place on 2 February focused strongly on ILO-European Commission cooperation in relation to responding to the crisis in the EU and beyond, preparing for the G20 Labour Ministerial in April 2010 and strengthening social dialogue, labour administration and the application of labour law within and outside of the EU. The ILO also has a cooperation agreement with the European Economic and Social Committee. It is furthermore invited on a regular basis by the European Parliament for hearings or expert contributions.

The European Parliament (EP) adopted by an overwhelming majority in November 2009 a resolution calling on the EU Member States to make additional efforts on ratification and implementation of ILO conventions classified by the ILO as up-to-date. The EP referred explicitly to the GJP and decent work, and stated that the initiative must be seen in the context of setting an example to the rest of the world and in the light of the crisis. The EP rightly expressed concerns in spring 2009 on the relationship between the posting of workers and free movement of services in the EU on the one hand and, on the other, respect for fundamental rights as included in ILO Conventions Nos. 87 and 98 on freedom of association and collective bargaining, following rulings of the European Court of Justice (Laval, Viking, Rüffert, Commission v Luxembourg). These rulings concentrated principally on the logic of the EU internal market but did not take into account possible global implications. All EU Member States have ratified Conventions Nos. 87 and 98, which are classified as fundamental.

8. The 2010 high-level meeting also discussed ways to facilitate further concrete cooperation between the EC and the ILO in developing countries and to ensure better involvement of social partners and social dialogue in EU programmes in third countries. It also discussed the strengthening of the interplay between EU trade policies and labour.
conventions, and these conventions are part of EU trade regulations such as GSP and GSP plus and recent EU free trade agreements.

The entry into force of the Lisbon Treaty has major potential for strengthening the fundamental rights dimension in EU internal market policies and in European Court of Justice rulings, as the Charter of Fundamental Rights has become primary EU law. The EU will also accede to the European Convention on Human Rights of the Council of Europe. This is a very positive move towards improving the social dimension of the internal market.

ILO-related issues, such as decent work, the Global Jobs Pact, the social dimension of globalisation and international labour standards, are also discussed by the Council of Ministers and the European Council. Decent work is included in the EU globalisation declaration adopted by the European Council in December 2007 as well as in more and more Council and European Council conclusions. This is providing a strong basis for EU cooperation with third countries and regions, and for EU positions in the ILO, the G20, the World Bank and IMF and the wider UN multilateral system.

3. The decent work agenda and the 2008 ILO Declaration

The decent work concept was launched by the ILO Director General J. Somavia as soon as he took up office in 1999. It is part of efforts to strengthen the social dimension of globalisation in a coherent and inclusive way, mobilising all relevant socio-economic policies including development, trade and finance. Decent work gradually received the support of the UN General Assembly (September 2005), the UN ECOSOC (July 2006) and at regional level, both through ILO regional meetings and through support from regional political meetings (EU, America, Africa, Asia).

The World Commission on the Social Dimension of Globalization indicated in 2004 that the ILO, both the Office and the Organization, should strengthen and update its capacities, role and operations in the context of globalisation. This required the consent of all its constituents and resulted in the adoption by consensus in June 2008 of the ILO
Declaration on Social Justice for a Fair Globalization. Unlike those of 1919 (ILO Constitution) and 1944 (Declaration of Philadelphia on the ILO’s objectives), the 2008 Declaration was a truly universal text as it was endorsed by 183 Member States, with full involvement of relevant regional groupings such as the EU. The 1919 and 1944 texts were agreed by 42 and 44 countries respectively.

Decent work is based on employment (job creation, skills, sustainable enterprises), social protection (social security, wages and minimum wages, labour protection, protection of vulnerable groups e.g. migrant workers), social dialogue and respect for international labour standards. These four pillars are inseparable, interrelated and mutually supportive. Gender equality and non-discrimination are cross-cutting themes. Over 76 up-to-date ILO conventions underpin the decent work agenda. It encompasses renewed commitments to the ratification of the ILO CLS as well as other conventions, with priority for key social governance instruments such as those on labour inspection, employment policy and tripartite consultations. The Declaration extensively reformulates the wording on the relationship between labour standards and trade. It states not only that labour standards should not be used for protectionist trade purposes (already contained in the 1998 ILO Declaration) but also that the violation of CLS may not be invoked or otherwise used to gain legitimate comparative advantage.

The objectives of decent work go much further than the core labour standards. It encompasses a model of sustainable development, based on universal values and principles of good governance, whereby economic efficiency, environmental objectives and social justice go hand in hand. In fact, such an approach is closely related to the EU social and economic model. The EU model of integration and EU standards cannot be exported as such to other countries and regions but can be very relevant as a source of inspiration. On the other hand, the

10. Convention No. 81 on labour inspection has been ratified by 26 out of 27 EU Member States. Only the Czech Republic is missing now, as the Slovak Republic ratified it in 2009. The social security Convention, No. 102, has been ratified by 23 EU Member States, following ratification by Bulgaria in 2008 and Romania in 2009. Only Malta, two Baltic States and Finland are missing but there seem not to be any substantive problems preventing ratification.
global consensus on decent work and social justice also offers prospects for facilitating the adoption of EU common positions and for fostering dialogue and cooperation between the EU and other regions and countries. In other words, the multilateral framework and norms such as labour standards, as agreed in the context of the ILO and the UN more widely, can facilitate common understandings. This is also relevant in the context of Art. 21 of the Lisbon Treaty, which strongly links EU external policy and action to the UN framework, to human rights and to social, economic and environmental goals.

The 2008 Declaration includes a substantive section on methods of implementation. This covers action at national and regional level such as decent work agendas and also, for countries in need of technical cooperation, decent work country programmes, to be signed by the tripartite constituents with a view to mobilising technical cooperation efforts based on national priorities and needs. These should be related to wider national development strategies and the UN development frameworks. The Declaration also provides a basis for ILO assistance to Member States in the framework of bilateral trade and other cooperation agreements, insofar as both parties to such an agreement concur on requesting ILO assistance. Recent EU free trade agreements or wider economic partnership agreements include provisions on promoting sustainable development, including both a decent work/labour chapter, with a role for the ILO, and an environmental chapter (e.g. the EU-South Korea FTA initialled in October 2009 and the EPA with Cariforum of October 2008). The Declaration also provides a mandate for the ILO to work on the interplay between trade and employment.

The ILO Office has in recent years further strengthened its cooperation with the WTO secretariat on analysing and assessing the relationship between trade and decent work issues. The Declaration also highlights cooperation with the IFIs (World Bank, IMF, regional development banks). It also backs up ILO work on Corporate Social Responsibility and lays the basis for ILO work on measuring decent work.

The 2008 Declaration also reflects a sustainable approach to the world of work and enterprises. Green jobs and greening of the economy are part and parcel of decent work. The climate change discussions cannot and must not ignore the employment and social dimension of adaptation
and mitigation related to climate change, in both industrialised and developing countries.


The ILO Global Jobs Pact is an internationally agreed set of policy measures for the multilateral system, governments, workers and employers. It was adopted by global consensus on 19 June 2009 at the International Labour Conference (ILC) by 183 tripartite delegations (governments, workers and employers) with active involvement of the EU (EU coordination at ILC) and of developing countries. It received input from the Global Jobs Summit on 15-17 June 2009. The G20 April Summit requested the ILO, working with other relevant organisations, to assess the crisis recovery measures taken and those required for the future. The GJP does not limit itself to employment creation but puts forward action on all four pillars of decent work.

The GJP was welcomed by the informal European Council (EU position for the September G20), the G20 and the wider UN (ECOSOC). It is a call for action, both in the short and the longer term. The GJP constitutes the decent work response to the financial and economic crisis and is part of the nine concrete initiatives of the UN System Chief Executives Board for Coordination to address the crisis. A related CEB initiative is the social protection floor, with the ILO and the WHO in the lead and supported by the other UN agencies, funds and programmes and the World Bank, IMF and regional development banks. This is part of the ‘Deliver as One UN’ approach. The UN ECOSOC called on the international community to support the GJP, including though development cooperation and external assistance.

12. The Chief Executives Board (CEB) brings together the directors general of all the UN agencies, funds and programmes and those of the WB, IMF and WTO.
The GJP includes eleven principles for promoting recovery and development, including in the informal economy and rural sectors:

— Devoting priority attention to protecting and growing employment through sustainable enterprises, quality public services and building adequate social protection for all as part of ongoing international and national action to aid recovery and development. The measures should be implemented quickly in a coordinated manner;

— Enhancing support to vulnerable women and men hit hard by the crisis including youth at risk, low-wage, low-skilled, informal economy and migrant workers;

— Focusing on measures to maintain employment and facilitate transitions from one job to another as well as to support access to the labour market for those without a job;

— Establishing or strengthening effective public employment services and other labour market institutions;

— Increasing equal access and opportunities for skills development, quality training and education to prepare for recovery;

— Avoiding protectionist solutions as well as the damaging consequences of deflationary wage spirals and worsening working conditions;

— Promoting core labour standards and other international labour standards that support the economic and jobs recovery and reduce gender inequality;

— Engaging in social dialogue, such as tripartism and collective bargaining between employers and workers as constructive processes to maximize the impact of crisis responses to the needs of the real economy;

— Ensuring that short-term actions are coherent with economic, social and environmental sustainability;
— Ensuring synergies between the State and the market and effective and efficient regulation of market economies including a legal and regulatory environment which enables enterprise creation, sustainable enterprises and promotes employment generation across sectors; and

— The ILO, engaging with other international agencies, international financial institutions and developed countries to strengthen policy coherence and to deepen development assistance and support for least developed, developing and transition countries with restricted fiscal and policy space to respond to the crisis. These are in other words a series of actions for shaping a fair and sustainable globalization.

The GJP puts forward a portfolio of around 25 policy options based on the decent work approach in four areas:

— Accelerating employment creation, jobs recovery and sustaining enterprises

— Building social protection systems and protecting people (social security, labour protection, income and minimum wages, vulnerable groups e.g. migrant workers)

— Strengthening respect for international labour standards (core labour standards conventions, other up to date conventions and the CSR tripartite declaration)

— Social dialogue: bargaining collectively, identifying priorities, stimulating action.

The ILO Office and its tripartite constituents are actively promoting the implementation of the GJP in all countries. The impact of the crisis and the transmission channels through which it affects workers and households vary widely. Therefore the ILO Office published in 2009 a guide on ‘Country Level Rapid Impact Assessment of the crisis on Employment’ in order to help its Member States and social partners assess the impact of the crisis and determine options for policy responses. The ILO is also promoting the establishment of social
protection systems, their strengthening where they exist and a broadening of their coverage, including in the informal sector.

As requested by the G2O Summit in April 2009, the ILO presented to the September 2009 G20 an assessment of the measures taken by 54 countries in the field of employment and social policy by way of a response to the crisis\textsuperscript{13}. The September G20 requested that the ILO continue its work on responding to the employment and social crisis and prepare a training strategy. The ILO will also be closely involved in the preparation of the first G20 labour ministerial in April 2010.

The 2009 ILO World of Work report\textsuperscript{14} concentrated on the analysis of the employment and social crisis, on the effect of the measures taken and on the need for the initiatives for jobs and protecting people to continue for as long as the private sector has not taken up the economic demand. An early exit strategy will be more expensive than keeping people in the job market. Analysis has shown that reintegrating unemployed into jobs is more expensive than keeping workers in the labour market.

The ILO World of Work reports, published by the ILO International Institute for Labour Studies, as well as other initiatives such as the Global Employment Trends reports, the range of publications on social protection and on measuring decent work, contribute to better informing the global, regional and national debates. It is part of the ILO’s investment in strengthening its analytical and assessment capacity.

5. What next?

The ILO (both the Office and the Organization) has proved able to adjust its role and operations to a changing world. The implementation of the decent work response to the financial, economic and social crisis, the employment and social dimension of the transition to a low carbon

\textsuperscript{13} ILO communication and ILO report to the G20 Leaders’ Summit: a survey of country employment and social protection policy responses to the global economic crisis, September 2009.

\textsuperscript{14} http://www.ilo.org/public/english/bureau/inst/.
Many stakeholders have welcomed recent ILO responses to the crisis and to globalisation. However, the ILO cannot cope with this alone. It is an organisation with limited resources. Therefore the ILO needs strong partnerships with other institutions and actors. The positions adopted by governments (and workers and employers) at the ILO should also be pursued at home, at regional level and in other fora such as the World Bank, IMF, WTO, OECD and the entire UN system.

The EU has an important role to play in this partnership. The ILO GJP and the decent work agenda are relevant for the European social agenda, the new European Lisbon Strategy (‘EU 2020’) and EU initiatives towards assisting developing countries in responding to the crisis, such as the communication of 8 April 2009 and the Council conclusions of May 2009 on the same issue. The EC consultation document on EU 2020 refers to the importance of jobs, social protection, combating social exclusion, new skills for new jobs, greening the economy and green jobs. It also supports fostering more stringent labour, environmental and safety standards in the world and the promotion of international cooperation and multilateral governance. The EU 2020 strategy would benefit from explicit references to decent work, to the Global Jobs Pact, to international labour standards and to cooperation with the ILO and the wider UN system. This would significantly improve consistency between internal and external EU policies and would be in line with the principles and objectives enshrined in the new Lisbon Treaty.

At global level, both the GJP and decent work can be further used for strengthening policy coherence to underpin sustained economic activity. The G20 is working on a framework for strong, sustained and balanced growth. This has implications for the world of work and should therefore involve ministers of labour, social partners and the ILO. The 2009 G20 Summits also referred to discussions on a Global Charter for Sustainable Economic Activity. This should guide the

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interventions and actions of social and economic international organisations such as the WB, IMF, WTO, OECD and ILO. The European Council, in its spring 2009 position ahead of the April G20, supported the adoption of this Charter. The G20 discussions, however, are still ongoing.