

Decent work & development finance

decent **work** &
labour **standards**
forum

www.ergonassociates.net



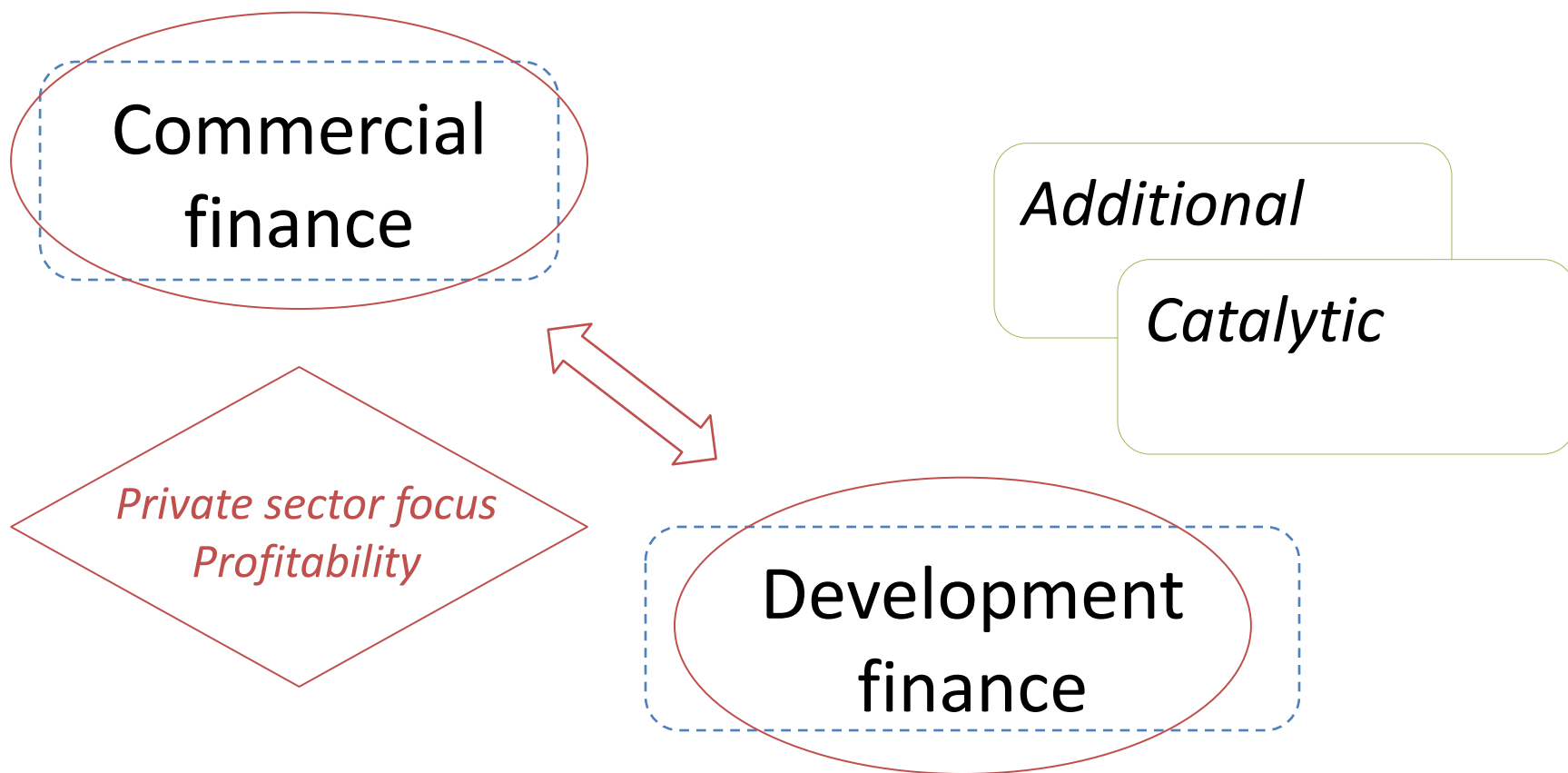
What is development finance?

Commercial
finance

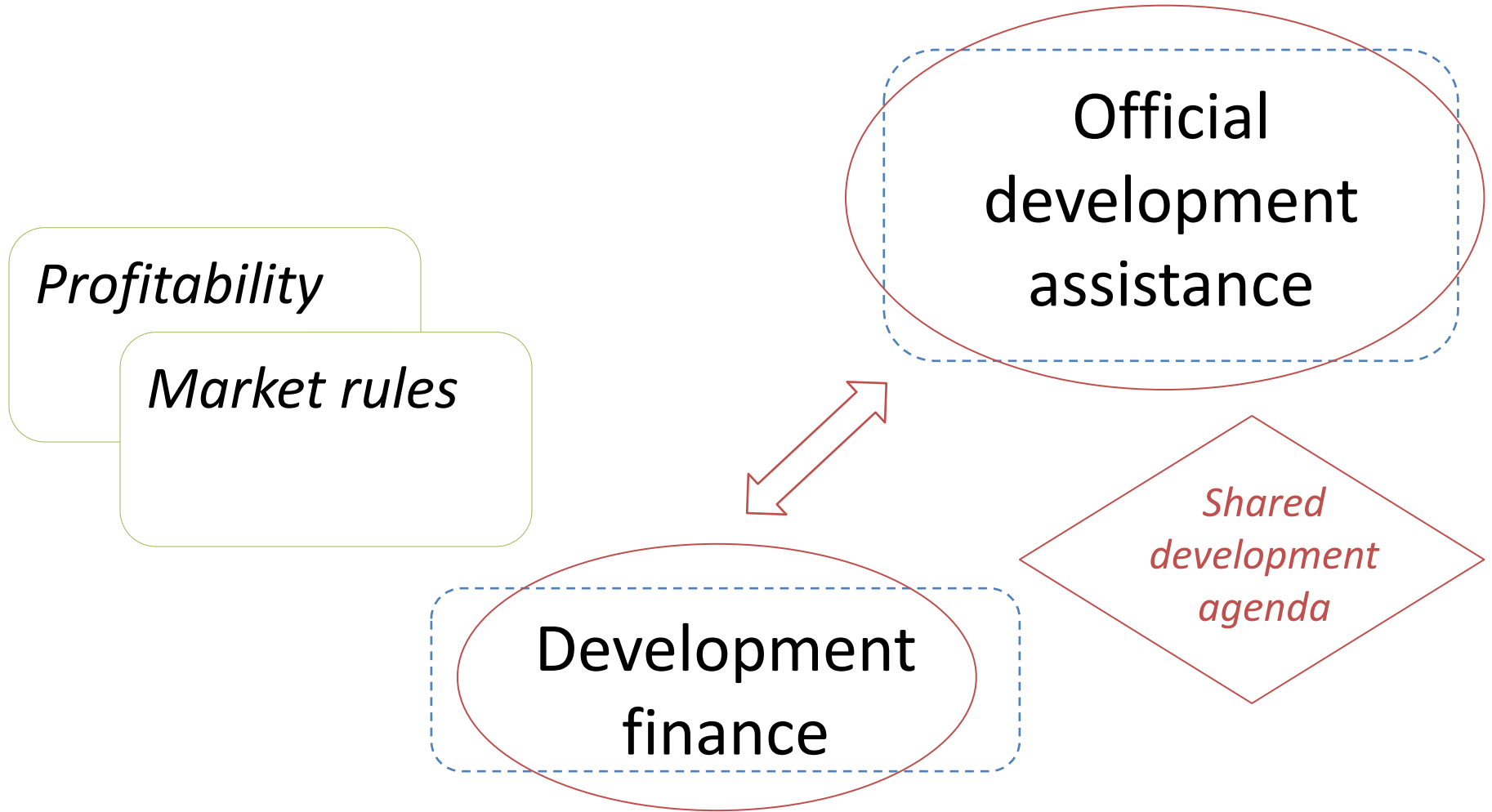
Official
development
assistance

Development
finance

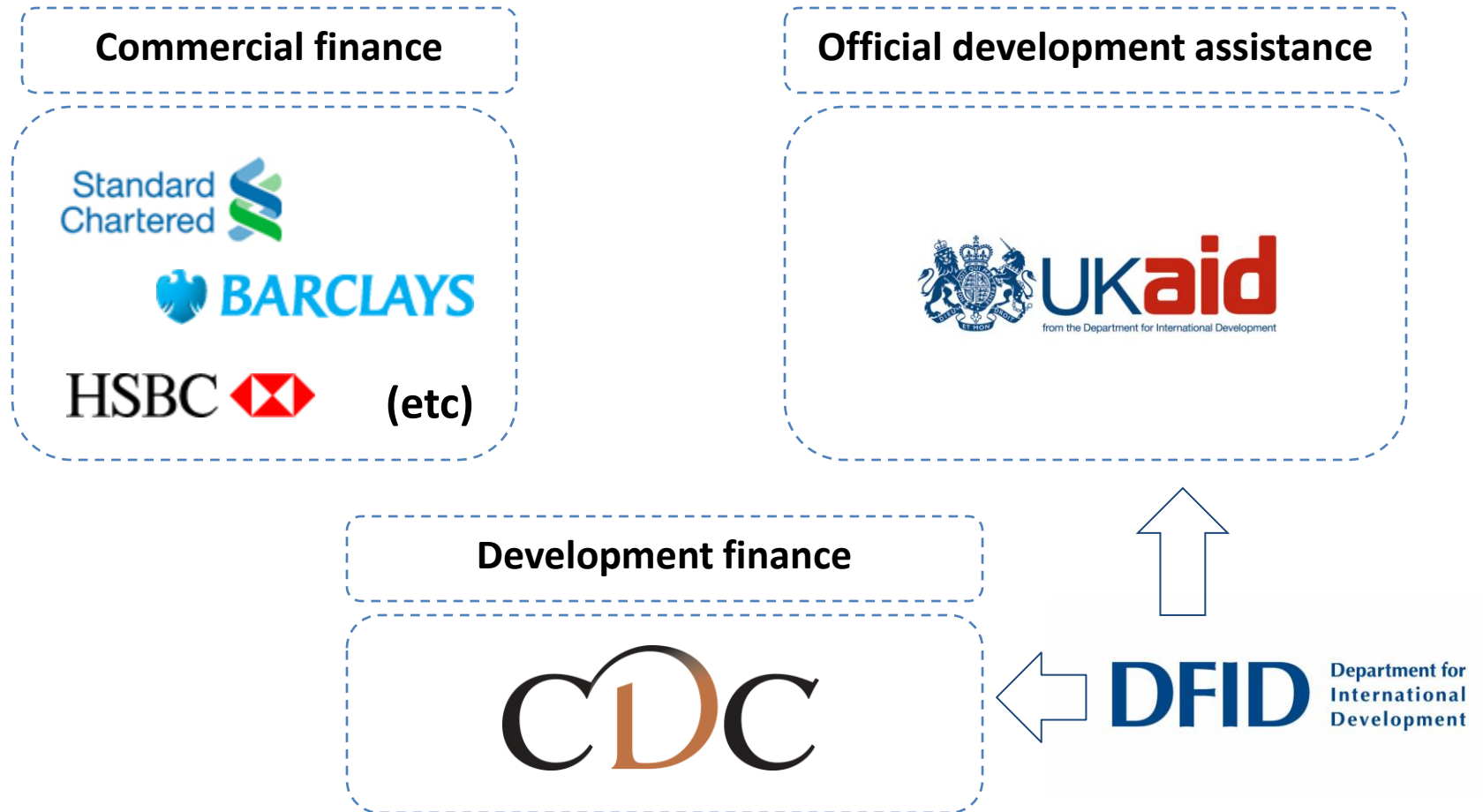
What is development finance?



What is development finance?



In practice: UK example



Who are the DFIs?

Multilateral

IFC – International Finance Corporation

MIGA – Multilateral Investment Guarantee Agency

c.\$50bn in 2007

Bilateral (eg)

Germany

Netherlands

PROPARCO – France

Regional

EIB – European Investment Bank

EBRD – European Bank for Reconstruction and Development

IADB – Inter-American Development Bank

ADB – Asian Development Bank

AfDB – African Development Bank

Decent work

Access to
employment
and income
opportunities

Rights at
work,
particularly
respect for
core labour
standards

Benefiting
from systems
of social
protection

Having a
voice at work
through
social
dialogue

Attention to gender in all these areas

Decent work in international development agenda

MDG 1: Target 1B

- Achieve full and productive employment and decent work for all, including women and young people'

OECD DAC (2009)

- 'Productive employment and decent work needs to be a key objective of development co-operation'

European Commission (2008)

- 'Promoting full and productive employment and decent work is an objective in EU external assistance and development cooperation'

Response to financial crisis

- ILO Global Jobs Pact (June 2009)
- G20 statement (October 2009)

Decent work and DFIs

Labour standards

Decent work agenda

Access to employment and income opportunities

Rights at work, particularly respect for core labour standards

Benefiting from systems of social protection

Having a voice at work through social dialogue



DFI activities

'Job-rich' investment?

Investment standards (eg IFC PS2, EBRD PR2 on labour)

OHS

Micro-insurance / -savings?

Respect for FoA

Union engagement

IFC PS2 / EBRD PR2

HR policy

**Workers
organisations**

Forced labour

**Occupational
Health and
Safety**

**Working
relationships**

Retrenchment

Child labour

**Non-employee
workers**

**Working
conditions**

**Grievance
mechanism**

Discrimination

Supply chain

Some questions for the Forum

What can DFIs learn from best practice elsewhere (eg supply chain MSIs)?

What scope for DFI 'technical assistance' to include labour / HR issues?

How can DFIs better monitor and report on labour rights in investments?

What scope for engagement between Forum members and DFIs?

Participatory / 'beyond' audit?

IR systems?

Investor better placed than purchaser?

Training – eg Better Work?

Retrenchment?

DW and micro-finance?

Meaningful DW indicators?

Good practice - accountability?

TU role?

Consultation: policy / strategy?

Advocacy?

DFID role?