

# **DECENT WORK ALONG GLOBAL VALUE CHAINS: A CALL FOR RESPONSIBILITY AND AN OPPORTUNITY FOR SOLIDARITY**

## **Executive summary**

Thursday, 2 June 2016 **NGO Consultation** 

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## Background

The NGO Consultation was jointly organized by the International Catholic Centre of Geneva (CCIG), the Kolping International/German Commission for Justice and Peace, Caritas Internationalis, the World Movement of Christian Workers (WMCW), the International Coordination of Young Christians Workers (ICYCW) and International Young Christian Workers (IYCW), as well as in collaboration with Women in Informal Employment: Globalizing and Organizing (WIEGO).

Decent Work Along Global Value Chains: A Call for Responsibility and Opportunity for Solidarity – the title chosen for the event – refers to the global challenges raised by global value chains in terms of decent work and emphasizes the need for a holistic and integrated response by all actors concerned.

Employment arrangements across global supply chains cover a wide variety of different formal and informal employment relationships. Working in the latter implies a range of working conditions which can be unsafe, unprotected and unrecognized, ranging from migrant work to subcontracted labour to home-based work. In addition to a high rate of formal employment, we find many precarious and informal working conditions. Youth, women and migrants constitute a significant part of the global value chains, yet their fundamental rights as workers are often not guaranteed.

After almost four decades of struggling with the phenomenon of a persisting informal economy, and finally addressing the concerns of informal workers by negotiating a recommendation in 2014 and 2015, the International Labour Conference adopted its 204<sup>th</sup> recommendation: Transition from the Informal to the Formal Economy. Also in 2015, the ILC commemorated 40 years of ILO Convention 143 on Migrant Workers together with 25 years of the UN Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

2015 was marked by another important international negotiation process: in September the United Nations adopted the 2030 Agenda for Sustainable Development. According to the agenda, decent work for every person in the global labour force – one of 17 universal goals and 169 targets – should be achieved by 2030.

Today in 2016 we are celebrating the 20<sup>th</sup> anniversary of ILO Home Work Convention C 177. With its 105<sup>th</sup> session addressing "Decent work in global supply chains", the ILC followed up its efforts to tackle the challenges of globalised labour markets.

This consultation created an opportunity for dialogue among civil society actors, policy makers and private employers aimed at identifying problems, sharing best practices and developing ways to carry on helping and bringing together these vulnerable groups along global supply chains.

Participants had the opportunity to learn and contribute their experiences, and also to work in small groups to specifically address and generate methods for helping women, youth and migrants.

Panellists **Ms Manuela Tomei**, **Ms Anna Biondi**, **Ms Linda Kromjong** and **Ms Nicola Piper** delivered presentations that provided inputs to discuss the relationship between global value chains and the various responsibilities in the international community. **Ms Daniela Ragni**, **Ms Mariéla Damasio**, **Mr Bart Verstrate and Ms Suntaree H. Saeng-ging** shared their wide range of experience as resource persons during the afternoon workshops on migrants, youth and women.

This brief report aims to provide a summary of the discussions that took place during the consultation and to keep all interested organizations, NGOs and individuals up to date on the organizers' activities, working areas and achievements.



## AGENDA

Chair – Ms Hildegard Hagemann

Kolping international/German Commission for Justice and Peace

- 9:30 Registration and light breakfast
- 10:00 Opening remarks

Ms Maria D'Onofrio, CCIG Secretary General

10:30 – Panel discussion:

Global value chains – Why is it a topic at the ILC? Ms Manuela Tomei, Director, Conditions of Work and Equality Department, ILO

Global value chains and the informal economy: What are the challenges for workers' organizations?

Ms Anna Biondi, Deputy Director, Bureau for Workers' Activities, ILO

Decent work and global value chains: Implications for employers Ms Linda Kromjong, Secretary General, IOE

Global values chains as a driving factor for the precarisation of work – The example of migrant work Ms Nicola Piper, University of Sydney

- 12:30 Lunch break
- 13:30 Challenges for YOUTH, MIGRANTS and WOMEN

Parallel workshops and plenary discussion with:
Ms Daniela Ragni, Caritas Luxembourg
Ms Mariléla Damasio, General Secretary, WMCW
Mr Bart Verstraete, Social Alert/World Solidarity
Ms Suntaree H. Saeng-ging, Coordinator of Homenet Southeast Asia

15:45 – Concluding remarks

Ms Amélie Peyrard, International President, ICYCW

## **Executive summary**

After a warm welcome by Rev. Dr Martin Robra (World Council of Churches), Maria D'Onofrio (CCIG Secretary General) opened the consultation by thanking

CCIG's partners for their support and highlighted past and future efforts to promote responsibility and solidarity to ensure decent work for all vulnerable groups, since anyone who is unemployed or underemployed is likely to be placed on the margins of society. **Maria Suelzu** and **Martine Combemale** then briefly described the exhibition "<u>Behind the</u> <u>Barcode</u>". The outcome of a collaboration



between Caritas Internationalis and Human Resources Without Borders, this exhibition features international drawings on human rights at work in the subcontracting supply chain, depicting a variety of impacts on labour. The exhibition is a universal tool to raise awareness about decent work, serving as a starting point to generate practical advice for workers, labour unions, consumers and other stakeholders. The panel was introduced and moderated by **Hilegard Hagemann** (Kolping International/German Commission for Justice and Peace). Ms Hagemann emphasized the vital importance of the responsibility of employers and governments in advocating for decent work.

# The persistence of a large informal economy affects the ability of companies to become more productive



The first panellist, Ms Manuela Tomei (Director, Conditions of Work and Equality Department, ILO) began her presentation by explaining the fundamental aspects of global value chains. She defined a global supply chain as "Organization of production and delivery of a range of goods and services by lead firms through complex chains of suppliers and subcontractors that span many different

countries." A global value chain is a layer of subcontracting. She explained how

international sourcing of firms and growth of technology have created problems in developing countries regarding employment opportunities, inability to measure the scale of employment and quality of employment. She went on to explain the role the ILO plays in addressing these challenges, by using a valuebased approach to development. She emphasized that it is essential to work with all actors in the real economy, including international institutions, governments and workers. She made a call to action for governments to take control of enterprises in their jurisdiction, since it is crucial in understanding best practices and ways of implement them to prevent problems from worsening. Finally, she explained how the ILO is moving forward by continuing to adopt standards to ensure fundamental rights for all workers.

#### Workers' participation has to be ensured whenever there is a productive activity



In the next presentation, Ms Anna Biondi (Deputy Director, Bureau for Workers' Activities, ILO) drew attention to the divisions that exist between participating parties. In order for decent work to be accomplished, joint actions must be taken. We must pay close attention to the specific needs of workers and how to gain their rights. She explained that workers rights can be achieved through interventions at national, international and company levels.

Globalizing production has captured the interest of enterprises to maximize their profits, taking advantage of tax exemptions and trade liberalization. The outcome of globalizing production is low labour standards and poor welfare that do not do enough to help workers. Workers are not enabled to fight for their rights for many reasons, including: asymmetries and unequal bargaining power, accumulation of income at the top, lack of collective bargaining, non-standard forms of employment, migrant labour, and lack of social development. Ms Biondi called for governance of supply chains, both nationally and internationally, again stressing that this can only be achieved in collaboration with employers, international organizations, local governments and NGOs.

Ms Linda Kromjong (Secretary General, International Organization of presented **Employers** IOE) the implications for employers. Drawing her experience from the financial sector which, as she jokingly said, is often blamed for doing "bad things", she reminded the audience that business is what creates change in the economy. If there is no business, then there are no jobs. Each business has responsibilities based on certain regional regulations imposed by



the government. She reminded the participants that it is the clear duty of the government to ratify and uphold these relevant international treaties; it is then a business's responsibility to uphold their workers' human rights. Like other previous speakers, she called for ILO standards to be universally applied and suggested companies need to research the human rights situation in countries where they conduct business. With regard to monitoring business practices, she urged that we should move away from auditing to assessment. She claimed that the real way to improve decent work conditions is to promote collaboration and work with the current regulations in place to ensure that both states and businesses are achieving their best possible practices.



The last speaker, Ms Nicola Piper (University of Sydney) spoke about the precarisation of migrant workers. She began by giving background information the lack of decent work on and precarisation that affect workers in the global North and South. She pointed out how social factors such as the lack of feminization of work in the South and lack of decent work at home can negatively impact domestic legal framework

regarding women workers. She defined a migrant worker as a non-citizen on a temporary contract of between two to four years with no pathway to permanent residence or citizenship. She explained that exploitation begins to enter the formal chain when migrants are recruited. Migrants may be exposed to elements of forced labour. Ms Piper stressed the importance of understanding this situation through the lenses of migrants. It is important for those seeking responsibility to understand whom they are helping.

 "WORK, IN FACT, DIRECTLY CONCERNS THE HUMAN PERSON, HIS LIFE, HIS FREEDOM AND HIS HAPPINESS. THE PRIMARY VALUE OF WORK IS THE GOOD OF THE HUMAN PERSON SINCE IT FULFILLS HIM AS SUCH, WITH HIS INNER TALENTS AND HIS INTELLECTUAL, CREATIVE AND PHYSICAL ABILITIES. HENCE THE SCOPE OF WORK IS NOT ONLY PROFIT AND ECONOMICS; ITS PURPOSE ABOVE ALL REGARDS MAN AND HIS DIGNITY. MAN'S DIGNITY IS TIED TO WORK..." (Address of Pope Francis to managers and workers of the Terni steel mill, Italy – 20 March 2014)

#### Afternoon workshops and plenary discussion

Before the afternoon discussions, the resource persons **Ms Daniela Ragni**, Caritas Luxembourg, **Ms Mariléa Damasio**, WMCW, **Mr Bart Verstatete**, Social Alert and World Solidarity, and **Ms Sunatree H. Saeng-ging**, Homenet Southeast Asia, presented their experiences regarding specific situations faced by youth, migrants and women.



## Working group 1 – Migrants

#### Resource persons: **Ms Daniela Ragni** and **Dr Nicola Piper** Moderator: **Mr Andy Predicala**



Ms Daniela Ragni presented Caritas Luxembourg projects aimed at improving migrant workers' working and living conditions, whose overall objective is to contribute to a more realistic understanding of migration from the very beginning, from the standpoints of origin and destination countries. "We strive for migration with eyes', with realistic 'open expectations for labour migrants, as well as their families and employers,"

Ms Ragni said. The group discussion addressed problematic issues relating to migrants' work in global value chains. In addition to the high risk of falling

victim to exploitation and other serious human rights' violations (e.g. sexual abuse in the case of migrant women), recruiting agencies overcharge for their services. In some cases, migrants have to work for years before completing the payment to the recruiting agency. The issue of safe migration through legal channels, as well as the challenge of reintegration for migrant workers returning to their countries of origin, addressed. were also The group discussion highlighted the importance



of: (i) adequately preparing migrant workers before their departure, in particular to make them aware of their rights and responsibilities; and (ii) empowering and accompanying migrant workers' families who stay in the country of origin in order to ensure that they can benefit from the income generated abroad, especially when a migrant worker returns home.

For additional information please consult:

http://www.ccig-iccg.org/wp-content/uploads/2016/07/WG-on-Migrants-Decentwork-along-the-global-supply-chains-DRI.pdf

## Working group 2 – Youth

#### Resource person: **Mr Bart Verstraete** Moderator: **Ms Amélie Peyrard**

Mr Bart Verstraete highlighted some of the main challenges faced by workers, in particular with regard to freedom of association, collective bargaining, living wages, and normal wages. The group identified a problem that businesses and companies view workers as а commodity, not as people. The group discussed problems with jurisdiction when companies wish to outsource and are therefore bound by those



countries' standards which are different everywhere. While young people represent a growing majority of the workforce, young workers are often unaware of their rights and social protection. The group suggested that the way



help voung people to is to provide accreditation skills and schooling for their development, in such sectors as agriculture. Also it is important to raise all stakeholders' awareness of the consequences arising from non-protection. Implementation of a social protection floor was also suggested. The group concluded that while problems continue to exist in the institutional application of decent work standards for young people, the most effective form of education comes from collaboration among local partners - such as

labour union groups, religious institutions and employers – with civil society to educate and mobilize young people on their right to decent work.

## Working group 3 – Women

#### Resource persons: Ms Sunturee H. Saeng-Ging and Ms Marilea Damasio Moderator: Ms Maria Suelzu

Before finding solutions, it is important to understand the problems faced by women in global value chains. The group discussed the realities faced by women in Thailand, Brazil, Italy, Kenya and Indonesia. Women often fall victim to physical and economic abuse. They are often forced to choose between being with their family and providing for them. Those that are homeworkers have very little social protection. Next, the group looked at ways these problems are already being handled, specifically in Thailand, Brazil and Kenya. For example, in Brazil the system allows women to stay at home and support their family. In case of sickness or death of a woman, the children are supported in accordance with legislation in place. The group concluded that there is insufficient sharing and transfer of information, and that direct connection and linking of the different players along the value chains is lacking. Lastly, the group came up with some ideas: training women and educating them about their rights as workers at national level; encouraging entrepreneurship and creation of work opportunities; and holding governments accountable and ensuring a living/ minimum wage, and protecting social liberties at international level. In conclusion, efforts to regulate global value chains should focus on the clothing industry.



For additional information please consult: http://www.ccig-iccg.org/wp-content/uploads/2016/07/Outcome-of-Groupdiscussion-on-WOMEN.pdf

## **Concluding remarks**

**Ms Amélie Peyrard** (ICYCW International President) thanked the participants, panellists and partners who made the consultation a success. Concerning the day's events, she also remarked:

"In this consultation we wanted to represent the human values related to the topic and 'global supply chains' and therefore we prefer to talk about



'global VALUE chains'. It is important to realize that the human aspect and workers' dignity need to be brought to the centre of our discussion and our message. We should acknowledge the efforts being made by ILO to take into account NGOs' legitimate roles and voices in this discussion. especially organisations that represent vulnerable workers and strive to promote decent work along global value chains. A vital action would appear to be our strong commitment to calling government and all other actors to adopt and respect the existing convention. ILO We also mentioned concrete actions. One such

action would be to always work to reach out to the most vulnerable people (women in the informal economy, young people and migrants), and help them to get organized and gain awareness of their basic rights through training and meetings. Another action would be regarding social protection and improvement of the situations and health and safety conditions of all workers.

by Amélie PEYRARD, ICYCW International President

## **ANNEXES**

## **1. List of participants and contacts\***

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\* Shared at the event.

## 2. Links to panellists presentations

To consult the panellists full presentations, see the following links:

- Opening remarks by Ms Maria D'Onofrio, CCIG Secretary General: http://www.ccig-iccg.org/wp-content/uploads/2016/07/Opening-Remarks Maria-DOnofrio.pdf
- Global value chains Why is ti a topic at the ILC?, Ms Manuela Tomei, Director, Conditions of Work and Equality Department – ILO: <u>http://www.ccig-iccg.org/wp-content/uploads/2016/07/Presentation-on-Global-Supply-Chains M.Tomei .pdf</u>
- Global value chains and the informal economy: What are the challenges for workers' organizations?, Ms Anna Biondi, Deputy Director, Bureau for Workers' Activities, ILO: <u>http://www.ccig-iccg.org/wp-</u> <u>content/uploads/2016/07/Anna Biondi Decent Work for All in GSC ACTRAV T</u> <u>emplate.pdf</u>
- *Decent work and global value chains: Implications for employers*, Ms Linda Kromjong, Secretary General, International Organization of Employers IOE:

http://www.ccig-iccg.org/wp-content/uploads/2016/07/Decent-work-Supply-Chain-IOE-L.Kromjong.pdf

- Global value chains as a driving factor for the precarisation of work The example of migrant work, Ms Nicola Piper, University of Sidney: <a href="http://www.ccig-iccg.org/wp-content/uploads/2016/07/Nicola-Piper-contribution.pdf">http://www.ccig-iccg.org/wp-content/uploads/2016/07/Nicola-Piper-contribution.pdf</a>
- Concluding remarks by Ms Amélie Peyrard, ICYCW International President: <u>http://www.ccig-iccg.org/wp-content/uploads/2016/07/Concluding-remarks-</u> Amélie-Peyrard-Decent-Work-along-the-Global-Value-Chains.pdf

To consult the catalogue of the exhibition "Behind The Code":

http://rhsf.emerit.net/un/#/0

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