

**UNITED NATIONS REFORM
AND EMPLOYERS' ORGANIZATIONS**

**INTERNATIONAL ORGANISATION OF
EMPLOYERS
INTERNATIONAL LABOUR OFFICE**

WHY THIS BOOKLET?

This booklet has been prepared by the International Organisation of Employers (IOE) together with the Bureau for Employers' Activities (ACT/EMP) and the Partnerships and Development Cooperation Department of the ILO (PARDEV), to promote a clearer understanding by Employers' Organisations of the implications of United Nations (UN) reform and its strategic potential for business, especially at the national level.

The booklet also aims to encourage IOE members to engage in UN reform as it impacts business. More than ever before, a strong national business voice is needed to shape and guide this reform.

The ILO is engaged in the process. As one of its tripartite constituents, Employers should be providing to the ILO all possible support and guidance to achieve reform that is beneficial to both ILO and Employers' interests. If the ILO increases its influence as a result, then Employers will also gain by increasing their participation in the final outcome.

Similarly, as the organisation recognised by the UN system as the global voice of business across the range of labour and social policy issues, the IOE is engaging with the ILO both to represent the concerns of members and to promote them as the UN's business partners of choice at country level.

Through the concerted action of the IOE and its members, business can exert a strong influence in shaping and guiding future UN activities in the interest of Employers.

International Organisation of Employers (IOE)

International Labour Office (ILO)

UN REFORM

AN OVERVIEW

In September 2000, building upon a decade of major United Nations conferences and summits, world leaders came together at the UN headquarters in New York to adopt the United Nations Millennium Declaration, committing their nations to a new global partnership to reduce extreme poverty and setting out a series of time-bound targets – with a 2015 deadline – that have become known as the Millennium Development Goals (MDGs).

**THE MILLENNIUM DEVELOPMENT GOALS:
2000 – 2015**

To be applied globally, regionally and nationally

Eradicate Poverty and Hunger

Provide Universal Primary Education

Promote Gender Equality

Reduce Child Mortality

Improve Maternal Health

Combat HIV/AIDS, Malaria and other diseases

Ensure Environmental Sustainability

Develop Global Partnership for Development

In 2005, while reaffirming the commitment to the MDGs, the World Summit in New York called for a stronger and more effective United Nations system¹ so that it can provide leadership and support to Member States to achieve these goals in the new global environment.² A new MDG Target (1.B) was introduced: “achieving full and productive employment and decent work for all, including women and young people”. This gave an impetus to the current efforts to reform the UN.

The reform is prompted by the need to improve the cohesive impact of overall UN development efforts at the global, regional and particularly country level. To achieve such impact, the UN needs to overcome operational incoherence, fragmentation and overlap in mandates, ineffective business practices and to adopt a collaborative approach to mobilizing increasingly scarce resources.

Thus, UN reform aims to improve effectiveness and efficiency in delivering mandates of the UN agencies and encompasses wide-ranging efforts to improve institutional capacity, enhance system-wide coherence, strengthen linkages between key areas of UN work and reinforce partnerships and cooperation for development objectives.

The UN reform vision is based on the concept of “*Delivering as One*” (DAO) which envisages coherence and complementarities in policy and operations, accountable governance and results-based delivery, transparency and efficient management underpinned by a commitment to work together with one strategy for one objective.

¹ The UN system currently encompasses 17 specialized agencies (e.g. ILO) and related organizations, 14 programmes and funds, 17 departments and offices of the UN secretariat, five regional commissions, five research and training institutes and a plethora of regional and country-level structures.

² World Summit Outcome Document (A/RES/60/1)

The UN reform agenda is largely based on the recommendations of the 2006 *High-level Panel on System-wide Coherence in the Areas of Development, Humanitarian Assistance and the Environment*.

The panel was led by the then UN Secretary-General Kofi Annan and composed of heads of state and other eminent persons from around the world.

The recommendations covered the following clusters:

1. **Delivering as one at the country level**
2. **Governance and institutional reform**
3. **Humanitarian issues and recovery**
4. **Environment**
5. **Gender**
6. **Human rights**
7. **Funding**
8. **Business practices**

While progress to reach consensus on the implementation of each one of these recommendations is uneven, the first recommendation is being tested through the ‘*Delivering as One*’ country pilots launched in January 2007³.

The UN reform agenda looks at management and internal administrative practices on one hand, and includes social goals at the heart of the process on the other. It includes moving forward on development challenges, strengthening UN efforts to maintain peace and security, promoting human rights for all and humanitarian action.

Other recommendations are addressed through the operational principles of the common programming tool that UN agencies use at country level to contribute to the national development planning: **United Nations Development Assistance Framework – the UNDAF.**

³ Albania, Vietnam, Cape Verde, Mozambique, Pakistan, Rwanda, Tanzania, Uruguay.

DELIVERING AS ONE

The **Delivering as One** initiative is anchored in the vision of consolidated UN contribution to development. The key features of the UN reform at country level are expressed in “**four ones**”. Each “One” represents a platform for common or more coherent UN operations.

1) One Programme

One Programme envisages the creation of a set of strategic results, with implementation modalities based on national priorities, internationally agreed development goals, available UN capacity and comparative advantages. These results are consolidated in the UNDAF as the basis for unified and complementary assistance strategies and operations for greater impact by UN agencies on the ground. **The United Nations Country Team (UNCT)**, led by the **Resident Coordinator (RC)**, provides the management structure for the implementation of the framework.

The “One programming” framework aims at improving the coherence, effectiveness and relevance of the different mandates and resources of the UN agencies through joint programming mechanisms such as UNDAF, which includes a single implementation plan, five key programming principles⁴, and a section on monitoring and evaluation. The UNDAF is based on the **Common Country Assessment (CCA)** which is a joint analytical instrument to assess a country’s situation and identify key development challenges. Following the assessment, and priorities selection, the country chooses its own ‘themes’, examples of which might be health, education, poverty, HIV/AIDS, or disaster management, elaborated by **Thematic Working Groups**.

⁴ human rights based approaches, environmental sustainability, gender equality, capacity development, results based management

UNDAF

UNDAF is a common programming document based on joint analysis, planning and resourcing. It is a UN ‘business plan’ for the country outlining expected results, financing and monitoring of implementation, as well as division of work and responsibilities. The most recent version of the UNDAF guidelines (2009) refers to social partners as key stakeholders for the United Nations programming.

Between 2010 and 2013 around ninety UNDAFs will be developed and rolled out.

The guidance for UNDAF preparation (UNDG, Nov. 2009) is laid out in a “UNDAF package” comprising a set of documents, including the UNDAF guidelines and technical guidance for country teams:

Section 1 – Introduction: a brief narrative on the position and potential of the UN in the country, its comparative advantages as well as its contribution to the national development priorities and alignment with the national planning process.

Section 2 – UNDAF results: a brief narrative and a results matrix articulating expected contribution to the national development objectives and the rationale. This is the core of the document.

Section 3 – Initiatives outside the UNDAF results matrix: activities by UN agencies that support the country’s specific demands outside the common UNDAF framework

Section 4 – Estimated resource requirement: indicative costing of the results in the matrix by all UN agencies involved. This section should also identify funding gaps that should be filled through further resource mobilization.

Section 5 – Implementation: coordination, management and partnership arrangements needed to achieve planned results

Section 6 – Monitoring and Evaluation: a narrative on how the UNCT and partners will monitor and report the UNDAF achievements and evaluate the effectiveness of the UNDAF as a contribution to the national development framework.

2) One Leader

The concept of **One Leader, the Resident Coordinator (RC)**, involves single leadership of the development programming process while preserving the independence of individual agencies, particularly regarding accountability and financial management.

MANDATE OF THE UN RESIDENT COORDINATOR

The UN Resident Coordinator will:

- *be responsible for the UN and its specialised agencies in each country;*
- *be the direct contact with national governments in discussion on the country programme (which the government will own and sign);*
- *provide strategic leadership throughout the programming process;*
- *co-chair joint steering groups with approximately 6-8 members, including representatives from national government, to oversee the UNCTs. (Within the process, governments will coordinate the Line Ministries);*
- *coordinate the participation of UN agencies that are both resident and non-resident;*
- *be held accountable by government and various UN entities (in terms of the agreed national programme) for mobilizing additional funds and preparing an annual report on the results of the programme's targets;*
- *advocate, promote and broker partnerships between government and relevant civil society organizations and the private sector.*

The UN agency representatives are part of the **United Nations Country Team (UNCT)**. Each has direct contact with the ministries relevant to their particular agency. For example, the ILO will continue to have direct contact with the labour ministry.

3) One Budget

The “**One Budget**” concept envisages one financial framework where resources are planned, pooled and allocated by all UN and specialized agencies, together with the government and donors at the national level to implement development strategies, focusing on national ownership. Its objective is to align and coordinate the diversity of funding sources and instruments, identify resource gaps and ensure coherent programming. The framework contains the costing of agreed results in one consolidated document. Resources are allocated and managed by individual agencies.

One financial framework aims to increase clarity and transparency of available and potential funding and help mobilize funds where needed.

There is a strong need for Employers’ organizations’ advocacy in support of the programmes (including joint programmes) in which the ILO is participating.

4) One Office

The aim of the “**One Office**” concept is to make the UN system more transparent and cost effective by overcoming duplication of administrative functions and related costs wherever possible. This may sometimes imply sharing common premises.

THE UNITED NATIONS AND EMPLOYERS' ORGANISATIONS

UN REFORM: ADVANTAGES FOR EMPLOYERS' ORGANISATIONS (EOs)

In many countries, the UN is an important partner in shaping and implementing national development strategies. The partnership is based on a continuous dialogue with the national government. The outcomes of this dialogue, consolidated in an UNDAF, represent the contribution of various UN agencies to the country's development.

These outcomes often have a strong influence on government policies and programmes, especially where they impact on international commitments. By being a part of this dialogue, through the government or directly engaging with UN agencies, EOs can join an important policy forum to advance or protect the interests of their members.

In doing so, it is in the interests of all parties engaged in the process and the delivery of its results that UN agencies act in a coherent, coordinated, complementary, efficient and transparent manner. This is the aim of the reform.

“Delivering as One” can also present an opportunity for EOs to work with a variety of UN agencies and access resources to add value to the services they provide for their members.

ENGAGING WITH “ONE UN” AT COUNTRY LEVEL

THERE ARE SEVERAL WAYS EOS CAN ENGAGE:

Directly: Planning of the UN contribution to national plans involves a comprehensive and participatory consultative process. Before the expected results are identified, UNCT consults government agencies and civil society groups to obtain a balanced picture of current issues and challenges that would serve as a rationale for UNDAF strategies. With the increasing recognition of the private sector’s role in development most representative and influential organizations are regularly invited to the consultation table. Where this is not the case, EOs could contact the RC or the ILO country office.

Through the ILO: The ILO, as one of the UN specialized agencies, is part of the UNCT. Through its field offices the ILO is involved in the development of the UNDAFs with a mandate to promote employment and social policies. Being a tripartite organization where the private sector is represented in its governing structures, the ILO is in a strategic position to bring Employers’ interests, as formulated by the national EO, into the common programming framework.

Through the government: Government is the key national partner in the UNDAF process. With an increasing demand on UNDAFs to ensure national ownership and flexibility, government agencies guide the process so that UNDAFs are aligned with national priorities and are relevant to national circumstances. Therefore lobbying and advocacy with the government by EOs is important to reflect issues important for business within the scope of UNDAF themes and principles.

To maximize advocacy efforts, EOs could actively pursue more than one channel at the same time.

THE ILO AND ONE UN

The International Labour Office is one of the UN specialized agencies. The 298th Session of the Governing Body of the ILO endorsed the ILO's participation in UN reform, although with some caution.

The ILO is a unique organization within the UN family because of its tripartite nature. Tripartism is the source of the ILO's strength and credibility, which, in the context of UN reform, often has to be advocated and built upon. In policy debate in the ILO, Employers emphasised that tripartism is the ILO's very essence and needs to be vigorously promoted. Employers also advocate for strengthening the overall capacity of EOs to represent and serve their members, so that they can be partners in policy forums, including UNDAFs.

Overall, engagement by the ILO in Delivering as One has the potential benefits of:

- Optimising the impact of ILO work by aligning programmes and resources with the UNDAF and national development objectives;
- Mutually reinforcing missions and mandates of the UN agencies operating in a country;
- Providing the ILO itself with the opportunity to mainstream the Decent Work Agenda, the values of tripartism and social dialogue and the role of social partners across the UN system;
- Providing ILO constituents an opportunity to engage in policy dialogue with a wider range of key development players at the national level.

HOW THE ILO CAN HELP EOs MAXIMIZE OPPORTUNITIES PRESENTED THROUGH ONE UN

- Provide information and understanding on the nature of the UN's role in the country's development planning, the relevance of UN reform, as well as its direct relevance to employers and their organisations;
- Assist EOs in scaling up their capacity to engage in the policy dialogue associated with UN assistance;
- Promote the apex national EO as a development partner within the UN system;
- Promote EOs' priorities as reflected in the DWCPs through UNDAF;
- Strengthen the EOs' capacity to realize their full potential in the national social and economic development process

THE ROLE OF DECENT WORK COUNTRY PROGRAMMES (DWCPs)

The ILO's entry point into the UN consolidated country programmes is the DWCP through one of the chosen national themes in the area of ILO competency and expertise

DWCPs represent a nexus of labour market priorities identified by the country's tripartite constituents supported by the ILO. In the framework of the reform process at the country level, it is the ILO's objective and role to integrate these priorities into the UNDAFs. **It is therefore essential that EOs are involved in the development of the DWCP and shape ILO strategies at country level according to their needs and priorities.**

Emphasizing the role of Sustainable Enterprise in development is one means to achieve this objective.

*“Sustainable enterprises are a principal source of growth, wealth creation, employment and decent work. The promotion of sustainable enterprises is, therefore, a major tool for **achieving decent work**, sustainable development and innovation that improves standards of living and social conditions over time.” (ILC 2007 Resolution Para 3)*

EO input into the **Sustainable Enterprises** agenda lies in the extent to which it can influence policy makers to foster enabling conditions for enterprise creation and development. A useful explanation of this is:

“Promoting sustainable enterprises is about strengthening the rule of law, the institutions and governance systems which nurture enterprises, and encouraging them to operate in a sustainable manner. Central to this is an enabling environment which encourages investment, entrepreneurship, workers' rights and the creation, growth and maintenance of sustainable enterprises by balancing the needs and interests of enterprise with the aspiration of society for a path of development that respects the values and principles of decent work, human dignity and environmental sustainability.” (Idem, Para 5)

Other priorities identified by the national constituents of the DWCP, unrelated to the national themes, would not be affected and would continue outside the DAO process. In the eight countries that have volunteered to host DAO pilot projects, the ILO has a DWCP in all but one⁵.

In recognizing the ILO's role in UN integration it is important to recall the policy priorities identified in the “*Employers' Vision of the ILO*”⁶ which can help guide the positions of EOs. Simply put, **Employers believe that the work of the ILO should have as its focus to:**

- *Facilitate wealth and job creation by promoting policies conducive to the creation of sustainable and competitive enterprises, and a culture of entrepreneurship, which is the basis for innovation, development and economic growth;*
- *Assist governments in strengthening labour market institutions, constructing economically appropriate labour legislation, and reforming existing regulations so as to promote labour market flexibility, respond to changing market demands, and address the issue of informality. The formalization of the informal economy has to be a major goal of the ILO;*
- *Help enterprises become more effective and workers more employable and productive through education, skills development, training and re-training programmes;*
- *Reorient programmes and policies towards employment generation and employment security as opposed to job security;*

⁵ At Nov. 09, 47 DWCPs were approved and 110 in various stages of development.

⁶ *Employers' Vision of the ILO*, adopted by the Employers' Group, May 2008

- *Establish a modern and high impact Labour Standards policy which, through consensus outcomes, aims at producing widely ratifiable and implementable standards addressed to the goal of improved economic and social development according to national conditions;*
- *Promote the Declaration on Fundamental Principles and Rights at Work which commits all ILO member governments to the principles underlying the core Conventions in the areas of freedom of association, collective bargaining, forced labour, child labour and discrimination;*
- *Create social safety nets by promoting sustainable social policies and social security systems that recognize the economic and social diversity in their development and implementation, as well as encourage people to return to the workforce, cognizant that costs are often the responsibility of society as a whole;*
- *Promote the creation of safe workplaces through promulgating occupational safety and health best practices that foster a culture of prevention at the enterprise level and shared responsibility, as well as the modernization of labour administration to better respond to the expectation of the global economy;*
- *Address discrimination in the workplace, so as to ensure maximum labour market participation;*
- *Foster recognition in all programmes and activities that productive participation in the labour market is the key to alleviating poverty and social disadvantage.*

DEVELOPING EO'S INPUT INTO UN PROCESSES

In developing an Employers' approach to working with the United Nations, the following can help ensure strong input into the process:

- **Understand the role of the UN and the ILO in the development agenda of the country** in order to advance business interests. Collect and analyse information on UN and ILO priorities, their interaction and programming modalities.
- **Be clear and consistent on the priorities your organization pursues through the DWCP and UNDAF.** Have realistic expectations and a serious approach when developing and setting priorities for national programmes. A strong preparatory phase underpinned by effective and thorough analysis of the policy and legal framework is required. Research should be comprehensive and evidence-based.
- **Map out in clear measurement terms** when advocating for a certain regulatory or legislation change both direct costs and compliance costs, and identify the biggest opportunities for improvement. Survey member companies; making a cost-benefit analysis of regulatory proposals; measuring red tape (the number of steps involved in a particular procedure) and compliance costs; identifying examples of the obstacles certain legislation creates.
- **Explore opportunities for collaboration with other business bodies.** By strengthening the collective national business voice, EOs will play a more effective role in policy discussions ensuring private sector priorities are reflected in national programmes. Explore alliance building; and identify

areas of joint interest for collaboration, such as research work with organisations focussing on different areas.

- **Present priorities effectively.** For instance, if one of the national themes is “poverty reduction” (as in Pakistan) the EO will need to show the *poverty-alleviation* aspects. Demonstrate the link between the business agenda and poverty reduction. In advocating for increased investment in infrastructure, a proposal can be presented showing that constructing rural roads will allow industry to get goods to ports, but also entrain wider social benefits by facilitating transport of children to school, workers to cities, and medicines to outlying areas.
- **Build on the broad recognition by the UN and other development partners** that entrepreneurial activity and enterprise creation and development are vital “fundamentals” in sustainably tackling persistent poverty as a key development goal. In current efforts to accelerate growth and private sector development in developing countries, the need is acknowledged to empower policy actors to identify and remove the constraints on private sector development. It is a major gap and one in which the ILO has a comparative advantage over other UN agencies.

As the **Donor Committee for Enterprise Development (DCED)** acknowledges in its *Practical Guidance for Development Agencies (2008)*:

“Some of the most effective ways of stimulating a greater demand for reform include : building the capacity of ... private sector representative organizations ... Creating opportunities for public-private dialogue that allows the business community to get across their experiences of the business environment.”

HOW EOs CAN ENGAGE IN *ONE UN* INITIATIVES

- Emphasise the EO's representative nature and function;
- Clearly articulate the EO's added value as a key national actor and its wider societal role;
- Stress the importance of local actors in influencing national policy, using instruments such as UNDAF;
- Promote tripartism and demonstrate its effectiveness ;
- Assume a proactive goal in the DWCP process;
- Set realistic and researched priorities for inclusion in national programmes;
- Consider coordinating work and approaches with other business organizations;
- Exploit the recognition in **Delivering as One** and elsewhere that the private sector has a vital role to play in development;
- Contribute to analytical exercises, such as the Common Country Assessment (CCA), to provide balanced views on the country's situation and challenges.

ILO ACT/EMP REGIONAL EMPLOYER SPECIALISTS

AFRICA

Central Africa:

Yaoundé

Mr Papa BEYE

Phone: +237 2215181

beye@ilo.org

East Africa:

Addis Ababa

Mr Hezron NJUGUNA

Phone: +251 11 5444117

njunga@ilo.org

Southern Africa:

Pretoria

Ms Rose Karikari ANANG

Phone: +27 12 4318800/13

anang@ilo.org

West Africa:

Dakar

Mr Ousmane TOURÉ

Phone: +221 33 8892989

toureo@ilo.org

AMERICA

Andean Countries:

Lima

Mr Jorge ILLINGWORTH

Phone: +511 6150300

illingworth@oit.org.pe

Central America:

San José

Mr L. PELÁEZ DORANTES

Phone: +506 2078700

pelaez@sj.oit.or.cr

South Cone Lat.America:

Santiago

Mr Andrés YUREN

Phone: +56 25805557

yuren@oit Chile.cl

The Caribbean:

Port of Spain

Ms Luesette HOWELL

Phone: +1868 6276304

howell@ilocarib.org.tt

ASIA

Arab States:

Beirut

Mr Hicham Abou JAOUDE

Phone: +961 1752400

aboujaoude@ilo.org

East Asia:

Bangkok

Mr Dragan RADIC

Phone: +66 2 22882201

radic@ilo.org

South Asia:

New Delhi

Mr Gotabaya DASANAYAKA

Phone: +91 11 24602101/02/03

gota@ilo.org

EUROPE

Central/Eastern Europe:

Budapest

Ms Anne KNOWLES

Phone: +36 1 3014909

knowles@ilo.org

Eastern Europe /CentralAsia:

Moscow

Ms Shurenchimeg ZOKHIOLT

Phone: +7495 9335891

zokhiolt@ilo.org

HEADQUARTERS

International Labour Office
Bureau for Employers' Activities
Route des Morillons 4
CH-1211 Geneva 22
Switzerland

www.ilo.org

Phone: +41 (0) 22 799 6111

Fax: +41 (0) 22 798 8685

**INTERNATIONAL ORGANISATION OF EMPLOYERS
SENIOR REGIONAL ADVISERS**

AFRICA

Mr Fred MUIA
Phone: +41 22 929 00 20
muia@ioe-emp.org

AMERICA

Ms Maria ANZORREGUY
Phone: +41 22 929 00 22
anzorreguy@ioe.emp.org

ASIA

Mr Scott BARKLAMB
Phone: +41 22 929 00 15
barklamb@ioe-emp.org

EUROPE

Mr Eric OECHSLIN
Phone: +41 22 929 00 21
oechslin@ioe-emp.org

SECRETARIAT

International Organisation of Employers
Chemin de Joinville, 26
CH-1216 Cointrin/Geneva
Switzerland

www.ioe-emp.org
Phone: +41 (0) 22 929 00 00
Fax: +41 (0) 22 929 00 01

