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# MULTINATIONAL ENTERPRISES, DEVELOPMENT AND DECENT WORK

Report on the promotion and application of the Tripartite  
Declaration of Principles concerning Multinational Enterprises  
and Social Policy in the Americas

Panama, 2–5 Oct. **2018**  
19<sup>TH</sup> American Regional Meeting

# MULTINATIONAL ENTERPRISES, DEVELOPMENT AND DECENT WORK

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Declaration of Principles concerning Multinational Enterprises  
and Social Policy in the Americas

Second cycle of regional reports (2018-2021)

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# Foreword

Regional reports on the promotion and application of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) are an integral part of the regional promotion of the instrument. The MNE Declaration is the only instrument of the International Labour Organization (ILO) that provides direct guidance to enterprises (multinational and national), governments, and employers' and workers' organizations on social policy and inclusive, responsible and sustainable workplace practices.

As part of the promotional strategy of the MNE Declaration adopted by the Governing Body in 2014, a first cycle of regional reports was produced from 2014 to 2017 in preparation for the 18th American Regional Meeting (Lima, Peru, 13–16 October 2014), the 13th African Regional Meeting (Addis Ababa, Ethiopia, 30 November–3 December 2015), the 16th Asia and the Pacific Regional Meeting (Bali, Indonesia, 6–9 December 2016), and the 10th European Regional Meeting (Istanbul, Turkey, 2–5 October 2017). A global report on the main trends and findings of those four reports and the outcomes of the special sessions during those Regional Meetings was discussed in the ILO Governing Body in March 2018.

The present report is the first of a new cycle of regional reports prepared under the regional follow-up operational tool of the revised MNE Declaration (2017), as outlined in its Annex II. The regional follow-up mechanism comprises a regional report on the promotion and application of the MNE Declaration in the ILO member States of the region. The regional reports are based primarily on inputs received from governments and employers' and workers' organizations in these member States on the basis of a questionnaire. A special session during ILO regional meetings provides a tripartite dialogue platform to discuss further promotional activities at the regional level. The regional reporting is based on a four-year cycle, with a report to be presented to the Governing Body at the end of each cycle.

This report presents the inputs received from governments and employers' and workers' organizations in the Americas, and elements for consideration regarding the further promotion and application of the MNE Declaration in the region. We trust that the report will foster further dialogue among governments, employers and workers, contribute to the identification of opportunities and challenges for decent work linked to foreign direct investment and the operations of multinational enterprises in the areas covered by the MNE Declaration at national and regional levels, and facilitate the exchange of experiences and lessons learned.

The Multinational Enterprises and Enterprise Engagement Unit of the Enterprises Department, responsible for the production of this report, wishes to warmly thank the governments and employers' and workers' organizations who took the time to complete and return the questionnaire. We also express our thanks to ILO staff in headquarters and field offices, particularly the Bureau for Employers' Activities and the Bureau for Workers' Activities, for their support, guidance and inputs in the different stages of the information-gathering process and development of this report.

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# Introduction

The present report provides an overview of activities undertaken by governments and employers' and workers' organizations in the International Labour Organization (ILO) member States in the Americas to raise awareness on and promote the application of the recommendations set forth in the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration).

The report has been elaborated on the basis of information collected directly through a questionnaire sent to governments and employers' and workers' organizations of the 35 ILO member States of the region, which will be taking part in the 19th American Regional Meeting in Panama City, Panama, 2–5 October 2018. The questionnaire was distributed in April 2018 through various channels. Responses were received until 6 July 2018.

The participation rate was very similar to that in 2014, when the first cycle of the regional follow-up mechanism to the MNE Declaration started with the Americas. The number of responses received – 64 in total – and the variation in the response rates among the respondent groups by country – 40% from governments, 31% from employers and 51% from workers– reflects a mixed picture of the relative interest attributed by governments and employers' and workers' organizations to the issues raised in the MNE Declaration, as well as the need for continued efforts to promote the instrument.

The contribution of foreign direct investment (FDI) to decent work and inclusive growth is particularly important for the regional context. As the *2017 Labour Overview: Latin America and the Caribbean* states: “2017 has been a year of mixed performance, of ups and downs, with some signs of improvement and others of deterioration in regional and sub-regional averages, as well as significant variations in national and sub-regional contexts. The mixed results occurred because the region returned to the path of growth in 2017, to a rate of 1.2%, which is not high enough to reverse the negative trends in all labour market indicators, but only in some of them. Additionally, there was the usual lag between the reactivation of the economy and the upturn in labour markets” (ILO, 2017a, p. 5). Thus, the creation of more and better jobs remains a challenge for the region and a motivation for many governments to look for opportunities provided by FDI and trade. Putting in place a smart mix of policies that can promote a greater contribution of FDI, trade and other means whereby enterprises can bring substantial benefits to home and host countries by fostering the more efficient utilization of capital, technology and labour, as well as to job creation and the improvement of working conditions, is essential.

The present report on the promotion and application of the MNE Declaration in the Americas is organized as follows:

- Chapter 2 provides an overview of the MNE Declaration, its principles and operational tools, and highlights ILO activities in the region for its promotion and application.
- Chapter 3 describes the main FDI trends in the region and briefly reflects on investment policies and frameworks that can attract FDI and trade, while limiting their possible negative impacts and boosting their positive contribution to economic growth and inclusive development.

- Chapter 4 analyses the responses of governments and employers' and workers' organizations in ILO member States in the Americas, as captured in the questionnaire, on how they have promoted and applied the principles of the MNE Declaration at the country level.
- Chapter 5 concludes with remarks on key issues and suggestions for the further promotion of the principles of the MNE Declaration with a view to achieving broader application in the region.

# The MNE Declaration and its promotion and application in the Americas

## 2

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### 2.1 Principles of the MNE Declaration

The Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) sets out principles in the fields of employment, training, conditions of work and life, and industrial relations, as well as general policies that governments, employers' and workers' organizations, and multinational enterprises (MNEs) are recommended to observe on a voluntary basis. As such, it is the only ILO instrument that provides direct guidance to national and multinational enterprises, and is the only global tripartite instrument on social policy that has been elaborated and adopted by governments, employers and workers around the world. First adopted in 1977, the instrument was most recently amended in March 2017 (ILO, 2017b).

The aim of the MNE Declaration is “to encourage the positive contribution which multinational enterprises can make to economic and social progress and the realization of decent work for all; and to minimize and resolve the difficulties to which their various operations may give rise” (paragraph 2). That aim is “furthered by appropriate laws and policies, measures and actions adopted by the governments, including in the fields of labour administration and public labour inspection, and by cooperation among the governments and employers' and workers' organizations” (paragraph 3). The principles do not aim at introducing or maintaining inequalities of treatment between multinational and national enterprises, and reflect good practice for all.

The guidance contained in the MNE Declaration is rooted in international labour standards and reflects good practices in the above-mentioned areas. The MNE Declaration outlines the distinct roles and responsibilities that the State and business have in achieving its aim, an approach that is also taken in the *Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” framework* in the area of human rights (United Nations, 2011).

The MNE Declaration does not contain a precise legal definition of MNEs, but these include enterprises – whether fully or partially State owned or privately owned – that own or control production, distribution, services or other facilities outside the country in which they are based. They may be large or small, and can have their headquarters in any part of the world. Unless otherwise specified, the term “multinational enterprise” is used to designate the various entities (parent companies or local entities or both, or the organization as a whole) according to the degree of responsibilities among them, in the expectation that they will cooperate and provide assistance to one another as necessary to facilitate observance of the principles of the MNE Declaration. The MNE Declaration also recognizes that MNEs often operate through relationships with other enterprises as part of their overall production process, and that this can contribute to furthering the aim of the MNE Declaration.

In its “general policies” chapter, the MNE Declaration highlights that all the parties should respect the sovereign rights of States, obey the national laws and regulations, give due consideration to local practices and respect relevant international standards. They should also honour commitments that they have freely entered

into, in conformity with national law and accepted international obligations. They should respect the Universal Declaration of Human Rights (1948) and the corresponding International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights (1966), as well as the ILO Constitution and its principles, according to which freedom of expression and association are essential to sustained progress. It also states that all parties should contribute to the realization of the ILO Declaration on Fundamental Principles and Rights at Work (1998), and highlights in this regard the corporate responsibility to respect human rights and the guidance on due diligence as outlined in the United Nations Guiding Principles on Business and Human Rights. For the purpose of achieving the aims of the MNE Declaration, the due diligence process should take account of the central role of freedom of association and collective bargaining, as well as industrial relations and social dialogue, as part of the continuing process.

The “general policies” chapter also states that MNEs should take into account the general policy objectives of the countries in which they operate, and that their activities should be consistent with national law and in harmony with the development priorities and social aims and structure of those countries. To this effect, consultations should be held between MNEs, the government and, wherever appropriate, the national employers’ and workers’ organizations concerned. Governments of host countries should promote good social practice in accordance with the Declaration among MNEs operating in their territories, and governments of home countries should promote good social practice in accordance with the Declaration among their MNEs operating abroad. Both host and home country governments should be prepared to have consultations with each other whenever the need arises.

The remaining chapters of the MNE Declaration set out principles in the fields of employment (employment promotion, social security, forced and child labour, equal opportunity and security of employment); training; conditions of work and life (wages and working conditions, safety and health); and industrial relations (freedom of association, collective bargaining, consultation, access to remedy, settlement of disputes). The most recent revision strengthened the MNE Declaration by adding and reformulating principles that address specific issues related to social security, forced labour, transition from the informal to the formal economy, wages, safety and health, access to remedy and compensation of victims of labour rights abuses.

The revised MNE Declaration includes two annexes. Annex I provides a list of ILO instruments and guidance documents relevant to the MNE Declaration, and Annex II outlines a series of operational tools to stimulate the uptake of the principles of the MNE Declaration by governments, enterprises, and employers’ and workers’ organizations.

## 2.2 Operational tools

The operational tools in Annex II of the MNE Declaration include regional follow-up; promotion at the national level/promotion by tripartite appointed national focal points; promotion by the International Labour Office (technical assistance and information and guidance through the ILO Helpdesk for Business on International Labour Standards); company–union dialogue; and the procedure for the examination of disputes concerning the application of the MNE Declaration by means of interpretation of its provisions (interpretation procedure).

The regional follow-up mechanism comprises a regional report on the promotion and application of the MNE Declaration that is prepared in readiness for each of the ILO Regional Meetings. The report informs a special

session during the Regional Meetings, which provides a tripartite dialogue platform to discuss further promotional activities at the regional level.

At the national level, governments, employers and workers are encouraged to appoint national focal points on a tripartite basis to promote the use of the MNE Declaration and its principles nationally. Where similar tools or processes exist in relation to the principles of the MNE Declaration, governments are encouraged to facilitate involvement of social partners in applying them.

The ILO also provides technical assistance to support the promotion and application of the principles of the MNE Declaration at the national level and through the ILO Helpdesk for Business on International Labour Standards, which provides further information and guidance on the application of the principles in company operations.

The ILO, as the global authority on international labour standards, is uniquely placed to support or facilitate company–union dialogue as part of its overall strategy to promote the uptake of the principles of the MNE Declaration. Where a company and a union voluntarily agree to take advantage of the facilities of the ILO to meet and talk, the Office will provide a neutral ground for discussion on issues of mutual concern and maintain strict confidentiality of the dialogue process.

Finally, in the procedure for the examination of disputes concerning the application of the MNE Declaration, the ILO Governing Body interprets the provisions of the MNE Declaration when needed to resolve a disagreement on their meaning, arising from an actual situation, between parties to whom the Declaration is commended.

### 2.3 Regional activities for the promotion and application of the MNE Declaration

The first cycle of the regional follow-up mechanism to the MNE Declaration started in the Americas in 2014. As part of the process, questionnaires were sent to governments and employers' and workers' organizations to collect information on how they have promoted and applied the principles of the Declaration nationally. The results were synthesised in a report that was presented at a special information session on the follow-up to the MNE Declaration at the 18th American Regional Meeting (Lima, October 2014). The Lima Declaration adopted by the tripartite delegates highlights that "the ILO should provide assistance to its constituents in their efforts to implement concrete commitments through measures such as ... the promotion of the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy" (paragraph 18).

During the session, various concrete recommendations were formulated and have since informed ILO activities in the region for the promotion and application of the MNE Declaration, notably the development of training courses and the provision of technical assistance at country level.

To address capacity-building needs in the region, the ILO Regional Office for Latin America and the Caribbean in Lima hosted in 2017 a one-week training on "Multinational enterprises, development and decent work: The approach of the MNE Declaration". Tripartite participants from 14 countries from Latin America and the Caribbean discussed the opportunities and challenges posed by the operations of MNEs, learned about the MNE Declaration, and identified action points to further promote and apply its recommendations in their respective countries. In addition, training courses on the approach of the MNE Declaration are conducted

annually at the International Training Centre of the ILO in Turin, attended by participants from Latin America and the Caribbean.

Other training opportunities have also been offered, particularly for workers' organizations, in coordination with the ILO Bureau for Workers' Activities and the International Training Centre. For instance, in 2015 a training course for Latin America and the Caribbean was conducted in Turin with a focus on global supply chains, the MNE Declaration and trade union strategies. Following this training, two activities were conducted in the region in 2015: one regional workshop in Panama with a focus on global supply chains and export processing zones, and another in Paraguay with a focus on global supply chains and the MNE Declaration. Also, a 2015 symposium hosted by the ILO Bureau for Workers' Activities on decent work, global supply chains and trade union strategies included active participation of trade union organizations from the Americas.

In Brazil, trade unions benefited from a training workshop in 2016 on decent work promotion in supply chains, which included sessions on the MNE Declaration and other relevant international frameworks. In addition, the ILO Bureau for Workers' Activities launched in 2017 a publication on export processing zones and decent work challenges in Central America, which includes sections on the MNE Declaration (ILO, 2017c). In 2018, the ILO Bureau for Workers' Activities and the International Training Centre conducted a training course with the participation of trade union organizations from the Americas on the MNE Declaration and other international tools and their strategic use in the labour movement, building on the Bureau for Workers' Activities guide *The ILO MNE Declaration: What's in it for workers?* (ILO, 2017d).

In 2017, the ILO participated in a conference and workshop organized by the Ministry of Foreign Trade of Costa Rica, together with the European Union and the Organisation for Economic Co-operation and Development (OECD), on corporate responsibility and sustainable development within the framework of the European Union–Central America Association Agreement. In 2018, the ILO participated in a similar conference organized by the European Union and the Central American Integration System (Sistema de la Integración Centroamericana, SICA) in Guatemala, and hosted a workshop in the context of the European Union–Central America Association Agreement, with a focus on Sustainable Development Goal (SDG) 8 on decent work and economic growth. Both activities provided opportunities to promote the MNE Declaration and its principles and to stimulate tripartite discussions using the MNE Declaration as the framework.

Moreover, the ILO, through its Bureau for Employers' Activities, has provided technical assistance to social partners at country level as part of promotional activities on the MNE Declaration in the region. As a result of such efforts, in 2015, the National Employers' Association of Colombia created an advisory service for Colombian enterprises on legal, commercial, labour, social and economic issues for business development abroad. In the same year, in the Plurinational State of Bolivia, the Confederation of Private Employers of Bolivia established a new specialized unit on corporate social responsibility. The unit provides technical and specialized assistance to its member companies, giving visibility to their efforts in this area, creating a space for enterprises to share knowledge on corporate social responsibility, and building the capacity of corporate executives through certified courses.

The MNE Declaration calls on governments to study the impact of MNEs, which requires the availability of reliable data. In order to support this endeavour and in line with the 2014 promotional strategy of the MNE Declaration adopted by the Governing Body, the ILO collaborated with the National Institute of Statistics and Geography of Mexico (INEGI) and the Secretariat of Labour and Social Welfare to evaluate the strengths and

limitations of existing methodologies, such as the national employment survey, the establishment survey and the economic census. In 2016, a tripartite workshop validating the outcomes of this study in Mexico agreed that governments should gather data on MNE impacts based on an effective data-gathering mechanism. Later, a regional technical workshop for statisticians in Lima (2017) concluded that a clearer statistical definition of an MNE was needed, as well as guidelines for various data-gathering methodologies, clearer indicators and model questions for each target population surveyed. A paper presented at the 2018 International Conference of Labour Statisticians synthesizes the findings and outcomes of these workshops and invites the Conference to explore ways to collaborate with the ILO on developing methodologies for gathering such data at the national level (ILO, 2018).

Governments in the region have also received policy support to formulate strategies that promote sustainable practices among MNEs and local small and medium-sized enterprises to advance decent work. In 2016, a policy brief was published on the role of MNEs in the formalization of small and medium-sized enterprises in supply chains based on the analysis of five country experiences in Latin America and the Caribbean (ILO, 2016a). At sectoral level, the ILO conducted three studies (unpublished) focusing on the hotel sector in Jamaica and the role of MNEs in generating employment locally. In Barbados, the ILO facilitated a tripartite dialogue in 2016 on how to maximize the positive impacts of MNEs. Further to this, the ILO received a request from the Government of Barbados to provide technical support for the development of a protocol for MNEs operating in the tourism sector in line with the recommendations of the MNE Declaration.

The Regional Office for Latin America and the Caribbean produced two studies related to investment and trade as part of its series of technical reports. One of those studies concerns the effect of China on the quantity and quality of jobs in Latin America and the Caribbean through trade, FDI and infrastructure projects; the other study documents the impact of Intel on Costa Rica's efforts to move up the global value chain (Dussel Peters and Armony, 2017; ILO, 2017e).

The European Union has selected the ILO, together with the OECD and the Office of the United Nations High Commissioner for Human Rights, to jointly implement the regional project Responsible Business Conduct in Latin America and the Caribbean (2018–2022), which aims to promote policies and practices in the area of corporate social responsibility covering nine countries in Latin America and the Caribbean. The instruments used as the framework for this four-year project are the United Nations Guiding Principles on Business and Human Rights, the ILO MNE Declaration, and the OECD Guidelines for Multinational Enterprises.



# Foreign direct investment trends in the Americas

# 3

The MNE Declaration provides a framework to encourage the positive contribution that MNEs can make to economic and social progress and the realization of decent work for all, and to minimize and resolve the difficulties that it may cause. This is particularly important given that FDI remains the largest and most constant external source of finance for developing economies in comparison with other investment types, such as remittances and official development assistance. However, in 2016 FDI inflows were in decline across all developing regions (UNCTAD, 2017). “The perception of globalization and its economic and social effects reached a turning point in 2016. ... Developed economies have been more interested in repatriating production, which together with the rapid technological transition and greater competitive pressure, has redirected businesses towards more technology-intensive markets” (ECLAC, 2017, p. 11). These recent developments are reflected in the investment trends of MNEs in the Americas.

This chapter sets the scene by providing a brief overview of (a) the main FDI flows in the region; (b) the shifting sectoral make-up of FDI and the rise of renewable energy investment; and (c) China’s increasing influence as a key investor in the region. The chapter concludes by highlighting the need to rethink investment policies to harness the potential of such investments to foster inclusive and sustainable business practices by MNEs in the Americas.

## 3.1 FDI flows in the region

The Americas display some disparities between North America and Latin America and the Caribbean in terms of FDI flows. The region has experienced decreasing levels of FDI flows throughout, although until 2017, North America had experienced steady growth in FDI inflows. In 2016, North America reached a record high of inflows, exceeding US\$400 billion for the first time (UNCTAD, 2017). However, inflows to North America fell by 39% in 2017 to an estimated US\$300 billion from US\$494 billion, partly due to falling cross-border mergers and acquisitions in both Canada (down by US\$22 billion) and the United States of America (down by US\$54 billion) (UNCTAD, 2018).

Outflows from North America increased by 18% to US\$419 billion in 2017 from US\$355 billion in 2016. FDI outflows from the United States, the largest investing country, reached US\$342 billion in 2017, and were mostly in the form of retained earnings, which accounted for US\$324 billion. Luxembourg, the Netherlands, Singapore and the Caribbean subregion together received 38% of United States outflows. FDI outflows to Asia increased by one third to US\$46 billion, while outflows to Central and South America decreased by more than one third to US\$6.1 billion (UNCTAD, 2018).

Latin America and the Caribbean are at a difficult juncture in general, losing ground as a recipient of FDI with inflows declining by 7.8% in 2016 to US\$167.180 billion, and by 3.6% in 2017 to US\$161.673 billion. This is 19.6% lower than the peak reached in 2011 (ECLAC, 2017, 2018). The decrease in FDI flows has taken place

against a backdrop of slower economic growth and a drop in formal employment created by the private sector (ILO, 2017a). Nonetheless, Latin America and the Caribbean have received a larger share of FDI as a percentage of gross domestic product (GDP) in comparison to the rest of the world, highlighting the relative weight of MNEs in the region's economies. Inward FDI was equivalent to 3.6% of GDP, though the global average was 2.5% in 2016 (ECLAC, 2017).

FDI inflows in Latin America and the Caribbean have been heterogeneous. In 2016, FDI in South America fell by 9.3%, while flows into Central America and the Caribbean rose by 4.9% and 3.3%, respectively. Central America received a larger share of FDI, jumping from 3.7% of the total in 2010 to 7.2% in 2016. Moreover, the largest economies remain the most attractive targets for MNEs, with Brazil still the biggest recipient of FDI (47% of the total), followed by Mexico (19%), Colombia (8%) and Chile (7%) (ECLAC, 2017).

The fall in commodity prices continues to affect investments in natural resources, and weak economic growth experienced in several countries has slowed the flow of market-seeking capital. MNEs with affiliates have limited activities mainly to the extraction or exploitation of natural resources in countries specialized in agriculture and mining, among others (ECLAC, 2017).

Enterprises from Latin America and the Caribbean tend to be concentrated in low-value-adding stages of global supply chains (Gereffi, Bamber and Fernander-Stark, 2016), due to weak productive transformation linked to a deficit in innovation and a high concentration of small and medium-sized enterprises with low productivity, resulting in low capacity to produce goods and services with value added. Moreover, women tend to be underrepresented in some of the sectors linked to FDI, and there are fewer women-owned local firms integrated into global supply chains. Improving productivity, employment and skills development are policy priorities for the member States in Latin America and the Caribbean (Cornick, 2016).

As well as being a year of lower investment, 2016 was also a weak year for FDI outflows from Latin American and Caribbean. Outward FDI flows fell by 47% to US\$25.567 billion, with investment values returning to levels seen in the mid-2000s. Apart from attracting most FDI inflows, the major economies also invested most abroad, with Brazil (31%), Chile (28%), Colombia (18%) and Mexico fourth in place with 14% of the total of FDI outflows (ECLAC, 2017).

However, *multilatinas* – MNEs of Latin American origin – are a key driving force of investment, expanding throughout this region and even across international markets (Casilda, 2015). A recent study by the Boston Consulting Group (Aguilar et al., 2018) underlines that these enterprises registered an annual revenue growth of 5.2% (measured in US dollars) from 2008 to 2016, around 3 times higher than the average for all large Latin American enterprises. The study identifies various success factors that have enabled these enterprises to outperform their regional counterparts and achieve above-average growth. Multilatinas are in the lead when it comes to creating new value in services, responding to the demands of a growing middle class; they have demonstrated that they are better at overcoming value chain complexities; they invest more in research and development, resulting in new products and solutions that accelerate growth; and they have undertaken actions to overcome skills shortages. Besides, multilatinas invested around US\$48 billion in mergers and acquisitions from 2009 through 2017, accounting for about 20% of the value of all merger and acquisition activity in the region during that period, enabling these enterprises to boost their growth and diversify their geographical reach (Aguilar et al., 2018) (table 3.1).

Table 3.1 Ten largest cross-border acquisitions by firms in Latin America and the Caribbean, 2017

Firm	Country of Origin	Assets acquired	Asset location	Country of seller	Sector	Amount (\$ million)
Grupo Mexico	Mexico	Florida East Coast Holdings	United States	United States	Transport	2 100
Grupo Lala	Mexico	Vigor Alimentos	Brazil	Brazil	Food	1 837
Natura	Brazil	Body Shop International	United Kingdom	France	Retail	1 120
Bimbo	Mexico	Easy Balt	United States	United States	Food	650
Southern Cross Group	Argentina	Petrobras Chile Distribución	Chile	Brazil	Distribution of hydrocarbons	464
BTG Pactual	Brazil	Weyerhaeuser assets	Uruguay	Uruguay	Forestry	403
Brasil Foods (BRF) (60%), Qatar Investment Authority (40%)	Brazil, Qatar	Banvit Bandirma Vitaminli Yem Sanayii ASA (79.48%)	Turkey	Turkey	Food	400
Vitro	Mexico	Glass manufacturing of original equipment manufacturers	United States	United States	Manufacturing	310
ISA	Colombia	Transmissora Aliança de Energia Elétrica (14.9%)	Brazil	Brazil	Electrical power	309
JBS	Brazil	Plumrose USA	United States	Denmark	Food	230

Source: ECLAC, 2018.

### 3.2 The rise of renewable energy investment

The sectoral make-up of investment in Latin America and the Caribbean has shifted following the end of the commodity boom, whilst investment targets in North America have remained relatively stable and concentrated in manufacturing, finance and insurance (ECLAC, 2017; UNCTAD, 2017).

The most significant drop in FDI occurred in the natural resources sector, whose share in Latin America and the Caribbean declined from 2010 onwards, falling from 19.2% of the total FDI inflows between 2010 and 2014 to an average of 10.7% between 2015 and 2017. The manufacturing sector attracted the largest share of FDI, with investments amounting to US\$30.497 billion (46.8% of the total), while FDI in the services sector grew and amounted to US\$28.853 billion in 2017. Increases in investment in the energy sector reflected the high level of mergers and acquisitions activity, such as the acquisition of one of Brazil's biggest energy companies, CPFL Energia, by State Grid Corporation of China, a State-owned Chinese company (ECLAC, 2018).

The production of renewable energy in Latin America and the Caribbean has taken off during the past decade. This sector has attracted the most greenfield investment, increasing from an average of 6% for the period 2005–2010 to 18% in 2016, making it the fastest growing sector (ECLAC, 2017). A host of flexible, diverse and innovative renewable energy policies, which include fiscal incentives, regulatory instruments, financial mechanisms and investments in developing the required skills in the workforce, have created an enabling environment for this sector to rapidly grow and develop. National public financing institutions account for over one-third of new clean energy project finance in Latin America, providing loans, absorbing related risks and covering a large share of the demand for debt by project developers. Public finance also links investment in the sector to public policy goals, such as job creation and industry development, by conditioning loans to the use of the domestic workforce and locally manufactured equipment. Some countries have also put in place investment promotion and facilitation measures to create an enabling environment for FDI in the sector (IRENA, 2016).

These trends reflect the rapid evolution of the energy mix in Latin America and the Caribbean towards a more diversified set of energy sources, technologies and contributing countries. As a result, Latin America hosts some of the world's most dynamic renewable energy markets, with more than a quarter of primary energy coming from renewables – twice the global average. In addition to hydropower and biofuels, numerous countries are significantly scaling up other renewable energy sources, such as wind, solar and biomass-based electricity. Costa Rica, Paraguay and Uruguay generate virtually all electricity through renewables (IRENA, 2016). In 2015, both Chile and Mexico joined Brazil on the list of the top ten largest renewable energy markets globally. In 2016, Chile was the premier destination for FDI in renewables, attracting 33% of announced investments in Latin America and the Caribbean, while Mexico received the second-highest amount (ECLAC, 2017).

Investments in renewable energy can foster job creation, stimulate national industrial development, and help develop and diversify local economies, particularly in rural areas. This is an attractive policy proposition for productive transformation, given a relatively low contribution of manufacturing to GDP and persistently high levels of unemployment. Close to 2 million people work in renewables in Latin America. Liquid biofuels is the main employer, accounting for nearly 1 million jobs, followed by large hydropower with more than half a million jobs, and wind power representing 64,000 jobs. Several countries, such as Brazil, Ecuador, Honduras, Panama and Uruguay, have combined deployment policies, which aim to foster the diffusion of clean energy technologies in the market, with local content requirements to maximize local job and value creation from renewables (IRENA, 2016).

To fully develop the sector and improve decent work outcomes, governments need to identify skills gaps, foster partnerships between academia and industry, integrate renewable energy into curricula, and provide financial support for training programmes. Such initiatives have already been undertaken, notably in Mexico, where a dedicated curriculum for renewable energy is offered at the National Autonomous University of Mexico and

centres for innovation in renewable energy have been developed, specifically in geothermal, wind and solar energy (IRENA, 2016). The ILO project on Strengthening Integrated Systems of Training, Orientation and Labour Insertion (Fortalecimiento de Sistemas Integrados de Formación, Orientación e Inserción Laboral, FOIL) supported the network of technical and vocational education and training institutions in Central America and the Dominican Republic to develop learning standards and curricula for eight green occupations that have since been included into the vocational training portfolio of those countries.

### 3.3 China's growing investment influence

Historically, investments in Latin America and the Caribbean have been dominated by Europe and the United States. In recent years, China has taken a much more active investment role (OECD, 2017).

The United States was the leading investor in the region in 2016, accounting for 20% of the total, while the combined investment from various European countries totalled 53% (ECLAC, 2017). European countries also generated 67% of inflows to the United States (UNCTAD, 2017). European investment is concentrated in South American countries, while United States investors focus mainly on neighbouring Mexico, Central America and the Caribbean (ECLAC, 2017).

Lately, China has strengthened its position in the global economy and this has been reflected in its investment influence in Latin America and the Caribbean. Even though it accounted for just 1.1% of FDI inflows to the region, the amount of Chinese capital was more considerable (ECLAC, 2017). Based on the mergers and acquisitions transactions concluded in 2017, China was the largest investor in the region. While China had the sixth-highest number of transactions for the year, the size of these investments (US\$18 billion) accounted for 42% of the total, and occurred almost exclusively in Brazil (ECLAC, 2018).

Given the relatively recent and dynamic economic relationship between Latin America and the Caribbean and China, the ILO conducted a study in 2017 to examine the quantitative and qualitative effects of China's investment on employment through trade, FDI and infrastructure projects. The study highlights that both public and private Chinese enterprises are investing in mining, agriculture, industries and services, including financial and banking services. These enterprises are participating in bidding processes for large projects and building significant infrastructure works. Besides, Chinese enterprises have in some countries bought significant amounts of sovereign debt, which is for many the main funding source for development and different types of investment. In terms of employment, outward FDI<sup>1</sup> created around 260,000 jobs and executed 271 transactions for around US\$120 billion. Yet, the preference for recruiting Chinese nationals in middle- and high-level posts, as well as the high expenses incurred in training the local workforce, are characteristics of Chinese enterprises not to be underestimated, especially in view of ensuring that FDI entails positive national effects (Dussel Peters and Armony, 2017).

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<sup>1</sup> The source (Dussel Peters and Armony, 2017) refers to overseas foreign direct investment.

### 3.4 Rethinking investment policies and frameworks

FDI can be a driving force in job creation, technology transfer, skills development and the adoption of innovative management systems and business models that increase competitiveness and productivity. A recent study also found that FDI inflows are positively associated with gender development and negatively correlated with gender inequality (Ouedraogo and Marlet, 2018). However, the positive effects of FDI are by no means automatic. Indeed, outcomes such as integrating new technology, promoting research and development, and creating decent jobs have on the whole fallen short of expectations (ECLAC, 2017). Governments have several tools at their disposal to put in place a smart mix of policies to attract FDI and trade (while limiting their possible negative impacts) and boost their positive contribution to economic growth and sustainable and inclusive development.

The 2030 Agenda for Sustainable Development recognizes that private business activities, investment and innovation are major drivers of productivity, inclusive economic growth and job creation. Engaging with enterprises is important for the realization of all SDGs and their targets but is of particular relevance to SDG 8 on decent work and economic growth. The Addis Ababa Action Agenda of the Third International Conference on Financing for Development is an integral part of the 2030 Agenda for Sustainable Development and provides guidance as to the means that are necessary to achieve its goals and targets. It also addresses actions and considerations related to domestic and international private business and finance, highlighting the crucial influence of FDI on sustainable development and underlining the need to ensure that incentives meant to attract private sector investments are in line with national development priorities.

Efforts to ensure that FDI contributes to sustainable and inclusive growth and decent work have been reflected in various recent free trade agreements concluded by countries in the region that integrate labour considerations. The European Union–Central America Association Agreement signed in 2012 with Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama makes ample reference to ILO standards, especially fundamental principles and rights at work, as well as the link between trade and sustainable development. Both parties (European Union and the Governments of Central America) have committed to respecting labour standards and decent work, including through responsible business practices. Another example is the Canada–Colombia Agreement on Labour Cooperation, which supports the Canada–Colombia Free Trade Agreement by promoting both economic integration and respect for fundamental labour principles and rights. Canada and Colombia recently agreed on the 2018–2021 Plan of Action under the Canada–Colombia Agreement on Labour Cooperation, with the goal of further strengthening labour rights and principles so that the benefits of the Free Trade Agreement are as equitably distributed as possible.<sup>2</sup>

The benefits of FDI depend not only on the type of investment but also on the production systems of recipient or host countries. The ability of countries to take advantage of these benefits is closely linked to the level of education of the workforce, the competitiveness of local industry, and its capacity to develop links as suppliers to foreign enterprises. Given the large productivity gaps among economic sectors and actors in Latin America and the Caribbean, it is important to implement policies that build local capacities. Such policies, together

<sup>2</sup> For more examples of labour provisions in bilateral or regional free trade agreements concluded by countries in the region see *Multinational enterprises, development and decent work: Report on the promotion and application of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy in the Americas* (ILO, 2014); and *Assessment of labour provisions in trade and investment arrangements* (ILO, 2016b).

with FDI inflows, can help create more dynamic production systems capable of producing higher-value-added goods (ECLAC, 2017).

A good example widely regarded as successful in terms of the attraction of FDI, insertion in global supply chains and productive transformation is that of Costa Rica. Intel Corporation began operations in 1998 in the country with a plant to assemble and test microprocessors. The plant contributed to creation of a significant number of jobs (more than 3,000) with higher wages than the national average, but perhaps more significantly it had positive impacts in terms of skills development, interaction with vocational training systems, knowledge and technological spillovers, collaboration between firms in the supply chain, and productive linkages. As an ILO study on the case notes: “The arrival of Intel also helped to strengthen an idea, a highly valuable intangible asset: a broad national consensus on the importance of promoting medium- and high-technology activities, and the complementary productive development policies to achieve this goal” (ILO, 2017e, p. 6).

The issue of inclusive and sustainable engagement in global supply chains is of growing importance to Latin America and the Caribbean. Apart from participating in traditional resource-based extractive and agricultural sectors, a growing number of countries in the region are also participating in global production networks in a wide variety of new export industries, notably through the expansion of multinationals. This increasing access to developed country markets can offer Latin American economies an opportunity to support their development goals, particularly when such investment and sourcing arrangements are made through fair negotiation processes that protect workers’ rights and ensure the development of domestic enterprises (Gereffi, Bamber and Fernander-Stark, 2016).

In a number of developing economies in Latin America, access to the United States market has played a particular role in stimulating the development of policies to boost enterprise and broader export-led economic development through the expansion and repositioning of export processing zones. Export processing zones in Latin America have increasingly diversified to include other industries such as electronics, services, tobacco and medical equipment. A challenge for export processing zones in the region is evolving to higher-skilled export-oriented products and services, as they are characterized by mostly low-skilled work, although positive developments have been noted through the emergence of sophisticated business services in countries such as Costa Rica, the Dominican Republic and Panama, and a steady increase of technical workers in the Dominican Republic (ECLAC, 2018).



# Promotion of the principles of the MNE Declaration in the Americas

## 4

This chapter provides an overview of responses to the questionnaire<sup>3</sup> received from governments and employers' and workers' organizations in the Americas. The ILO has not verified the accuracy of the information provided, and thus mention of particular laws, policies, measures and initiatives, and other comments by respondents, do not entail an endorsement by the ILO. Likewise, any failure to mention any of the above is not a sign of disapproval.

The questionnaire was distributed in mid-April 2018 through various channels to governments and employers' and workers' organizations in the 35 member States of the Americas participating in the 19th American Regional Meeting. The Office accepted replies until 6 July 2018, after having twice extended the initial deadline for receiving submissions.

In total, 64 responses were received from 28 of the 35 member States participating in the Regional Meeting, reflecting responses from governments in 14 countries, from employers in 11 countries, and from workers in 18 countries. The participation rate was very similar to the one in 2014, and was likewise particularly high amongst workers' organizations, with two or more responses from workers' organizations in several countries, but also with an increase in the response rate from governments (table 4.1). For a complete list of respondents by country, see Appendix II.

**Table 4.1 Overview of responses in 2014 and 2018**

Responses	2014	2018
Governments	9	14 <sup>1</sup>
Employers' organizations	15	11
Workers' organizations	38	39 <sup>2</sup>
<b>Total</b>	<b>62</b>	<b>64</b>

<sup>1</sup> The response from the Government of Canada was received after the deadline of 6 July 2018, so the total of government responses analysed in the following sections is 13. <sup>2</sup> Three responses from workers' organizations in Haiti used the 2014 version of the questionnaire, hence their responses have been included in the qualitative analysis but could not be included in the quantitative overview, bringing the total from 39 to 36.

<sup>3</sup> The questionnaires that were distributed among governments, employers' organizations and workers' organizations can be found in Appendix I.



In the case of four countries – Canada, Costa Rica, Dominican Republic and Mexico – replies were received from all three groups. No replies were received from any of the groups in seven countries – Bahamas, the Plurinational State of Bolivia, Dominica, Nicaragua, Saint Lucia, Saint Vincent and the Grenadines, and Trinidad and Tobago.

For governments and employers' and workers' organizations, responses were received from all four subregions (North America, Central America, the Caribbean and South America). In terms of other responses received, a workers' organization from Aruba submitted a response, as well as three regional workers' organizations.

The Government of Guatemala indicated that it had circulated the questionnaire with employers' and workers' organizations for their comments and observations prior to submitting the questionnaire to the ILO. Given that no comments and observations were received, this questionnaire was accounted as a government response and not as joint response by the tripartite constituents. In some countries there was collaboration between ministries in responding to the questionnaire. As such, a joint submission was received from the Ministry of Labour and the Ministry of Foreign Affairs and Human Mobility from the Government of Ecuador. In the case of the Government of Costa Rica, the Ministry of Foreign Trade collaborated with the Ministry of Labour and Social Security in completing the questionnaire. In the case of the Government of Guyana, the questionnaire was completed by the Guyana Office for Investment.

#### 4.1 Awareness of the principles of the MNE Declaration

*“Taking into account the political and economic situation in your country, which areas of the MNE Declaration are relevant when it comes to operations of multinational enterprises?”*

The areas covered by the MNE Declaration are shown in table 4.2.

All government respondents (100%) indicated the relevance of the promotion of respect for human rights and the fundamental principles and rights at work (table 4.3). This was followed by seven other areas of the MNE Declaration that were given equal relevance by a large majority of government respondents (92%), namely: obey national laws and regulations; employment promotion; equality of opportunity and treatment; training; safety and health; freedom of association and the right to organize; and collective bargaining. The areas that received fewest mentions of relevance were consultation (46%) and access to remedy and examination of grievances (38%).

All responding employers (100%) indicated the relevance of safety and health. This was followed by five other areas of the MNE Declaration that were given equal relevance by a majority of employers' organizations (82%), namely: obey national laws and regulations; promotion of respect for human rights and fundamental principles and rights at work; equality of opportunity and treatment; training; and wages, benefits and conditions of work. The areas that received fewest mentions of relevance (55%) were social security, and access to remedy and examination of grievances.

Almost all responding workers' organizations (92%) noted freedom of association and the right to organize as one of the most relevant areas of the MNE Declaration, followed by the promotion of respect for human rights

**Table 4.2 Areas covered by the MNE Declaration**

Areas	
<b>General policies</b>	Obey national laws and regulations
	Promotion of respect for human rights and fundamental principles and rights at work
	Promotion of good social practice in accordance with this Declaration
<b>Employment</b>	Employment promotion
	Social security
	Elimination of forced or compulsory labour
	Effective abolition of child labour: minimum age and worst forms
	Equality of opportunity and treatment
	Security of employment
<b>Training</b>	Training
<b>Conditions of work and life</b>	Wages, benefits and conditions of work
	Safety and health
<b>Industrial relations</b>	Freedom of association and the right to organize
	Collective bargaining
	Consultation
	Access to remedy and examination of grievances
	Settlement of industrial disputes

and the fundament principles and rights at work (86%); wages, benefits and conditions of work (also 86%); and collective bargaining (83%). The areas that received fewest mentions of relevance were obey national laws and regulations (44%) and consultation (39%). Figure 4.1 highlights similarities and differences among the responses provided by governments and employers' and workers' organizations.

Promotion of respect for human rights and the fundamental principles and rights at work was cited by all three groups (100% for governments, 82% for employers' organizations and 86% for workers' organizations) as relevant. Likewise, freedom of association and the right to organize was identified as a relevant area (92% for governments and workers' organizations and 73% for employers' organizations). The area of safety and health was also highlighted as an area of relevance across the three groups (92% for governments, 100% for employers' organizations and 81% for workers' organizations).

Discrepancies in the assessment of relevance among the respondents from the different constituents were noted, particularly concerning employment promotion and consultation. For employment promotion, most

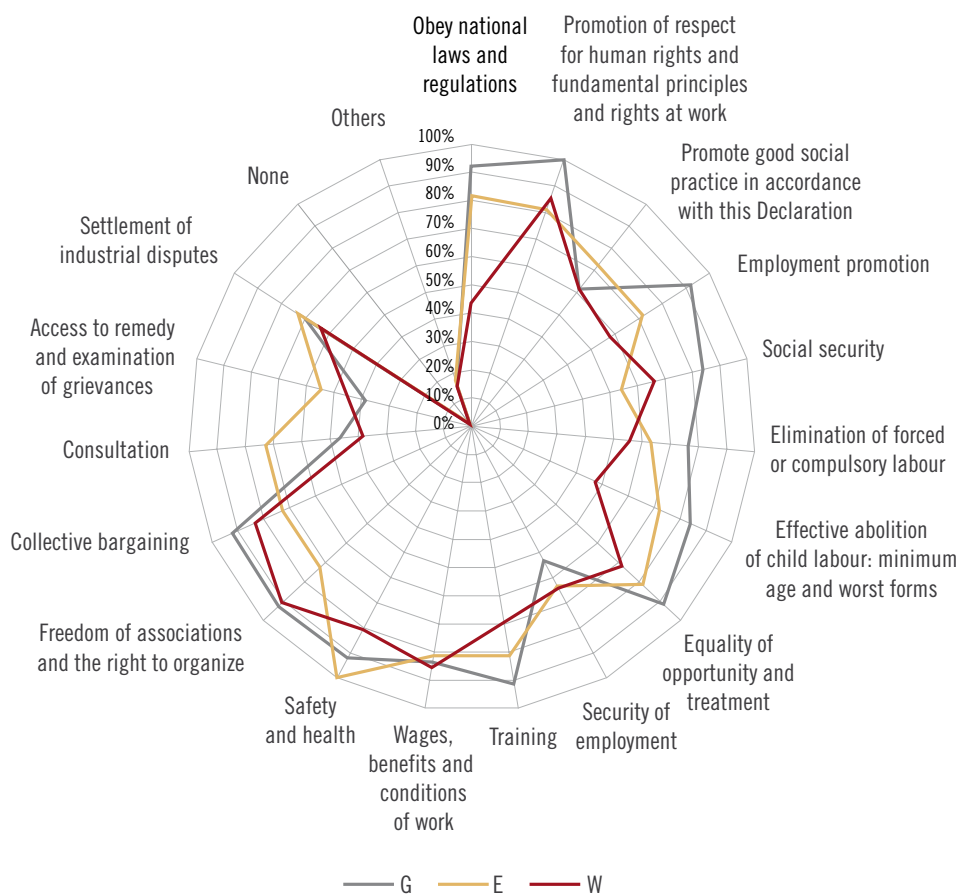
**Table 4.3 Relevance attributed to areas of the MNE Declaration by governments, employers' organizations and workers' organizations (%)**

Areas		Governments	Employers' organizations	Workers' organizations
<b>General policies</b>	Obey national laws and regulations	92	82	44
	Promotion of respect for human rights and fundamental principles and rights at work	100	82	86
	Promotion of good social practice in accordance with this Declaration	62	73	61
<b>Employment</b>	Employment promotion	92	73	58
	Social security	85	55	67
	Elimination of forced or compulsory labour	77	64	56
	Effective abolition of child labour: minimum age and worst forms	85	73	47
	Equality of opportunity and treatment	92	82	72
	Security of employment	54	64	64
<b>Training</b>	Training	92	82	69
<b>Conditions of work and life</b>	Wages, benefits and conditions of work	85	82	86
	Safety and health	92	100	81
<b>Industrial relations</b>	Freedom of association and the right to organize	92	73	92
	Collective bargaining	92	73	83
	Consultation	46	73	39
	Access to remedy and examination of grievances	38	55	47
	Settlement of industrial disputes	69	73	64
<b>None</b>	None	–	–	3
<b>Others</b>	Others	15	18	17

governments considered this area as relevant (92%), whereas just over half of workers' organizations (58%) considered it of relevance, while employers' organizations were in between the two (73%). For consultation, a significant number of employers' organizations cited this as area as relevant (73%), whereas fewer governments considered this relevant (46%) and even fewer workers' organizations (39%).

Ten respondents replied to the question about other relevant areas: two governments, two employers' organizations, and six workers' organizations (see section 4.2.6 for details).

**Figure 4.1 Relevance attributed to areas of the MNE Declaration by governments, employers' organizations and workers' organizations (%)**



Note: Percentages have been calculated by dividing the total marks by area per constituent by the number of responses by constituent group, being 13, 11 and 36 for governments, employers' organizations and workers' organizations respectively.

## 4.2 Most relevant areas of the MNE Declaration and key initiatives by constituents in the Americas

Building on the first question, constituents were invited to provide more information about the areas of the MNE Declaration that they regarded as the most relevant, including their opportunities and challenges, and to describe initiatives taken to address these.

*“Please provide further information on the areas that you have indicated above, including specific challenges and opportunities, and indicate which of these areas are most relevant and why.”*

*“Please describe initiatives taken ... to address the areas indicated above.”*

The subsection below presents quotes from the responses received, organized in accordance with the five chapters of the MNE Declaration. In most cases, the quotes have been selected to show a prevailing view among different responding groups; in other cases, they illustrate issues that respondents highlighted as important.

#### 4.2.1 General policies

The chapter on general policies highlights that the activities of MNEs should be consistent with national law and in harmony with the development priorities of host countries, and that governments should adopt appropriate laws and policies, measures and actions, including labour administration and public labour inspection, and recalls that all parties should contribute to the realization of the fundamental principles and rights at work. This area in particular was considered by governments as one of the most relevant of the MNE Declaration as illustrated in figure 4.1.

In this regard, several respondents noted the positive effects that MNEs can have in host countries.

For the country, the attraction of foreign direct investment is a strategic objective and a priority, as a tool to generate direct and indirect employment, provide capital and benefits linked to increases in efficiency and knowledge, and in this manner, contribute to boost socioeconomic development at the national level. (Ministry of Labour and Social Security, Costa Rica)

In Surinam, many persons want to work for a multinational, because they offer higher wages as well as better conditions of work when compared with local companies, which are usually MSMEs [micro, small and medium enterprises]. Opportunities for training are also far better, since the training budgets tend to be higher. Multinationals also promote the strict adherence to occupational safety and health rules and regulations, which result in a safe working environment. The multinationals also have good corporate social responsibility practices. (Suriname Trade and Industry Association, Suriname)

To encourage the positive contributions that MNEs can have in host countries, a large number of respondents from all three groups (as illustrated in figure 4.1 in regard to the area of “obey national laws and regulations”) highlighted the important role of governments in ensuring the rule of law and putting in place a smart mix of legislation and policies to promote responsible business practices, and of enterprises and the State (as an economic actor) to comply with national legislation and respect for international standards.

To ensure economic development, it is necessary to design and implement policies, programmes and actions that have as their main objective the creation of an enabling environment to attract foreign investments and to promote that these guarantee to their workers a decent living standard, as well as sustainable human development. (Secretariat of Labour and Social Welfare, Mexico)

Those aspects related to compliance with national legislation and international standards are essential, given their relevance for strengthening the rule of law and national institutionalism. (Employers’ Confederation of the Dominican Republic, Dominican Republic)

It is imperative that the states, as host countries of MNEs, put in place and implement policies to protect and promote their nationals, while ensuring the respect for their fundamental rights and decent work. (National Confederation of United Independent Unions, Panama)

A government highlighted an initiative to encourage the positive impact that FDI and MNEs can have in host countries. On a related note, a workers' organization described an initiative to monitor compliance with stipulations in labour chapters linked to trade agreements.

In the new bilateral investment agreement model, in addition to ensuring the rights of the investors, the investor also acquires certain obligations in regards to the respect of human and environmental rights. ... This new agreement will be a powerful means to attract the type of investment the country requires, providing the necessary judicial safeguards and the possibility to maintain a structured, regular and high level dialogue with investors, aimed at preventing and solving potential differences in a constructive manner, without having to escalate to more formal instances to address differences. (Ministry of Labour, and Ministry of Foreign Affairs and Human Mobility, Ecuador)

We have done annual reports on the compliance of labour agreements parallel to the three biggest free trade agreements that Colombia has signed and ratified (with Canada, the United States and the European Union). Several of the clauses of these agreements are related to recommendations of the MNE Declaration, particularly those linked to the protection of freedom of association and collective bargaining, institutional strengthening ... and labour stability. ... As part of this monitoring, we have conducted training programmes for trade unions and their affiliates. (Public Services International, Subregional Office for the Andean Region, Colombia)

Also in regard to encouraging the positive contribution of MNEs operating in host countries, respondents mentioned initiatives to share good practices at an international level, to foster cooperation, and to raise awareness on the MNE Declaration as a framework for action.

The CEC [Canadian Employer Council] is currently engaged in a project to consult with Canadian employers on international issues. One aspect of this project is to identify experts in the Canadian business community on issues such as gender diversity and dispute resolution who would be able to work with governments and employers in other countries to develop and implement best practices. (Canadian Employers Council, Canada)

Canada's labour movement has a long history of collaboration and solidarity with Colombian trade unions. In January and February of 2018, the CLC [Canadian Labour Congress] participated in the 2018 Colombia Frontlines Tour alongside a delegation of Canadian public sector unions. The delegation met with trade unions, community groups, human rights defenders, civil society organizations (CSOs), political candidates and indigenous communities. Throughout these meetings, we discussed how we can better collaborate on advocacy surrounding principles in the MNE Declaration. (Canadian Labour Congress, Canada)

[We have] trained staff on the content of the MNE Declaration and its pillars. (Costa Rican Federation of Chambers and Associations of Private Enterprise, Costa Rica)

Some respondents also referred to the relevance of compliance, and the crucial role of social partners in exercising oversight.

The areas [of the MNE Declaration] are generally observed. However, there is the on-going need for government and the social partners to exercise oversight, and the labour administration and the national tripartite body to keep under constant review all the above areas. (Consultative Association of Guyanese Industry Limited, Guyana)

It was also noted by some respondents that national legislation does not distinguish between multinational and national enterprises, and in this regard all enterprises are required to comply with the law.

In the Uruguayan regime of bargaining by sector, in the Wages Council and in tripartite instances, there is no specific treatment in regard to multinational enterprises. For these types of enterprises, the rules are the same as for other enterprises of the private sector. (Inter-Union Assembly of Workers–Workers’ National Convention, Uruguay)

Several workers’ organizations noted challenges in terms of compliance with national legislation by MNEs operating in their countries, accentuated by what they observed as inadequate legislation, weak capacity from the government to enforce legislation and under-resourced labour inspection institutions.

Due to the granting of various “development” concessions, coupled with insufficient capacity within the Labour Department, MNEs are able to resist efforts to unionize their workforce and the perception (and often the reality) is that they skirt labour and other laws with impunity. (Christian Workers’ Union, Belize)

Legislation needs to be updated to protect the rights of workers. (Barbados Workers’ Union, Barbados)

In this regard, a government described an initiative to strengthen the legislative framework in which all enterprises operate.

While voluntarism and *laissez-faire* have characterized Barbados’ approach to industrial relations, increasingly it has been found that employers, particularly among MNEs, tend to rely more on the letter of the law. As a result, Barbados has undertaken a number of legislative initiatives in setting the framework in which employment relations are to be conducted: the Safety and Health at Work Act was introduced in 2013 to replace the Factories Act; the Employment Rights Act came into force in 2013; the Minimum Wages Act was enacted in 2017; the Employment Sexual Harassment (Prevention) Act was passed in 2017; a Discrimination (Prevention) Bill is under discussion; and a Migrant Workers’ Protocol was also formulated in 2017 to promote the rights of migrant workers and to highlight the legislative framework which governs the employment of all workers, including migrants. (Ministry of Labour and Social Partnership Relations, Barbados)

Respect and promotion of human rights, in particular the fundamental principles and rights at work, was also often noted by respondents of all groups as one of the most relevant areas of the MNE Declaration, as can be seen in figure 4.1.

Canadian employers are committed to respect for human rights in their own operations and throughout their supply chains. (Canadian Employers Council, Canada)

We believe that one of the most important aspects of the MNE Declaration is promoting respect for human rights, the effective abolition of child labour, and respect for freedom of association and collective bargaining. (Confederation of Workers of Argentina (CTA Workers), Argentina)

Regarding respect for human rights, the Government of Colombia highlighted the development of a National Action Plan on Business and Human Rights.

For the Government of Colombia, the relation between human rights and the operations of enterprises is of crucial importance, for which the President launched the National Action Plan on Business and Human Rights on 9 December 2015, which is a public policy instrument to protect and respect human rights in business activities and ensure access to remedy when human rights are not respected. ... Different governmental entities have made progress in the framework of the Working Group for the Implementation of the National Action Plan on Business and Human Rights, led by the Presidency and composed of more than 30 entities which address needs in each of the areas included in the plan. (Ministry of Labour, Colombia)

One respondent stated that MNEs should aim beyond compliance with national legislation in their business practices.

For Costa Rican workers' organizations [it] is clear that compliance with national legislation should not be enough, given that the level of enforcement and control is inadequate and high levels of flexibility and permissiveness in terms of labour contracts persist. (Confederation of Workers Rerum Novarum, Costa Rica)

#### 4.2.2 Employment

The employment chapter of the MNE Declaration includes principles on the issues of employment promotion, social security, elimination of forced or compulsory labour, effective abolition of child labour (minimum age and worst forms), equality of opportunity and treatment, and security of employment.

Several respondents, particularly governments and employers' organizations, as illustrated in figure 4.1, highlighted that one of the most important contributions of MNEs in host countries is employment creation, in terms of both direct and indirect jobs.

One of the main advantages of the establishment of multinational enterprises is employment creation, not only because of the jobs generated through their operations, but also because of the transferred technology that benefits the domestic economy and the improvement of human capital derived from the experience of working with multinational enterprises. ... Employment promotion through the operations of multinationals is important to continue decreasing the unemployment rate, as well as the creation of formal jobs. (Ministry of Labour, Colombia)

One of the main contributions of multinational enterprises in the country is the creation of direct and indirect jobs through their business linkages with domestic enterprises. The jobs created are formal, and provide competitive wages, access to social security and adequate working conditions. The existence of a solid normative framework on labour issues ensures the quality of jobs created by multinationals and the protection of their employees. (Ministry of Labour and Social Security, Costa Rica)

For Honduras, given its political and social situation, the priority of the country, and one shared by government, workers and the private sector, is employment creation, with social protection and decent work, as a means for families to have more than one wage, to improve their welfare and as a means to guarantee social stability in the country. (Honduran National Business Council, Honduras)

In terms of initiatives, one government indicated a programme whereby the government collaborated with enterprises to ensure that the beneficiaries of social programmes had access to the labour market.

Empalme programme: enterprises hire beneficiaries of social programmes and by doing so, they reduce the costs of hiring, because the subsidizes that the beneficiaries receive are calculated as part of their salaries for two years; the enterprises then complete the remaining part to ensure that the overall salary complies with what is stipulated in the collective agreement of the industry. (Ministry of Labour, Employment and Social Security, Argentina)

One government noted the importance of an effective labour market information system to guide policy-making and monitor implementation.

For Peru it would be very important to institutionalize a labour market information system to boost the potential of the private sector, including multinational enterprises, and combine it with the capacity of the State



to promote and coordinate. This information should be available in a timely manner and for all stakeholders. (Ministry of Labour and Employment Promotion, Peru)

A workers' organization expressed concern regarding the potential negative impact that new technology could have on employment, particularly for low-skilled workers.

In the case of workers in the ports of embarkation of agricultural products, especially in the areas where MNEs operate in the banana and pineapple sectors, the situation is aggravated because the introduction of new technology of embarkation is provoking massive unemployment, thousands of jobs will be lost. (Confederation of Workers Rerum Novarum, Costa Rica)

Collaboration with the social partners and MNEs was noted by a government as an opportunity to promote security of employment.

The promotion of security of employment is fundamental for workers' rights and to improve living standards and decent work; in this context, joint and cooperative tripartite action with multinational enterprises can contribute to such goals. (Ministry of Labour and Social Security, Guatemala)

The issue of the informal economy was also mentioned, particularly by governments, in relation to security of employment.<sup>4</sup> Some respondents highlighted the challenges that short-term contracts and the "platform economy" can pose.

Job security is an area of challenge. MNEs have a preference for short-term contracts (on-call labour) which also impacts social protection and decent work. (Ministry of Labour and Social Security, Jamaica)

The development and expansion of new contracting modalities imply a profound transformation in labour markets and challenges of a new informality. ... While this type of (platform) contracting can be adequate when people use it as a secondary economic activity, it can result in very precarious livelihoods when it is used as a primary source of income. This new way of contracting also has consequences for the financing of social protection schemes. (Confederation of Workers of Colombia, Colombia)

Youth unemployment was also mentioned by some respondents, particularly in relation to young people being in more precarious working arrangements.

With the rates of general and youth unemployment being so high, it is important for MNEs to provide job creation. However, employment created must not be precarious. (Grenada Employers' Federation, Grenada)

In Chile, youth unemployment is more than double that of adults. We believe it is necessary to make progress on this issue, but not through formulas that imply the increasing precariousness of work. (Single Central Organization of Workers of Chile, Chile)

In this context, one employers' organization mentioned the need to promote youth entrepreneurship by providing adequate support.

Canadian employers believe that it is essential to promote entrepreneurship as a career path for young people by providing them with education, training and mentorship. (Canadian Employers Council, Canada)

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<sup>4</sup> According to the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204), the informal economy refers to all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements.

Respondents also stated progress in regard to the abolition of child labour and referred to several laws and policy measures to achieve this objective. Some challenges were noted, however, particularly in the context of supply chains.

Child labour in Guatemala constitutes one of the main challenges and one that has experienced a gradual decrease in its occurrence. The National Institute of Statistics conducted a national survey on conditions of life and child labour (ENCOVI 2014) and found that child labour decreased 7.1% from 2011. ... In Guatemala, children and adolescents are a priority not only for the government but also for the State. (Ministry of Labour and Social Security, Guatemala)

It is important that there is oversight of processes within supply chains, given that providers of raw materials do not respect labour rights and in some occasions they resort to child and adolescent labour. (Confederation of Workers of the Republic of Panama, Panama)

In some cases, complex supply chains may keep the violation of human and labour rights hidden from companies higher on the supply chain, which calls for a need for stronger due diligence throughout GSCs [global supply chains]. (Canadian Labour Congress, Canada)

On the issue of equality of opportunity and treatment, a number of respondents highlighted opportunities and challenges linked to hiring and promoting women, the gender pay gap, and occupational segregation.

While women represent half of the population, their employment rate continues to be lower than men's. ... In the private sector, the rate of non-registered employment is higher among women than men. ... The main sources of employment for women continue to be work in private households, education and social and health services. (Ministry of Labour, Employment and Social Security, Argentina)

Promoting equal opportunities for women has been a key priority for Canadian employers, particularly in terms of promoting women to positions at the highest levels of organizations. (Canadian Employers Council, Canada)

The employment rate for women in the public sector is 53%, however, the gender wage gap remains and women are more subject to have demands that exceed their job descriptions. (Confederation of Workers of Colombia, Colombia)

Regarding initiatives on equality of opportunity and treatment, a government noted challenges in the treatment of local vis-à-vis foreign employees hired by MNEs in management positions.

Challenges exist in local employees receiving benefits equal to those that foreign employees receive for doing the same work. (Guyana Office for Investment, Guyana)

### 4.2.3 Training

As can be seen in figure 4.1, several respondents, and governments in particular, highlighted the relevant role that training and lifelong learning play in employment promotion, workforce development, industrial transformation and entrepreneurship development.

Multinational enterprises operating in Costa Rica have strongly contributed to increasing the level of skills of the population and of domestic enterprises through the transfer of technology and knowledge, and the constant offering of training that they provide directly to their collaborators. This training has also contributed to the

generation of domestic enterprises by former employees [of MNEs] who decide to set up their own businesses, and they become entrepreneurs thanks to the knowledge, experience and skills that they have acquired in such companies. (Ministry of Foreign Affairs, Costa Rica)

Some respondents, including governments and employers' organizations, stressed the importance of closely linking training to labour market demand for it to be effective.

Likewise, the Peruvian State considers relevant that people have a formative process before accessing the labour market, which is why it is necessary to identify the skills and competencies that enterprises require. ... In this sense, we are looking at the link between the training offer and the labour market demand, to ensure employability and promote formal productivity and decent work among the population. (Ministry of Labour and Employment Promotion, Peru)

In our context, the pillar of training is one of the most relevant. It is crucial to promote professional training linked to the demand for skills. (Costa Rican Federation of Chambers and Associations of Private Enterprise, Costa Rica)

Challenges were also noted in this regard.

Training is always a necessity; and as such it is a very important item to consider. The challenge of not having adequate or qualified staff to fill positions can create difficulties for employers. Further, there has long been a disconnect between the education curriculum and the desired competencies of the industry. (Grenada Employers' Federation, Grenada)

One government highlighted the relevance of establishing adequate training schemes to ensure that the new technologies and skills that MNEs can bring to host countries improve the level of domestic labour market skills more broadly.

The Colombian Government, jointly with other governments, employers' and workers' associations, and academia, has promoted the training of human capital through the transfer of knowledge and new technologies that multinational enterprises possess and has developed, with the purpose of up-skilling domestic human talent, an enterprise–university nexus that enables the transfer of science, technology and innovation. (Ministry of Labour, Colombia)

One workers' organization noted the relevance of involving workers in training institutions.

In terms of training, we have promoted workers taking part in the boards of training and vocational education and training centres to participate and verify the quality of professional training and if it is linked to the demand for labour. (Autonomous Workers' Confederation of Peru, Peru)

#### 4.2.4 Conditions of work and life

This section of the MNE Declaration covers wages, benefits and conditions of work, and occupational safety and health. As can be seen in figure 4.1, the area of safety and health was considered as the most important for all responding employers' organizations.

A few government responses underlined the fact that, when compared to small and medium-sized enterprises operating locally, MNEs in some countries offer – or have the capacity to offer – better conditions of work to their employees.

Multinational enterprises in Costa Rica have been highlighted for paying better salaries. ... We should also highlight that a large share of multinational enterprises implement better business practices as well as international standards in regard to sustainability. (Ministry of Labour and Social Security, Costa Rica)

It is fundamental that in Guatemala multinational enterprises offer salaries, benefits and conditions of work comparable to or better than the average in the country; this contributes to the development of the economy and business processes, but most importantly, it enables the nation's population to attain a decent life. (Ministry of Labour and Social Security, Guatemala)

One employers' organization mentioned the need to share best practices on the topic.

We need to learn from other countries' best practices. We also have a lot of improvements to do in safety and health, and social protection. (Association of Industries of Haiti, Haiti)

One workers' organization mentioned that conditions of work offered by MNEs should not vary according to the country in which they operate.

For the General Confederation of Labour, it is essential that multinational enterprises have as a principle the application of the best labour standards within their area of action and influence. ... It cannot be that standards decrease in countries where the appropriate guarantees for workers are not present. (General Confederation of Labour, Colombia)

The role of the government in general, and of labour inspection in particular, was also mentioned several times as crucial to ensure adequate conditions of work and occupational safety and health.

As part of the national policy in regard to labour issues, an inspection programme was implemented in 2017 with the objective of verifying and sanctioning at national level adherence to the minimum conditions of work and occupational safety and health. (Secretariat of Labour and Social Welfare, Mexico)

Challenges were also noted in relation to labour inspection, particularly by workers' organizations. Elements highlighted were a weak enforcement capacity linked to insufficient resources and limited labour inspection, especially in rural areas.

The Ministry of Labour [and Social Security] has insufficient resources; it is the second ministry with the lowest budget, which has as an effect a weak labour inspection in regard to violation of working conditions in the workplace. (Trade Union Confederation of El Salvador Workers, El Salvador)

The labour inspection system is highly inefficient and the government doesn't inspect MNEs' operation in rural areas because they are interested in maintaining high employment levels, even when working conditions are contrary to decent work principles. ... FENTRAG [National Federation of Agro-industry and Allied Workers] has promoted an engagement strategy with the Ministry of Labour [and Social Security] and fostered capacity-building processes, jointly with the ILO, for judges and labour inspectors, for an adequate training of these officials. (Confederation of Workers Rerum Novarum, Costa Rica)

One workers' organization stressed the important role that workers can play in addressing occupational safety and health issues at enterprise level, while another noted challenges related to national legislation and policies.

About occupational safety and health, we can say that we have noted significant progress; however, there is a need to strengthen workers' participation in the committees that are created within MNEs on these issues, so

they can contribute to address the needs of the workers, through their representatives. We have [in the country] a presidential decree and ILO recommendations, but we should in any case strengthen our legislation on this matter. (National Confederation of Trade Union Unity, Dominican Republic)

The State in Panama has a deficient policy when it comes to occupational safety and health and it lacks comprehensive legislation, infrastructure and qualified staff to adequately address the issue of occupational diseases and accidents. (Confederation of Workers of the Republic of Panama, Panama)

#### 4.2.5 Industrial relations

This section covers the areas of freedom of association and the right to organize, collective bargaining, consultation, examination of grievances and settlement of industrial disputes. As can be seen in figure 4.1, the area of freedom of association and the right to organize was indicated by responding workers' organizations as the most relevant one of the MNE Declaration; and they cited a number of challenges in the region.

In terms of opportunities, a number of respondents highlighted the benefits of industrial relations.

Collective bargaining seeks to balance capital and labour. This is undertaken through trade unions and employers through the signature and revision of collective bargaining agreements. ... In Mexico there is a prevalent environment of industrial peace that reaffirms the capacity of the different stakeholders to conduct dialogue. (Secretariat of Labour and Social Welfare, Mexico)

Having conducive industrial relations, and proper labour–management relations, is imperative to enabling productivity. Failure to address grievances and disputes can lead to loss of business, reputation and employee morale. (Grenada Employers' Federation, Grenada)

The governance Conventions of the ILO should be taken into account and implemented through effective and efficient social dialogue and collective bargaining that contributes to establishment of effective mechanisms for the solution of controversies. (Single Confederation of Workers of Colombia, Colombia)

A large number of workers' organizations indicated that freedom of association was one of the most challenging issues regarding MNEs in the region. Against this backdrop, the Government of Ecuador stated that it spoke before the ILO Conference Committee on the Application of Standards in response to comments by the Committee of Experts on the Application of Conventions and Recommendations with regard to the application of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) in relation to public sector workers. The Government of Guatemala provided an update to the Conference Committee on the Application of Standards on measures being undertaken to give effect to the principles of Convention No. 87 at the national level, and implement recommendations from ILO supervisory bodies to that effect (ILO, 2017f).

Some responding workers' organizations described how workers were afraid to unionize and were sometimes penalized by their employers. They also expressed concern about persecution of and violence against trade union leaders.

The main conflicts in our country in regard to labour issues refer directly to the subjugation of the right of freedom of association, persecution and criminalization of trade union leaders and affiliates, as well as disputes regarding arbitrary dismissals and the encroachment of collective bargaining. (Confederation of Workers of Argentina (CTA Autonomous), Argentina)

One of the most worrying issues is the persecution and violence against trade union leaders and human rights defenders in different regions of the country. (Confederation of Workers of Colombia, Colombia)

Several workers' organizations also expressed concern about what they observe as provisions (or loopholes) in national legislation and policies, which hamper freedom of association and collective bargaining.

Many multinational enterprises in the region state that they comply with national legislation in the country in which they operate, but the issue is that the laws in many countries do not guarantee or do not establish minimum rights of freedom of association, the right to collective bargaining, and the fundamental principles and rights at work on an equal basis. (IndustriALL Global Union, Office for Latin America and the Caribbean, Uruguay)

The percentage that the law demands to force companies to bargain collectively is 51% (it means that if a trade union has 50% of affiliation within an enterprise it cannot force that enterprise to negotiate collectively). We have laws that do not afford extensive protection to workers but mainly there is a problem in regard to lack of compliance and weak oversight from authorities. (Trade Union Confederation of El Salvador Workers, El Salvador)

In many countries labour reforms detrimental for workers, which deepen precarious labour and weaken labour rights, are being promoted. (UNI Global Union, UNI Americas)

A number of workers' organizations also expressed concern regarding practices by MNEs that are perceived as hampering freedom of association and collective bargaining.

Unfortunately our reality shows that enterprises continue to fire workers when they affiliate to trade unions, and interfere in the activities of organizing workers by blocking the trade union contributions of workers. (Single Confederation of Workers, Brazil)

The practices of multinational enterprises in Costa Rica and the hiring of subcontractors in some processes of the production chain violate the protection of rights of workers within the production chain. A large percentage of such workers are not able to organize in trade unions and to organize collectively. This situation has a direct impact on their working conditions, wages and social protection. (Costa Rican Workers' Movement Confederation, Costa Rica)

The multinational enterprises that establish operations in Colombia outsource and subcontract their workforce, which hampers the application of ILO Conventions on freedom of association and collective bargaining. We consider that both multinational enterprises and social policy must acknowledge the labour movement and the right to discuss and negotiate their working conditions. (Single Confederation of Workers of Colombia, Colombia)

One employers' organization noted that enterprises might be reticent to engage in consultations with trade unions when first approached.

There is also a strong union presence and employers are encouraged to work along with the unions when they are approached. In most instances there is a push back from the employers when first being approached, especially if the employer has not had a prior interaction with a union. (Antigua and Barbuda Employers' Federation, Antigua and Barbuda)

In relation to initiatives to strengthen freedom of association and collective bargaining, several workers' organizations provided information about the establishment of dialogue platforms.

[The most important initiative has been] collective bargaining through the establishment of a priority platform for collective bargaining. (Unitary Workers' Union of the Regional Government of Cajamarca, Peru)

We have promoted collective bargaining in the telecommunications sector, by sector activity ... and with provider enterprises (subsidiaries and subcontracted). (Single Confederation of Workers of Peru, Peru)

Regarding the examination of grievances and settlement of industrial disputes, one employers' organization mentioned that best practices could be learned from countries with strong dispute resolution systems, and another highlighted efforts to resolve labour disputes.

The Canadian labour and employment system places a strong emphasis on dispute resolution. Systems in place in other countries may not be as well developed as in Canada and could benefit from Canadian best practices. (Canadian Employers Council, Canada)

We have bolstered the establishment of a national board to solve labour disputes linked to compliance with the Conventions ratified by the country. (Employers' Confederation of the Dominican Republic, Dominican Republic)

A few workers' organizations expressed concerns regarding access to remedy mechanisms and their effectiveness.

Access to remedy for victims of human and labour rights abuses by Canadian MNEs is lacking. This has been recognized by both international bodies and local and national organizations. (Canadian Labour Congress, Canada)

Workers do not have access to administrative or judicial justice. The high cost of claiming a right means that there is a significant level of impunity among enterprises in terms of the violation of labour rights, freedom of association, and human and labour rights, a situation that is worst in the case of indigenous and migrant workers, which are the majority in the areas where bananas, pineapples, coffee, oil palm and sugar cane are produced. The cost of going through a labour procedure is high, it exceeds what workers earn in a week of work, and they cannot afford it. (Confederation of Workers Rerum Novarum, Costa Rica)

In this regard, initiatives were highlighted to enable access to grievance mechanisms.

On January 17, 2018, the Minister of International Trade announced the creation of a Canadian Ombudsperson for Responsible Business Enterprise (CORE). The CORE will be mandated to investigate allegations of wrongdoing by Canadian mining, energy, and textile companies operating abroad. Over time, its mandate will be expanded to include other industries. This announcement is a major victory for unions and our allies who have been advocating for this office for over a decade, and is an important mechanism to ensure that Canadian companies are respecting labour and human rights abroad. The government has committed to ensuring the CORE's effectiveness by guaranteeing that it will be independent, mandated and adequately resourced to investigate incidents, and be able to make public findings and recommendations. (Canadian Labour Congress, Canada)

We have conducted trainings in the capital of the country, Santiago, and also in the cities of San Antonio and Puerto Montt, in the south of the country. In the three cities the themes have been different according to the productive models of the local economy, but a common theme has been the OECD guidelines and how to file grievances. (Single Central Organization of Workers of Chile, Chile)

### 4.2.6 Others

In this section, some governments and employers' and workers' organizations provided information about other areas that they considered relevant but that are not enumerated as such in the MNE Declaration.

Two workers' organizations, the Canadian Labour Congress and the Single Confederation of Workers of Colombia, expressed concern with respect to the negative impact that globalization and the presence of MNEs can have in host countries, in particular on the environment.

In terms of regulating the conduct of MNEs, the Government of Ecuador noted that further regulation was necessary and, while relevant, voluntary instruments had not sufficed to address shortcomings in ensuring domestic access to remedy.

Ecuador is driving, jointly with South Africa and with the support of countries in all regions, the most recent process to promote full respect of human rights by enterprises, in particular transitional enterprises, through a legally binding instrument on this issue, which currently does not exist in international human rights law.

The existence of voluntary frameworks has been fundamental to advance and improve issues concerning the intersection of business and human rights. ... However, these instruments have not sufficed in addressing the needs for access to remedy of victims. ... In addition, the issue of supply chains lacks international regulation to safeguard compliance of labour rights across the different links of the chain. (Ministry of Labour, and Ministry of Foreign Affairs and Human Mobility, Ecuador)

## 4.3 Dialogue and consultation on the activities of MNEs

*"In your country, does your organization hold any formal consultation on activities of MNEs with national government, employers' and workers' organizations; peers of other countries; and foreign MNEs?"*

*"Please describe the formal consultations that you regard as the most important ones and indicate why."*

### 4.3.1 Governments

Of the 13 responding governments, seven stated that they held formal consultations on activities of MNEs with national employers' and workers' organizations; seven also stated that they held formal consultations on activities of MNEs with foreign MNEs, foreign employers' organizations or foreign workers' organizations. Finally, five governments (Ecuador, Jamaica, Mexico, Paraguay and Peru) stated that they held formal consultations on activities of MNEs with governments of other countries.

The majority of government respondents held some form of formal consultations on activities of MNEs. Four governments (Ecuador, Jamaica, Mexico and Peru) held formal consultations with all of the three above-mentioned groups. However, five governments (Barbados, Colombia, Costa Rica, Guatemala and Guyana) held no formal consultations or stated not having any information about consultations.

One government highlighted tripartite social dialogue with social partners as an important means of undertaking formal consultations on activities of MNEs.



Tripartite dialogue [takes place] through the Directorate of Mediation and Arbitration of the Ministry of Labour with local employers' organizations and centralized bodies of the State in charge of foreign investment. (Ministry of Labour, Dominican Republic)

Another government flagged the advantages of formal consultations with foreign MNEs, employers' organizations or workers' organizations in terms of conflict prevention and fostering productive enterprise operations.

[Consultations were held] with the intention of eliminating conflicts, reactivating paralysed productive operations in work entities, guaranteeing the production of goods and services and to neutralize conflicts. (Ministry of People's Power for the Social Process of Labour, Bolivarian Republic of Venezuela)

Also, one government highlighted that formal consultations can take place at different levels, notably at sectoral level, but also at national, regional or local levels.

It is important to highlight that national and multinational enterprises that operate in the sector of hydrocarbons, housing, road infrastructure, and drinking water, amongst others, should hold consultations for project development with the competent entities at the national, regional and local level. (Ministry of Labour, Colombia)

Moreover, two governments mentioned that formal consultations were held at the multilateral level within the framework of intergovernmental processes and forums, such as the United Nations Human Rights Council, and through the OECD.

Ecuador is exercising the position of Chair Rapporteur of the open-ended intergovernmental working group [on transnational corporations and other business enterprises with respect to human rights], mandated by the United Nations Human Rights Council, to elaborate an international legally binding instrument on transnational corporations. Three sessions of this working group have been held. These sessions have undoubtedly been the most important formal consultations undertaken, bearing in mind that others have been held during the intersessional periods. (Ministry of Labour, and Ministry of Foreign Affairs and Human Mobility, Ecuador)

Mexico actively participates in multilateral and regional bodies and forums such as the World Trade Organization (WTO), the Asia-Pacific Economic Cooperation Mechanism (APEC), the Organization for Economic Co-operation and Development (OECD) and LAIA [Latin American Integration Association]. (Secretariat of Labour and Social Welfare, Mexico)

Bearing in mind that five<sup>5</sup> responding governments are OECD members and adhere to the OECD Guidelines for Multinational Enterprises, and thus have an obligation to set up a national contact point,<sup>6</sup> meetings of the national contact points were underlined by one government as a valuable space for dialogue and information sharing on MNE activities.

In particular, a meeting of national contact points is held annually within the framework of the OECD, whose main objective is for adhering governments to exchange experiences and good practices in relation to the dissemination, promotion and implementation of the Guidelines [OECD Guidelines for MNEs], and where

<sup>5</sup> Argentina (1997), Colombia (2011), Costa Rica (2013), Mexico (1994), Peru (2008).

<sup>6</sup> Adhering governments to the OECD Guidelines for MNEs are required to set up a national contact point whose main role is to further the effectiveness of the Guidelines by undertaking promotional activities, handling enquiries, and contributing to the resolution of issues that may arise from the alleged non-observance of the guidelines in specific instances. This will be further discussed in section 4.4 on promotion of the principles of the MNE Declaration.

appropriate real cases or situations are analysed with the aim of promoting the adoption of the Guidelines in specific sectors or industries. (Secretariat of Labour and Social Welfare, Mexico)

One government highlighted the role of its trade and investment agency in regard to consultations.

JAMPRO [Jamaica Promotions Corporation] provides consultation, business analyses and local support for MNEs [and assists with] networking and information sharing with other MDAs [ministries, departments and agencies]. (Ministry of Labour and Social Security, Jamaica)

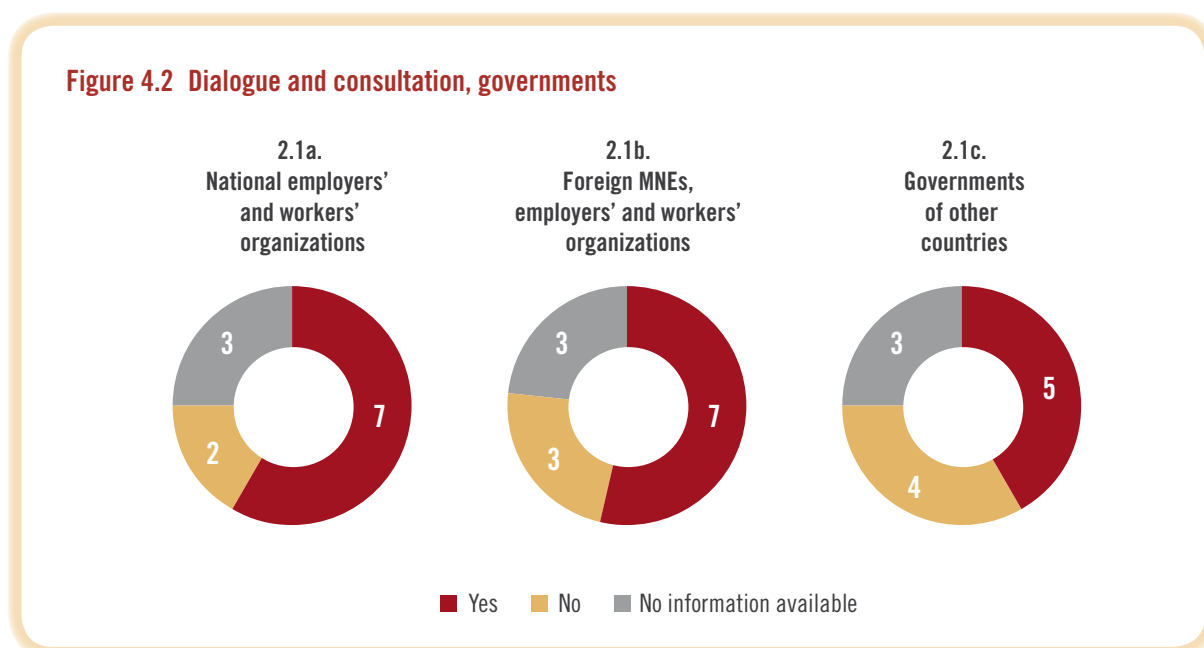
Another government provided details about its labour survey, even if it did not constitute a formal consultation mechanism per se.

The Labour Indicators Survey (EIL) aims to analyse the evolution of employment dynamics, training and labour relations of all private enterprises with 10 or more workers, in all activities, excluding the primary sector. The survey covers 53.5% of all employees registered in the private sector with some 3000 private sector employers surveyed monthly. A series of specific modules on topics related to the socioeconomic situation, labour policies implemented by the Ministry of Labour, Employment and Social Security and other relevant aspects of employment and labour dynamics, have been added to the usual monthly enterprise questionnaire that is surveyed over time. (Ministry of Labour, Employment and Social Security, Argentina)

Finally, a government respondent made reference to topics deemed important to discuss in formal consultations.

Consultation on the application of standards on child labour and corporate social responsibility [and] consultation on forced labour and corporate social responsibility [are important]. (Ministry of Labour, Employment and Social Security, Paraguay)

Figure 4.2 summarizes the results of section 2 on dialogue and consultation of the questionnaire for governments.



### 4.3.2 Employers' organizations

Of the 11 responding employers' organizations, representing 11 countries, six stated that they held formal consultations on activities of MNEs with government and national workers' organizations; six employers' organizations also confirmed holding formal consultations on activities of MNEs with representatives of foreign MNEs; while four responding employers' organizations stated that they held formal consultations on activities of MNEs with employers' organizations of other countries.

Three responding employers' organizations held formal consultations with all of the three above-mentioned groups and four employers' organizations stated that they did not hold formal consultations, or have any information about consultations.

Two employers' organizations highlighted the importance of tripartism.

Formal consultations with ministries of labour and worker representatives are invaluable, since this provides employer representatives with a process for obtaining information about legal and policy developments, learning about the different perspectives of government and workers, and impacting the policy process by ensuring that the employer perspective is considered. It is the belief of the CEC [Canadian Employers Council] that informed and well thought out initiatives and positions emerge through tripartism. (Canadian Employers Council, Canada)

High-level national tripartite consultation involving the government and the social partners and MNEs [is important] to promote the observance of all the above areas, to maintain a level playing field for all enterprises, to insist on obedience to national laws, and to promote best corporate practices. (Consultative Association of Guyanese Industry Limited, Guyana)

Two employers' organizations stated the usefulness of information sharing and networking that could arise from dialogue and formal consultations.

We are always seeking for new opportunities for Haiti. Therefore, we are working with international institutions and associations. Many of them are most important and we put people in contact on a weekly basis. (Association of Industries of Haiti, Haiti)

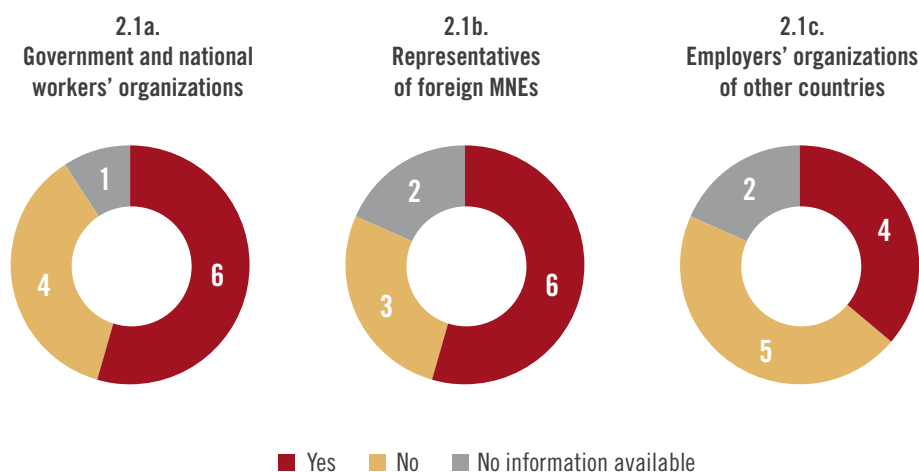
The consultation is important because our members generally differ. While sharing information we learn things that allow us to benefit from joint collaboration and strategize/recommend and implement initiatives that help employers and employees navigate through the work experience. (Saint Kitts and Nevis Chamber of Industry and Commerce, Saint Kitts and Nevis)

Finally, one employer respondent commented on the lack of dialogue and formal consultation.

Unfortunately, our organization has not been in any consultation with the government. We have tried to engage the current government without success. (Antigua and Barbuda Employers' Federation, Antigua and Barbuda)

Figure 4.3 summarizes the results of section 2 on dialogue and consultation of the questionnaire for employers' organizations.

Figure 4.3 Dialogue and consultation, employers' organizations



### 4.3.3 Workers' organizations

Of the 36 responding workers' organizations, representing 18 countries, 11 stated that they held formal consultations on activities of MNEs with government and national employers' organizations, while 13 stated that they held formal consultations on activities of MNEs with representatives of workers of foreign MNEs. Nearly half (16) of responding workers' organizations stated that they held formal consultations on activities of MNEs with workers' organizations of other countries.

Out of all responding workers' organizations, eight indicated undertaking formal consultations with all of the three above-mentioned groups. However, 16 responding workers' organizations held no formal consultations or stated not having any information about consultations.

Several workers' organizations highlighted a wide range of consultations deemed important, ranging from topics such as safety and health to equal opportunity, reflecting many of the areas of the MNE Declaration.

We believe it is important that consultations on the above-mentioned issues [promotion of respect of human rights and fundamental principles and rights at work; promote good social practice in accordance with this Declaration; equality of opportunity and treatment; security of employment; training; conditions of work and life; wages, benefits and conditions of work; industrial relations; freedom of association and the right to organize; collective bargaining; access to remedy and examination of grievances; settlement of industrial disputes; civil and administrative liability for the violation of fundamental rights that MNEs incur] be formalized, as all of them concern integral human development, which forces us to respect human rights and guarantee the interdependent development of these. Above all, technical working groups will need to be established where significantly the setting of a goal and indicators will enable to measure progress in the implementation of the Declaration and compliance with international regulations. (Autonomous Workers' Confederation of Peru, Peru)

Understanding the needs and opportunities of the MNE sector, ... these are the most relevant issues [safety and health; precarious or forced work; outsourcing; wages; freedom of association; collective bargaining; promotion of decent jobs; integration of youth and women] in the world of work currently, which unions and all organizations must face in order to improve the equilibrium between MNEs and workers. (National Confederation of Trade Union Unity, Dominican Republic)

As mentioned above, a high number of workers' organizations conducted consultations with their peers in other countries, and some respondents indicated that these consultations could take place at international or regional level through different affiliates and networks.

Numerous consultations and collaboration [took place] through various international organizations (e.g. TUAC, ITUC, TUCA) [Trade Union Advisory Committee to the OECD, International Trade Union Confederation, Trade Union Confederation of the Americas] as well as directly during country visits (e.g. Colombia, Bangladesh). (Canadian Labour Congress, Canada)

The BWU [Barbados Workers' Union] consults with union affiliates such as UNI Americas, International Trade Union Conference. (Barbados Workers' Union, Barbados)

We consider that the most important formal consultations are those that occur with worker organizations and representatives of foreign multinational enterprises and of other countries, since they allow a broader perspective of working conditions and respect for the principles of the Declaration throughout the entire value chain. (Confederation of Workers of Argentina (CTA Autonomous), Argentina)

One respondent of a workers' organization flagged the importance of formal consultations at the local level.

The formal consultations at a local level are very important as they identify what measures need to be taken by MNEs operating within host countries. They outline the fundamental principles and promote the steps which need to be taken to have good corporate governance and how the MNEs can benefit the country. (Barbados Workers' Union, Barbados)

Another respondent of a workers' organization mentioned the importance of labour consultations through trade agreements to strengthen commitments in terms of social, labour and environmental issues.

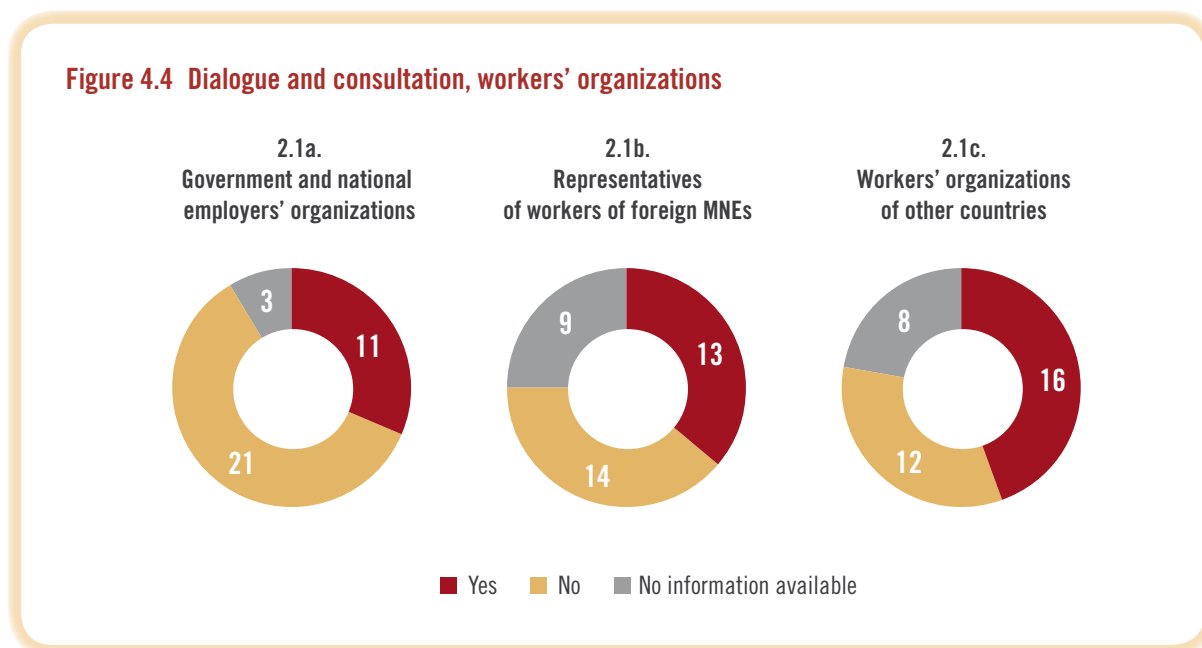
Consultations undertaken in the context of incorporating labour clauses in trade agreements [are important] since they are the ones that allow following up on commitments regarding social, labour and environmental issues. (General Confederation of Labour, Colombia)

Also, several respondents of workers' organizations highlighted challenges in the area of formal consultations (or lack thereof) and difficulties encountered in undertaking tripartite social dialogue.

In relation to the government, we must state that even though different socio-labour and governmental dialogue spaces exist where foreign policies are discussed, no discussions or formal consultations on MNEs are held. (Autonomous Workers' Confederation of Peru, Peru)

In Colombia, there is no formal mechanism whereby inquiries about the presence of MNEs in the country can be made and even less so on their labour-trade union conduct. No tripartite set-up has been developed in the country where one can discuss the conduct of MNEs, their labour-trade union responsibilities, the responsibilities of trade union organizations as agents in promoting social dialogue, and the responsibilities of the government to implement labour laws and protect fundamental labour rights and promote decent work in all MNEs and other enterprises economically active nationally. (Public Services International, Subregional Office for the Andean Region, Colombia)

Figure 4.4 summarizes the results of section 2 on dialogue and consultation of the questionnaire for workers' organizations.



#### 4.4 Promotion of the principles of the MNE Declaration

*“Did your organization organize any events or take any initiatives in recent years that sought to promote the principles of the MNE Declaration?”*

*“If so, were any of these events organized or initiatives taken (1) jointly with or including governments, employers' organizations or workers' organizations; (2) jointly with peers of other countries; (3) with assistance from the ILO?”*

*“Please give examples of such promotional activities and describe the most successful one.”*

*“Has your organization developed or commissioned any promotional materials on the principles of the MNE Declaration which are available to the public in languages spoken in your country?”*

*“Does your country have a focal point or similar process or tool to promote the MNE Declaration at the national level?”*

Overall, five governments, three employers' organizations and 13 workers' organizations indicated that they had undertaken some sort of promotional activity (table 4.4). Almost two-thirds of the respondents indicated having organized such promotional activities with other parties, nearly all with peer organizations from other countries, and almost two-thirds with assistance from the ILO.

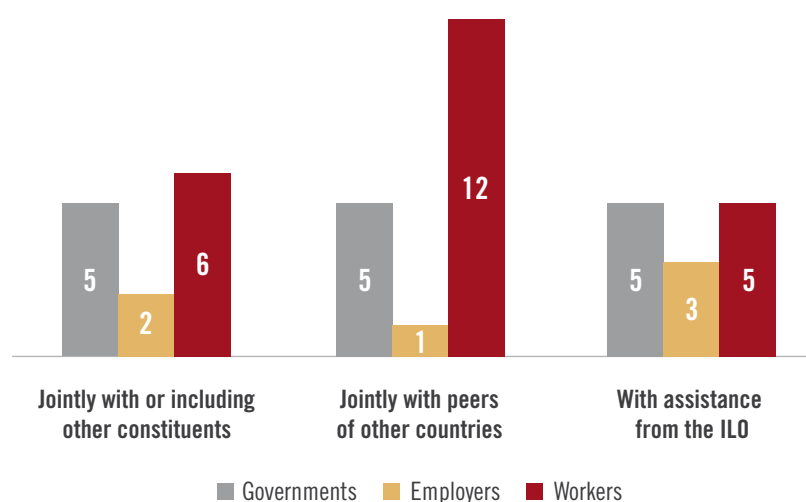
Figure 4.5 provides an overview of responses from each group that indicated having undertaken some sort of promotional activity with parties of the same country, with peers from other countries, and with assistance

**Table 4.4** Events or initiatives to promote the principles of the MNE Declaration by governments, employers' organizations and workers' organizations

Entity	Yes	No	No information available
Governments	5	3	5
Employers' organizations	3	4	4
Workers' organizations	13	18	5

from the ILO. It shows that all events organized or initiatives taken by governments included the participation of employers' and workers' organizations, peers from other countries and with ILO assistance. All employers' organizations organized events or took initiatives with assistance from the ILO and over two-thirds with other constituents. For workers' organizations, almost all organized events or took initiatives with peers from other countries, and nearly half with other constituents.

**Figure 4.5** Overview of co-organized events and initiatives by governments, employers' organizations and workers' organizations



One government, one employers' organization and five workers' organizations indicated having developed or commissioned promotional materials on the principles of the MNE Declaration

In terms of a focal point or a similar process or tool at the national level to promote the MNE Declaration, one government, three employers' organizations and five workers' organizations stated that such a process or tool had been established at country level (box 4.1).

#### Box 4.1 Focal point or similar process or tool to promote the MNE Declaration

As part of the revised MNE Declaration, governments and employers' and workers' organizations "are encouraged to appoint national focal points on a tripartite basis (taking guidance from Convention No. 144) to promote the use of the MNE Declaration and its principles, whenever appropriate and meaningful in the national context. Where similar tools and processes exist in relation to the principles of this Declaration, governments are encouraged to facilitate involvement of the social partners in them." (MNE Declaration, page 21).

Of those respondents who stated that they did have a focal point or similar process or tool to promote the MNE Declaration, one government (Mexico) and three workers' organizations (Single Confederation of Workers of Colombia, Single Central Organization of Workers of Chile, and Public Services International, Subregional Office for the Andean Region, Colombia) made reference to the OECD national contact point in their respective countries, although the Single Confederation of Workers of Colombia mentioned not having information about it prior to responding to the questionnaire, and Public Services International clarified that the OECD national contact point did not specifically promote the MNE Declaration as such.

Two responding workers' organizations – the Christian Workers' Union (Belize) and the Worker's Central Union of Cuba – mentioned that the ministries of labour in their respective countries acted as focal points. Finally, in the case of employers' organizations, the Honduran National Business Council mentioned that its Executive Director acted as the focal point to promote the MNE Declaration, and the Employers' Confederation of the Dominican Republic mentioned that it could serve as the focal point to promote the MNE Declaration. The Association of Industries of Haiti specified that consultations were organized through the Ministry of Commerce and Industry.

#### 4.4.1 Governments

Five responding governments stated that they organized events or implemented initiatives promoting the principles of the MNE Declaration. All of them indicated that the events or initiatives were organized or implemented jointly with or including employers' or workers' organizations; with governments of other countries; and with ILO assistance.

The Government of Argentina mentioned that it organized the IV Global Conference on the Sustained Eradication of Child Labour, which included several side events on issues of relevance to the MNE Declaration. Additionally, the Government alluded to Argentina's G20 presidency and the importance of the B20<sup>7</sup> in engaging with the private sector.

Moreover, some governments reported organizing promotional activities in relation to the OECD Guidelines for Multinational Enterprises, notably through national contact points. For example, in Costa Rica an event on "Global value chains and sustainable development: opportunities and challenges" was organized in 2017, which included a presentation on the MNE Declaration.

Within the framework of this event, the national contact point promoted the Guidelines and their guidance as a framework for the development of sustainable value chains, and to encourage debate on best practices.

<sup>7</sup> Business 20 (B20) is the private sector voice of the G20 community. It builds consensus amongst business leaders, international organizations and civil society regarding how the global challenges and priorities defined by the G20 countries should be approached.



This event, jointly organized by the Ministry of Foreign Trade (COMEX), the European Union (EU), the Organisation for Economic Co-operation and Development (OECD) and the Association of Entrepreneurs for Development (AED), brought together more than 100 people to analyse case studies for the implementation of due diligence processes in relation to responsible business conduct matters, through the use of the OECD Due Diligence Guidance. On this occasion, the International Labour Organization (ILO) presented the Tripartite Declaration [of Principles concerning Multinational Enterprises and Social Policy]. (Ministry of Labour and Social Security, Costa Rica)

The Government of Jamaica highlighted that it organized tripartite sensitization sessions on the MNE Declaration and good industrial relations practices, with support from the ILO and hosted by the Jamaica Employers' Federation.

In relation to promotional materials, the Government of Colombia said it that it had disseminated electronic and printed materials to promote the OECD Guidelines for Multinational Enterprises, which reflected the principles of the MNE Declaration (particularly chapter 5 on employment and industrial relations). As stated in box 4.1, Mexico was the only government that indicated having a country focal point or similar process or tool, referencing their OECD national contact point.

#### 4.4.2 Employers' organizations

Three responding employers' organizations reported having organized events or implemented initiatives promoting the principles of the MNE Declaration. Of these organizations, two indicated that the events or initiatives were organized or implemented jointly with or including governments or workers' organizations; one with employers' organizations of other countries; and all three with assistance from the ILO.

To illustrate, the Canadian Employers Council mentioned that it had launched a two-year consultation project and that the principles of the MNE Declaration was a focus of the project. Also, the Honduran National Business Council indicated that it had organized a number of forums on various topics related to the MNE Declaration.

Concerning promotional materials, the Canadian Employers Council was the only employers' organization that made reference to such materials. It stated that in relation to its consultation project, materials should be available to the public in both English and French by the autumn of 2018.

#### 4.4.3 Workers' organizations

To promote the principles of the MNE Declaration, 13 of the responding workers' organizations stated that they had organized events or implemented initiatives. Of these organizations, six indicated that the events or initiatives were organized or implemented jointly with or including governments or employers' organizations; 12 with workers' organizations of other countries; and five with assistance from the ILO.

A range of promotional activities was mentioned by workers' organizations. Some respondents indicated having organized events related to supply chains, technological challenges and fundamental rights. For instance, the Canadian Labour Congress organized a workshop entitled "Mechanisms to promote decent work in global supply chains: how to hold Canadian companies accountable for labour rights abroad" in 2016. The Costa

Rican Workers' Movement Confederation said that in the framework of the Trade Union Confederation of the Americas, studies on global value chains had been undertaken.

Given the high rate of workers' organizations that jointly organized events or implemented initiatives with peers of other countries, some respondents highlighted the importance of such collaboration.

The CUT [Single Confederation of Workers] Brazil has developed since the early 2000s a policy of action towards multinationals, calling upon a network of unions of workers in multinational enterprises. In the last three years we have focused on the metallurgy, chemistry, textiles and construction sectors in Argentina, Brazil and Mexico, and it was with trade union leaders of these sectors that we held union training meetings which discussed updating the ILO MNE Declaration and then the analysis and possibilities to implement the Declaration. Taking only into account the year 2017, we held three meetings of the union networks, one per country (Argentina, Brazil and Mexico). (Single Confederation of Workers, Brazil)

Two workers' organizations acknowledged the ILO's assistance in their promotional activities on the MNE Declaration, with resulting impacts.

Under the auspices of the ILO, we carried out various promotional activities that had satisfactory results: the signature of [an agreement] which should allow the resumption of the social dialogue between the employers of Haiti, [and] the signing of the agreement on the Decent Work Agenda [Decent Work Country Programme] on 18 February 2015. (Confederation of Haitian Workers, Haiti)

A tripartite activity was carried out in conjunction with the ILO with Chiquita and Dole, judges and labour inspectors. The activity allowed an interaction of union organizations with other actors and the State on labour issues in MNEs. This event made it possible to disseminate the principles and international standards of the ILO. (Confederation of Workers Rerum Novarum, Costa Rica)

Moreover, the Barbados Workers' Union mentioned the ILO's assistance in terms of training opportunities.

In particular, education on the MNE Declaration has been paramount, and the Barbados Workers' Union's staff have participated and trained with the ILO on the tenets covered within the Declaration. (Barbados Workers' Union, Barbados)

Concerning promotional materials, five workers' organizations made reference to such materials on the MNE Declaration. For instance, the Confederation of Workers of Argentina (CTA Autonomous) alluded to the dissemination of brochures and other small materials that highlight the main points of the MNE Declaration. Some also made reference to information sharing through social networks. The Single Central Organization of Workers of Chile said that it was preparing its own promotional materials to send to its member organizations.

## 4.5 Other information

*"Please provide any other information that you find important regarding the promotion of the MNE Declaration at the national, regional and international levels."*

The questionnaire gave tripartite constituents the opportunity to provide additional information related to the promotion of the MNE Declaration at the national, regional and international levels.

Some respondents mentioned that there was a lack of information regarding the MNE Declaration and its operational tools.

We haven't been, as a sector, invited to formulate a project, establish a focal point or participate in formal consultations [regarding the promotion of the MNE Declaration]. The Ministry of Labour [and Social Security] does not have a focal point either on the issue of the MNE Declaration. (Costa Rican Federation of Chambers and Associations of Private Enterprise, Costa Rica)

There is a multiplicity of international instruments on this issue, but it is difficult to see how they complement each other, giving continuity and order to these types of international instruments. ... Unfortunately, this Declaration and its operational tools are not well disseminated in a general manner among (workers') organizations. (Single Central Organization of Workers of Chile, Chile)

In this regard, several respondents, including governments, employers' organizations and workers' organizations, requested the Office and its constituents to increase efforts to promote the MNE Declaration in the region, including through awareness raising, action plans and monitoring mechanisms.

(1) Continued sensitization for member States on MNE Declaration; (2) national action plan for implementing the recommendations of the MNE Declaration; (3) local and regional monitoring and evaluation mechanism. (Ministry of Labour and Social Security, Jamaica)

Government and the social partners should be required to submit periodic reports to the ILO as they are required for ILO Conventions. The MNE Declaration should be developed into an ILO Convention and Recommendation and open for early ratification. These instruments should be classified as essential instruments. (Consultative Association of Guyanese Industry Limited, Guyana)

To promote the MNE Declaration, it would be advisable to conduct regional activities with a programme linked to it [the MNE Declaration]. (Employers' Confederation of the Dominican Republic, Dominican Republic)

The promotion of the MNE Declaration is especially critical at this time, given the rise of precarious employment and some methods used by MNEs to prevent workers from joining trade unions. ... The ILO continued support in educating and training resource personnel is a guaranteed method of enforcing the MNE Declaration. (Barbados Workers' Union, Barbados)

Others mentioned how they were promoting the MNE Declaration among their members and the relevance of collaborating with their peers in other countries and at the regional level.

We have elaborated articles and didactic presentations about the content of the MNE Declaration which we use in the offices and training seminars we conduct with trade union networks. (Single Confederation of Workers, Brazil)

UGT [General Union of Workers] understands the need and has undertaken a commitment on working jointly with other workers' organizations, beyond national borders. (General Union of Workers, Brazil)

Some respondents added information under this question about broader issues concerning the operations of MNEs, including the relevance of the rule of law and of international and tripartite cooperation towards strengthening the rule of law, labour administration and sharing best practices.

Canadian MNEs often face considerable uncertainty in some countries concerning the applicable laws, enforcement of those laws, inspections, and the role of local customs and practices. The absence of the rule of law, outdated laws, arbitrary inspection and enforcement, poorly developed dispute resolution processes,

and the absence of meaningful social dialogue are some of the most important challenges. For this reason, the CEC [Canadian Employers Council] is committed to processes of horizontal cooperation whereby governments, employer representatives and worker representatives of different countries work together cooperatively to strengthen labour laws and labour administration and develop best practices on particular issues. ... In promoting the MNE Declaration, there must be an emphasis on developing the rule of law, modernizing labour laws and enforcement, and strengthening the capacities of labour ministries and the representatives of workers and employers. Raising awareness of the principles of the MNE Declaration, and the specific priority issues arising therefrom, would be an appropriate aspect of any such capacity building. (Canadian Employers Council, Canada)

Two responding governments, Paraguay and Peru, reflected on the role of codes of conduct and certification.

Multinational enterprises are very careful when applying labour legislation, because many of them participate in export processes and their value chains are often examined by enterprises that certify products. (Ministry of Labour, Employment and Social Security, Paraguay)

A few workers' organizations considered issues concerning supply chains.

It is important that in dialogue tables on the SDGs and global [supply] chains, the analysis regarding the protection of workers is based on the definition of elements of decent work, as defined in a tripartite manner for the protection of workers. (Costa Rican Workers' Movement Confederation, Costa Rica)

Also under this question, two responding governments, Peru and Mexico, provided further information about their national human rights plans and their linkages to enterprises.

The National Programme of Human Rights 2014–2018 establishes in its strategy 4.4 “Promote the human rights and gender approach in the private sector, as well as in business policies and activities”. ... Against this backdrop, the Working Group on Business and Human Rights (national group) was established on 2 September 2015, which is integrated by agencies of the federal public administration, representatives of the legal and judicial branches, civil society organizations, the business sector – including State-owned enterprises – academia, international organizations, trade unions and representatives from indigenous communities and the Human Rights Commission. (Secretariat of Labour and Social Welfare, Mexico)

It is important to mention the actions that we have proposed to implement to promote the content of the MNE Declaration, through the National Plan of Human Rights 2018–2021, as follows: ... 2. With the objective of promoting the MNE Declaration, the National Plan includes as a strategic guideline no. 5: “Implementation of international standards on business and human rights”. (Ministry of Labour and Employment Promotion, Peru)

## Final remarks

The depth and breadth of responses received in a very short period of time are a clear indication of the importance that governments and employers' and workers' organizations attribute to the opportunities and challenges posed by FDI and the operations of MNEs with regard to decent work and inclusive, sustainable development in the Americas, while the variation in the response rates among the constituents by country – 40% from governments, 31% from employers and 51% from workers – show the continued need to promote the MNE Declaration and its principles.

All three of the respondent groups identified certain areas as relevant almost uniformly, including promotion of respect for human rights and the fundamental principles and rights at work (100% for governments, 82% for employers and 86% for workers), freedom of association and the right to organize (92% for governments, 73% for employers and 92% for workers), collective bargaining (92% for governments, 73% for employers and 83% for workers), and safety and health (92% for governments, 100% for employers and 81% for workers).

Discrepancies in the assessment of relevance regarding the different areas of the MNE Declaration were noted among governments and employers' and workers' organizations, particularly concerning national laws and regulations, employment promotion and consultation. In regard to obeying national laws and regulations, most governments and employers' organizations considered this area as relevant (92% and 82% respectively), while only 44% of workers did. For employment promotion, most governments considered this area relevant (92%), whereas just over half of workers' organizations (58%) considered it of relevance, and employers' organizations were in between the two (73%). For consultation, a significant number of employers' organizations cited this area as relevant (73%), whereas fewer governments considered it relevant (46%), and even fewer workers' organizations (39%).

Many governments and employers' and workers' organizations stated having diverse mechanisms in place for dialogue and consultation regarding MNE operations. Over a half of responding governments and employers' organizations stated that they held formal consultation on activities of MNEs with national employers' and workers' organizations, while over a quarter of responding workers' organizations reported conducting such consultations. In addition, nearly half (16) of responding workers' organizations stated that they held formal consultations on activities of MNEs with workers' organizations of other countries.

In terms of activities organized to promote the principles of the MNE Declaration, five governments, three employers' organizations and 13 workers' organizations indicated that they had undertaken some sort of promotional activity. One government, one employers' organization and five workers' organizations indicated having developed or commissioned promotional materials on the principles of the MNE Declaration. In relation to having a focal point or similar process or tool at the national level to promote the MNE Declaration, one government, three employers' organizations and five workers' organizations stated that such a process or tool was established at country level, indicating that there is significant scope for further promotion of the MNE Declaration in the Americas.

Many respondents, including from governments and employers' and workers' organizations, requested the ILO to increase efforts to promote the MNE Declaration, and pointed to the importance of stepping up promotional efforts through awareness raising, capacity building and knowledge sharing.

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# APPENDIX I

## Questionnaires for governments and employers' and workers' organizations

### Governments

#### 1. Awareness of the principles of the MNE Declaration

- 1.1. Taking into account the political and economic situation in your country, which areas of the MNE Declaration are relevant when it comes to operations of multinational enterprises?

##### General policies

- Obey national laws and regulations
- Promotion of respect for human rights and fundamental principles and rights at work
- Promote good social practice in accordance with this Declaration

##### Employment

- Employment promotion
- Social security
- Elimination of forced or compulsory labour
- Effective abolition of child labour: minimum age and worst forms
- Equality of opportunity and treatment
- Security of employment

##### Training

- Training

##### Conditions of work and life

- Wages, benefits and conditions of work
- Safety and health

##### Industrial relations

- Freedom of association and the right to organize
- Collective bargaining
- Consultation
- Access to remedy and examination of grievances
- Settlement of industrial disputes

None

Other. If so, please elaborate: \_\_\_\_\_

1.2. Please provide further information on the areas that you have indicated above, including specific challenges and opportunities, and indicate which of these areas are most relevant and why.

1.3. Please describe initiatives taken by the government to address the areas indicated above (legislation, policies, measures and actions).

## 2. Dialogue and consultation

2.1. In your country, does the government or a public institution hold any formal consultation on activities of MNEs with:

2.1.a National employers' and workers' organizations?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.1.b Foreign MNEs, employers' organizations or workers' organizations?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.1.c Governments of other countries?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.2. Please describe the formal consultations that you regard as the most important ones and indicate why.

## 3. Promotion of the principles of the MNE Declaration

3.1. Did the government or any governmental agency organize any events or take any initiatives in recent years that sought to promote the principles of the MNE Declaration?

yes

no

no information available

3.2. **IF YES:** Were any of these events organized or initiatives taken ...

3.2.a Jointly with or including employers' or workers' organizations?

- yes
- no
- no information available

3.2.b Jointly with governments of other countries?

- yes
- no
- no information available

3.2.c With assistance from the ILO?

- yes
- no
- no information available

3.3. Please give examples of such promotional activities and describe the most successful ones.

3.4. Has the government developed or commissioned any promotional materials on the principles of the MNE Declaration which are available to the public in languages spoken in your country?

- yes If so, please give examples of the types of material on offer
- no
- no information available

3.5. Does your country have a focal point or similar process or tool to promote the MNE Declaration at the national level?

- yes If so, please provide details \_\_\_\_\_
- no
- no information available

#### 4. Any other information

4.1. Please provide any other information that you find important regarding the promotion of the MNE Declaration at the national, regional and international levels.

## Employers' organizations

### 1. Awareness of the principles of the MNE Declaration

- 1.1. Taking into account the political and economic situation in your country, which areas of the MNE Declaration are relevant when it comes to operations of multinational enterprises?

#### General policies

- Obey national laws and regulations
- Promotion of respect for human rights and fundamental principles and rights at work
- Promote good social practice in accordance with this Declaration

#### Employment

- Employment promotion
- Social security
- Elimination of forced or compulsory labour
- Effective abolition of child labour: minimum age and worst forms
- Equality of opportunity and treatment
- Security of employment

#### Training

- Training

#### Conditions of work and life

- Wages, benefits and conditions of work
- Safety and health

#### Industrial relations

- Freedom of association and the right to organize
- Collective bargaining
- Consultation
- Access to remedy and examination of grievances
- Settlement of industrial disputes
- None
- Other. If so, please elaborate: \_\_\_\_\_

- 1.2. Please provide further information on the areas that you have indicated above, including specific challenges and opportunities, and indicate which of these areas are most relevant and why.

- 1.3. Please describe initiatives taken by your organization to address the areas indicated above.

## 2. Dialogue and consultation

2.1. In your country, does your organization hold any formal consultation on activities of MNEs with:

2.1.a Government and national workers' organizations?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.1.b Representatives of foreign MNEs?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.1.c Employers' organizations of other countries?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.2. Please describe the formal consultations that you regard as the most important ones and indicate why.

## 3. Promotion of the principles of the MNE Declaration

3.1. Did your organization organize any events or take any initiatives in recent years that sought to promote the principles of the MNE Declaration?

yes

no

no information available

3.2. **IF YES:** Were any of these events organized or initiatives taken ...

3.2.a Jointly with or including the government or workers' organizations?

yes

no

no information available

3.2.b Jointly with employers' organizations of other countries?

yes

no

no information available

3.2.c With assistance from the ILO?

- yes
- no
- no information available

3.3. Please give examples of such promotional activities and describe the most successful ones.

3.4. Has your organization developed or commissioned any promotional materials on the principles of the MNE Declaration which are available to the public in languages spoken in your country?

- yes If so, please give examples of the types of material on offer \_\_\_\_\_
- no
- no information available

3.5. Does your country have a focal point or similar process or tool to promote the MNE Declaration at the national level?

- yes If so, please provide details \_\_\_\_\_
- no
- no information available

#### 4. Any other information

4.1. Please provide any other information that you find important regarding the promotion of the MNE Declaration at the national, regional and international levels.

## Workers' organizations

### 1. Awareness of the principles of the MNE Declaration

- 1.1. Taking into account the political and economic situation in your country, which areas of the MNE Declaration are relevant when it comes to operations of multinational enterprises?

#### General policies

- Obey national laws and regulations
- Promotion of respect for human rights and fundamental principles and rights at work
- Promote good social practice in accordance with this Declaration

#### Employment

- Employment promotion
- Social security
- Elimination of forced or compulsory labour
- Effective abolition of child labour: minimum age and worst forms
- Equality of opportunity and treatment
- Security of employment

#### Training

- Training

#### Conditions of work and life

- Wages, benefits and conditions of work
- Safety and health

#### Industrial relations

- Freedom of association and the right to organize
- Collective bargaining
- Consultation
- Access to remedy and examination of grievances
- Settlement of industrial disputes
- None
- Other. If so, please elaborate: \_\_\_\_\_

- 1.2. Please provide further information on the areas that you have indicated above, including specific challenges and opportunities, and indicate which of these areas are most relevant and why.

- 1.3. Please describe initiatives taken by your organization to address the areas indicated above.

## 2. Dialogue and consultation

2.1. In your country, does your organization hold any formal consultation on activities of MNEs with:

2.1.a Government and national employers' organizations?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.1.b Representatives of workers of foreign MNEs?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.1.c Workers' organizations of other countries?

yes, if so, please specify \_\_\_\_\_

no

no information available

2.2. Please describe the formal consultations that you regard as the most important ones and indicate why.

## 3. Promotion of the principles of the MNE Declaration

3.1. Did your organization organize any events or take any initiatives in recent years that sought to promote the principles of the MNE Declaration?

yes

no

no information available

3.2. **IF YES:** Were any of these events organized or initiatives taken ...

3.2.a Jointly with or including the government or employers' organizations?

yes

no

no information available

3.2.b Jointly with workers' organizations of other countries?

yes

no

no information available



3.2.c With assistance from the ILO?

- yes
- no
- no information available

3.3. Please give examples of such promotional activities and describe the most successful ones.

3.4 Has your organization developed or commissioned any promotional materials on the principles of the MNE Declaration which are available to the public in languages spoken in your country?

- yes If so, please give examples of the types of material on offer
- no
- no information available

3.5. Does your country have a focal point or similar process or tool to promote the MNE Declaration at the national level?

- yes If so, please provide details \_\_\_\_\_
- no
- no information available

#### 4. Any other information

4.1. Please provide any other information that you find important regarding the promotion of the MNE Declaration at the national, regional and international levels.

## APPENDIX II

### List of responding governments and employers' and workers' organizations

Country	Government	Employers	Workers
Antigua and Barbuda		Antigua and Barbuda Employers' Federation (ABEF)	
Argentina	Ministry of Labour, Employment and Social Security		Argentine Building Workers' Union (UOCRA)
			Confederation of Workers of Argentina (CTA Workers)
			Confederation of Workers of Argentina (CTA Autonomous)
			General Confederation of Labour of the Argentine Republic (CGTRA)
Bahamas			
Barbados	Ministry of Labour and Social Partnership Relations		Barbados Workers' Union (BWU)
Belize			Christian Workers' Union (CWU)
Bolivia, Plurinational State of			
Brazil			National Confederation of Liberal Professions (CNPL)
			Single Confederation of Workers (CUT)
			General Union of Workers (UGT)
			Trade Union of Workers in the Construction, Furniture and Related Industries of Lajeado and Vale do Taquari (STICML), Rio Grande do Sul
			Trade Union of Workers in the Construction and Furniture Industries of Botucatu (Sinticombtu), São Paulo
			Trade Union of Workers in the Construction and Furniture Industries of Bauru and Region (Siticom), São Paulo
Canada	Employment and Social Development Canada	Canadian Employers Council (CEC)	Canadian Labour Congress (CLC)

Country	Government	Employers	Workers
Chile			Federation of Union workers of MASISA (FETRAMAS)
			Single Central Organization of Workers of Chile (CUT-Chile)
Colombia	Ministry of Labour		General Confederation of Labour (CGT)
			Single Confederation of Workers of Colombia (CUT)
			Confederation of Workers of Colombia (CTC)
Costa Rica	Ministry of Labour and Social Security	Costa Rican Federation of Chambers and Associations of Private Enterprise (UCCAEP)	Confederation of Workers Rerum Novarum (CTRN)
			Costa Rican Workers' Movement Confederation (CMTC)
Cuba			Worker's Central Union of Cuba (CTC)
Dominica			
Dominican Republic	Ministry of Labour	Employers' Confederation of the Dominican Republic (COPARDOM)	National Confederation of Trade Union Unity (CNUS)
Ecuador	Ministry of Labour, Ministry of Foreign Affairs and Human Mobility		
El Salvador			Trade Union Confederation of El Salvador Workers (CSTS)
Grenada		Grenada Employers' Federation (GEF)	
Guatemala	Ministry of Labour and Social Security		
Guyana	Guyana Office for Investment	Consultative Association of Guyanese Industry Limited (CAGI)	
Haiti		Association of Industries of Haiti (ADIH)	Confederation of Haitian Workers (CTH)
			Trade Union Federation of Haiti (CSH)
			Confederation of Public and Private Sector Workers (CTSP)
Honduras		Honduran National Business Council (COHEP)	
Jamaica	Ministry of Labour and Social Security		

Country	Government	Employers	Workers
Mexico	Secretariat of Labour and Social Welfare	Confederation of Industrial Chambers of the United States of Mexico (CONCAMIN)	National Union of Workers (UNT)
Nicaragua			
Panama			National Confederation of United Independent Unions (CONUSI)
			Confederation of Workers of the Republic of Panama (CTRP)
Paraguay	Ministry of Labour, Employment and Social Security		
Peru	Ministry of Labour and Employment Promotion		Autonomous Workers' Confederation of Peru (CATP)
			Single Confederation of Workers of Peru (CUT-Perú)
			Unitary Workers' Union of the Regional Government of Cajamarca
Saint Kitts and Nevis		Saint Kitts and Nevis Chamber of Industry and Commerce (SKNCIC)	
Saint Lucia			
Saint Vincent and the Grenadines			
Suriname		Suriname Trade and Industry Association (STIA)	
Trinidad and Tobago			
United States of America			American Federation of Labor and Congress of Industrial Organizations (AFL-CIO)
Uruguay			Inter-Union Assembly of Workers–Workers' National Convention (PIT–CNT)
Venezuela, Bolivarian Republic of	Ministry of People's Power for the Social Process of Labour		Trade Union of the Forestry and Wood Sector of Venezuela (SUNTIMAVEN)
Others			UNI Global Union, UNI Americas
			Public Services International (PSI), Subregional Office for the Andean Region
			IndustriALL Global Union, Office for Latin America and the Caribbean
			Federation of Workers of Aruba (FTA)

# APPENDIX III

## Principles of the MNE Declaration

	Principles directed to governments	Principles directed to enterprises
<b>General policies</b>	<ul style="list-style-type: none"> <li>• Further the aim of the Declaration by adopting appropriate laws and policies, measures and actions, including in the fields of labour administration and public labour inspection [paragraph 3]</li> <li>• Ensure equal treatment between multinational and national enterprises [paragraph 5]</li> <li>• Ratify all the fundamental Conventions [paragraph 9]</li> <li>• Promote good social practice in accordance with the MNE Declaration among MNEs operating in their territories and their MNEs operating abroad [paragraph 12]</li> <li>• Be prepared to have consultations with other governments whenever the need arises [paragraph 12]</li> </ul>	<ul style="list-style-type: none"> <li>• Respect the sovereign rights of the state and obey national laws and respect international standards [paragraph 8]</li> <li>• Contribute to the realization of the fundamental principles and rights at work [paragraph 9]</li> <li>• Carry out due diligence,<sup>8</sup> taking account of the central role of freedom of association and collective bargaining, industrial relations and social dialogue [paragraph 10]</li> <li>• Consult with governments and employers' and workers' organizations to ensure that operations are consistent with national development priorities [paragraph 11]</li> </ul>
<b>Employment</b>	<ul style="list-style-type: none"> <li>• Declare and pursue, as a major goal, an active policy to promote full, productive and freely chosen employment, and decent work [paragraph 13]</li> <li>• Develop and implement an integrated policy framework to facilitate the transition to the formal economy [paragraph 21]</li> <li>• Establish and maintain, as appropriate, social protection floors within a strategy to progressively ensure higher levels of social security [paragraph 22]</li> <li>• Take effective measures to prevent and eliminate forced labour, provide victims with access to an appropriate remedy, develop a national policy and action plan, and provide guidance and support to employers [paragraphs 23–24]</li> <li>• Develop a national policy designed to ensure the affective abolition of child labour, take immediate measures to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency, and progressively raise the minimum age of admission to employment [paragraph 26]</li> <li>• Pursue policies designed to promote equality of opportunity and treatment in employment, with a view to eliminating any discrimination based on race, colour, sex, religion, political opinion, national extraction or social origin [paragraph 28]</li> <li>• Promote equal remuneration for men and women workers for work of equal value [paragraph 29]</li> </ul>	<ul style="list-style-type: none"> <li>• Endeavour to increase employment opportunities and standards, taking the employment policies and objectives of governments into account [paragraph 16]</li> <li>• Before starting operations, consult the competent authorities and the national employers' and workers' organizations in order to keep employment plans, as far as practicable, in harmony with national social development policies [paragraph 17]</li> <li>• Give priority to the employment, occupational development, promotion and advancement of nationals of the host country [paragraph 18]</li> <li>• Use technologies which generate employment, both directly and indirectly; and take part in the development of appropriate technology and adapt technologies to the needs and characteristics of the host country [paragraph 19]</li> <li>• Build linkages with local enterprises by sourcing local inputs, promoting the local processing of raw materials and local manufacturing of parts and equipment [paragraph 20]</li> <li>• Contribute to the transition to the formal economy [paragraph 21]</li> <li>• Complement and help to stimulate further development of public social security systems [paragraph 22]</li> </ul>

<sup>8</sup> For a general description of due diligence, see *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" framework* (United Nations, 2011).

	Principles directed to governments	Principles directed to enterprises
	<ul style="list-style-type: none"> <li>• Never require or encourage multinational enterprises to discriminate and provide guidance, where appropriate, on the avoidance of discrimination [paragraph 31]</li> <li>• Study the impact of multinational enterprises on employment in different industrial sectors [paragraph 32]</li> <li>• In cooperation with multinational and national enterprises, provide income protection for workers whose employment has been terminated [paragraph 36]</li> </ul>	<ul style="list-style-type: none"> <li>• Take immediate and effective measures to secure the prohibition and elimination of forced labour in their operations [paragraph 25]</li> <li>• Respect the minimum age of admission to employment and take immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour [paragraph 27]</li> <li>• Be guided by the principle of non-discrimination and make qualifications, skill and experience the basis for recruitment, placement, training and advancement of staff [paragraph 30]</li> <li>• Endeavour to provide stable employment for workers and observe freely negotiated obligations concerning employment stability and social security; promote security of employment, providing reasonable notice of intended changes in operations and avoiding arbitrary dismissal [paragraphs 33–35]</li> </ul>
<b>Training</b>	<ul style="list-style-type: none"> <li>• Develop national policies for vocational training and guidance, closely linked with employment, in cooperation with all the parties concerned [paragraph 37]</li> </ul>	<ul style="list-style-type: none"> <li>• Provide training for all levels of workers employed to meet the needs of the enterprise as well as the development policies of the country [paragraph 38]</li> <li>• Participate in programmes aiming at encouraging skill formation, lifelong training and development, as well as providing vocational training, and make skilled resource personnel available [paragraph 39]</li> <li>• Afford opportunities within the enterprise for local management to broaden their experience [paragraph 40]</li> </ul>
<b>Conditions of work and life</b>	<ul style="list-style-type: none"> <li>• Endeavour to adopt suitable measures to ensure that lower income groups and less developed areas benefit as much as possible from the activities of multinational enterprises [paragraph 42]</li> <li>• Ensure that both multinational and national enterprises provide adequate safety and health standards and contribute to a preventive safety and health culture, including taking steps to combat violence at work and ensure attention to building safety; and that compensation is provided to workers who have been victims of occupational accidents or diseases [paragraph 43]</li> </ul>	<ul style="list-style-type: none"> <li>• Across their operations, provide wages, benefits and conditions of work not less favourable than those offered by comparable employers in the country concerned, taking into account the general level of wages, the cost of living, social security benefits, economic factors and levels of productivity [paragraph 41]</li> <li>• Maintain highest standards of safety and health at work, make known special hazards and related protective measures associates with new products and processes, provide information on good practice observed in other countries, and play a leading role in the examination of causes of industrial safety and hazards [paragraph 44]</li> <li>• Cooperate with international and national safety and health organizations, national authorities, workers and their organizations, and incorporate matters of safety and health in agreements with representatives of workers [paragraphs 45–46]</li> </ul>

	Principles directed to governments	Principles directed to enterprises
<b>Industrial relations</b>	<ul style="list-style-type: none"> <li>• Apply the principles of Convention No. 87, Article 5, in view of the importance, in relation to multinational enterprises, of permitting organizations representing such enterprises or the workers in their employment to affiliate with international organizations of employers and workers of their own choosing [paragraph 51]</li> <li>• Not include in their incentives to attract foreign investment any limitation of the workers' freedom of association or the right to organize and bargain collectively [paragraph 52]</li> <li>• Ensure through judicial, administrative, legislative or other appropriate means that workers whose rights have been violated have access to effective remedy [paragraph 64]</li> <li>• Ensure that voluntary conciliation and arbitration machinery is available free of charge to assist in prevention and settlement of industrial disputes [paragraph 67]</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout their operations, observe standards of industrial relations [paragraph 47]</li> <li>• Respect freedom of association and the right to collective bargaining; provide the facilities and information required for meaningful negotiations [paragraphs 48, 57 and 61]</li> <li>• Support representative employers' organizations [paragraph 50]</li> <li>• Provide for regular consultation on matters of mutual concern [paragraph 63]</li> <li>• Use leverage to encourage business partners to provide effective remediation [paragraph 65]</li> <li>• Examine the grievances of workers, pursuant to an appropriate procedure [paragraph 66]</li> <li>• Seek to establish voluntary conciliation machinery jointly with representatives and organizations of workers [paragraph 68]</li> </ul>

## APPENDIX IV

### List of ratifications of fundamental ILO Conventions by member States of the Americas

Country	Forced labour		Child labour		Non-discrimination		Freedom of association and collective bargaining	
	Forced Labour Convention, 1930 (No. 29)	Abolition of Forced Labour Convention, 1957 (No. 105)	Minimum Age Convention, 1973 (No. 138)	Worst Forms of Child Labour Convention, 1999 (No. 182)	Equal Remuneration Convention, 1951 (No. 100)	Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)	Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
Antigua and Barbuda	1983	1983	1983	2002	2003	1983	1983	1983
Argentina	1950	1960	1996	2001	1956	1968	1960	1956
Bahamas	1976	1976	2001	2001	2001	2001	2001	1976
Barbados	1967	1967	2000	2000	1974	1974	1967	1967
Belize	1983	1983	2000	2000	1999	1999	1983	1983
Bolivia, Plurinational State of	2005	1990	1997	2003	1973	1977	1965	1973
Brazil	1957	1965	2001	2000	1957	1965	–	1952
Canada	2011	1959	2016	2000	1972	1964	1972	2017
Chile	1933	1999	1999	2000	1971	1971	1999	1999



Country	Forced labour		Child labour		Non-discrimination		Freedom of association and collective bargaining	
	Forced Labour Convention, 1930 (No. 29)	Abolition of Forced Labour Convention, 1957 (No. 105)	Minimum Age Convention, 1973 (No. 138)	Worst Forms of Child Labour Convention, 1999 (No. 182)	Equal Remuneration Convention, 1951 (No. 100)	Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)	Right to Organise and Collective Bargaining Convention, 1949 (No. 98)
Colombia	1969	1963	2001	2005	1963	1969	1976	1976
Costa Rica	1960	1959	1976	2001	1960	1962	1960	1960
Cuba	1953	1958	1975	2015	1954	1965	1952	1952
Dominica	1983	1983	1983	2001	1983	1983	1983	1983
Dominican Republic	1956	1958	1999	2000	1953	1964	1956	1953
Ecuador	1954	1962	2000	2000	1957	1962	1967	1959
El Salvador	1995	1958	1996	2000	2000	1995	2006	2006
Grenada	1979	1979	2003	2003	1994	2003	1994	1979
Guatemala	1989	1959	1990	2001	1961	1960	1952	1952
Guyana	1966	1966	1998	2001	1975	1975	1967	1966
Haiti	1958	1958	2009	2007	1958	1976	1979	1957
Honduras	1957	1958	1980	2001	1956	1960	1956	1956
Jamaica	1962	1962	2003	2003	1975	1975	1962	1962
Mexico	1934	1959	2015	2000	1952	1961	1950	—
Nicaragua	1934	1967	1981	2000	1967	1967	1967	1967
Panama	1966	1966	2000	2000	1958	1966	1958	1966
Paraguay	1967	1968	2004	2001	1964	1967	1962	1966
Peru	1960	1960	2002	2002	1960	1970	1960	1964

Country	Forced labour		Child labour		Non-discrimination			Freedom of association and collective bargaining	
	Forced Labour Convention, 1930 (No. 29)	Abolition of Forced Labour Convention, 1957 (No. 105)	Minimum Age Convention, 1973 (No. 138)	Worst Forms of Child Labour Convention, 1999 (No. 182)	Equal Remuneration Convention, 1951 (No. 100)	Discrimination (Employment and Occupation) Convention, 1958 (No. 111)	Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)	Right to Organise and Collective Bargaining Convention, 1949 (No. 98)	
Saint Kitts and Nevis	2000	2000	2005	2000	2000	2000	2000	2000	
Saint Lucia	1980	1980	–	2000	1983	1983	1980	1980	
Saint Vincent and the Grenadines	1998	1998	2006	2001	2001	2001	2001	1998	
Suriname	1976	1976	2018	2006	2017	2017	1976	1996	
Trinidad and Tobago	1963	1963	2004	2003	1997	1970	1963	1963	
United States of America	–	1991	–	1999	–	–	–	–	
Uruguay	1995	1968	1977	2001	1989	1989	1954	1954	
Venezuela, Bolivarian Republic of	1944	1964	1987	2005	1982	1971	1982	1968	

Source: International Labour Office. Normlex: Information System on International Labour Standards. [www.ilo.org/normlex](http://www.ilo.org/normlex).

## APPENDIX V

### List of ratifications of other Conventions referred to in the MNE Declaration by member States of the Americas

Country	Industrial relations		Employment promotion		Equality of treatment	Security of employment	Training	Conditions of work
	Collective Bargaining Convention, 1981 (No. 154)	Workers' Representatives Convention, 1971 (No. 135)	Employment Policy Convention, 1964 (No. 122)	Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168)				
Antigua and Barbuda	2002	2002	2002	–	–	2002	2002	–
Argentina	1993	2006	–	–	1988	–	1978	–
Bahamas	–	–	–	–	–	–	–	–
Barbados	–	1977	1976	–	–	–	–	–
Belize	1999	1999	–	–	1999	–	–	–
Bolivia, Plurinational State of	–	–	1977	–	1998	–	–	–
Brazil	1992	1990	1969	1993	–	1995	1981	–
Canada	–	–	1966	–	–	–	–	–
Chile	–	1999	1968	–	1994	–	–	–
Colombia	2000	–	–	–	–	–	–	–

Country	Industrial relations		Employment promotion		Equality of treatment	Security of employment	Training	Conditions of work
	Collective Bargaining Convention, 1981 (No. 154)	Workers' Representatives Convention, 1971 (No. 135)	Employment Policy Convention, 1964 (No. 122)	Employment and Protection against Unemployment, 1988 Convention, 1988 (No. 168)				
Costa Rica	-	1977	1966	-	-	-	-	-
Cuba	-	1972	1971	-	-	-	1978	-
Dominica	-	2004	-	-	-	-	-	-
Dominican Republic	-	-	2001	-	-	-	-	-
Ecuador	-	-	1972	-	2013	-	1977	-
El Salvador	-	2006	1995	-	2000	-	1995	-
Grenada	-	-	-	-	-	-	-	-
Guatemala	1996	-	1988	-	1994	-	-	-
Guyana	-	1983	-	-	-	-	1983	-
Haiti	-	-	-	-	-	-	-	-
Honduras	-	-	1980	-	-	-	-	-
Jamaica	-	-	1975	-	-	-	-	-
Mexico	-	1974	-	-	-	-	1978	1993
Nicaragua	-	1981	1981	-	-	-	1977	-
Panama	-	-	1970	-	-	-	-	-
Paraguay	-	-	1969	-	2007	-	-	-
Peru	-	-	1967	-	1986	-	-	-

Country	Industrial relations		Employment promotion		Equality of treatment	Security of employment	Training	Conditions of work
	Collective Bargaining Convention, 1981 (No. 154)	Workers' Representatives Convention, 1971 (No. 135)	Employment Policy Convention, 1964 (No. 122)	Employment and Protection against Unemployment Convention, 1988 (No. 168)				
Saint Kitts and Nevis	-	-	-	-	-	-	-	Protection of Workers' Claims (Employer's Insolvency) Convention, 1992 (No. 173)
Saint Lucia	2000	-	-	-	-	2000	-	-
Saint Vincent and the Grenadines	-	-	2010	-	-	-	-	-
Suriname	1996	1976	1976	-	-	-	-	-
Trinidad and Tobago	-	-	2013	-	-	-	-	-
United States of America	-	-	-	-	-	-	-	-
Uruguay	1989	2013	1977	-	1989	-	-	-
Venezuela, Bolivarian Republic of	-	-	1982	-	1984	1985	1984	-

Country	Occupational safety and health										
	Working Environment (Air Pollution, Noise and Vibration) Convention, 1977 (No. 148)	Occupational Safety and Health Convention, 1981 (No. 155)	Occupational Health Services Convention, 1985 (No. 161)	Asbestos Convention, 1986 (No. 162)	Safety and Health in Construction Convention, 1988 (No. 167)	Chemicals Convention, 1990 (No. 170)	Prevention of Major Industrial Accidents Convention, 1993 (No. 174)	Safety and Health in Mines Convention, 1995 (No. 176)	Safety and Health in Agriculture Convention, 2001 (No. 184)	Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)	
Antigua and Barbuda	–	2002	2002	–	–	–	–	–	–	–	
Argentina	–	2014	–	–	–	–	–	2006	2014	–	
Bahamas	–	–	–	–	–	–	–	–	–	–	
Barbados	–	–	–	–	–	–	–	–	–	–	
Belize	–	1999	–	–	–	–	–	–	–	–	
Bolivia, Plurinational State of	–	–	–	1990	2015	–	–	–	–	–	
Brazil	1982	1992	1990	1990	2006	1996	2001	2006	–	–	
Canada	–	–	–	1988	–	–	–	–	–	2011	
Chile	–	–	1999	1994	–	–	–	–	–	2011	
Colombia	–	–	2001	2001	1994	1994	1997	–	–	–	
Costa Rica	1981	–	–	–	–	–	–	–	–	–	
Cuba	1980	1982	–	–	–	–	–	–	–	2008	
Dominica	–	–	–	–	–	–	–	–	–	–	
Dominican Republic	–	–	–	–	1998	2006	–	–	–	2015	
Ecuador	1978	–	–	1990	–	–	–	–	–	–	







Country	Social protection			Governance			Indigenous and tribal peoples	Particular categories of workers	
	Social Security (Minimum Standards) Convention, 1952 (No. 102)	Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121)	Medical Care and Sickness Benefits Convention, 1969 (No. 130)	Labour Inspection Convention, 1947 (No. 81)	Labour Inspection (Agriculture) Convention, 1969 (No. 129)	Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)		Indigenous and Tribal Peoples Convention, 1989 (No. 169)	Plantations Convention, 1958 (No. 110)
Antigua and Barbuda	–	–	–	1983	–	2002	–	–	2011
Argentina	2016	–	–	1955	1985	1987	2000	–	2014
Bahamas	–	–	–	1976	–	1979	–	–	2008
Barbados	1972	–	–	1967	–	1983	–	–	2013
Belize	–	–	–	1983	–	2000	–	–	2014
Bolivia, Plurinational State of	1977	1977	1977	1973	1977	–	1991	–	–
Brazil	2009	–	–	1989	–	1994	2002	1965	–
Canada	–	–	–	–	–	2011	–	–	2010
Chile	–	1999	–	–	–	1992	2008	–	2018
Colombia	–	–	–	1967	1976	1999	1991	–	–
Costa Rica	1972	–	1972	1960	1972	1981	1993	–	–
Cuba	–	–	–	1954	–	–	–	1958	–
Dominica	–	–	–	1983	–	2002	2002	–	–
Dominican Republic	2016	–	–	1953	–	1999	–	–	–



Country	Social protection			Governance			Indigenous and tribal peoples	Particular categories of workers	
	Social Security (Minimum Standards) Convention, 1952 (No. 102)	Employment Injury Benefits Convention, 1964 [Schedule I amended in 1980] (No. 121)	Medical Care and Sickness Benefits Convention, 1969 (No. 130)	Labour Inspection Convention, 1947 (No. 81)	Labour Inspection (Agriculture) Convention, 1969 (No. 129)	Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144)		Indigenous and Tribal Peoples Convention, 1989 (No. 169)	Plantations Convention, 1958 (No. 110)
Saint Vincent and the Grenadines	2015	–	–	1998	2010	2010	–	–	2010
Suriname	–	–	–	1976	–	1979	–	–	–
Trinidad and Tobago	–	–	–	2007	–	1995	–	–	–
United States of America	–	–	–	–	–	1988	–	–	–
Uruguay	2010	1973	1973	1973	1973	1987	–	1973	–
Venezuela, Bolivarian Republic of	1982	1982	1982	1967	–	1983	2002	–	–

Source: International Labour Office. Normlex: Information System on International Labour Standards. [www.ilo.org/normlex](http://www.ilo.org/normlex).