

# Trade Union Reactions

to the first draft of the HLM2 Outcome Document

6 September 2016



The first draft of the Nairobi Outcome has improved in many areas over the zero draft and we are encouraged by the willingness of the drafters to incorporate feedback from the different constituencies. The trade union movement appreciates the space provided to continue to provide input throughout the drafting process, though we do believe a clearer process should be defined and agreed for subsequent drafts. We support the notion that the steering committee serve as the space to agree the Nairobi Outcome.

## *GENERAL COMMENTS*

Based on our comments to the zero draft we find the first draft of the Nairobi Outcome improved in some ways but still requiring improvement in others.

### *INTEGRITY OF GPEDC VIS-À-VIS THE AAAA AND 2030 AGENDA*

We find the document much improved in situating the role of the GPEDC within the broader development landscape. The first draft has done a much better job at articulating the “added value” of the GPEDC to the Agenda 2030 and AAAA through its commitments made in Paris, Accra, Busan and Mexico. We also find encouraging the language which signals an ambition to make further commitments to improve the effectiveness of development cooperation.

There do remain however some commitments that seem to go beyond the scope of the GPEDC. While not necessarily opposed to some of the ideas included, we are not convinced that the GPEDC as an entity would have the capacity to address some of the issues currently included in the Nairobi Outcome (i.e. migrant remittances or “all development flows” or again fighting illicit financial flows). We sense a tendency to try to align fully with the FfD agenda, but this would be superfluous as the FfD Agenda exists in its own right. The role of the GPEDC should be to improve its own contribution, namely the effectiveness of development cooperation, to the broader portfolio of development financing covered by FfD.

### *THE HUMAN RIGHTS BASED APPROACH AND DECENT WORK*

We are encouraged that the new text recognizes that international commitments on human rights, decent work, gender equality, environmental sustainability and disability fundamentally underpin the GPEDC. Further to this we are encouraged by added references to the existing instruments (i.e. ILO conventions) which can practically support the achievement of these international commitments.

### *SOCIAL DIALOGUE IS A KEY MULTI-STAKEHOLDER PARTNERSHIP*

We support the emphasis on multi-stakeholder partnerships. In this respect, we reiterate that we would welcome the inclusion of the role of social dialogue in the text. There are a number of paragraphs where it can be easily introduced with good rationale (in particular in paras 33 and 34).

## SPECIFIC INPUTS

3. We recognize the progress made in the implementation of the Millennium Development Goals (MDGs) over the last 15 years, such as reduction in the levels of poverty, fighting disease and hunger, and promoting gender equality. We also note that progress has been slow and uneven, with poverty and inequality levels remaining high especially in Africa, least developed countries, landlocked developing countries, small-island developing states, and middle income countries. Exposure to risks and the inability to cope with adverse effects of global economic and social shocks, **the widespread breakdown in the rule of law and the lack of respect for human rights**, the youth bulge, unemployment and underemployment, climate change, migration challenges, non-resilient livelihoods, insecurity and the threat of terrorism are global realities that must be addressed to achieve the 2030 Agenda.

6. To this end, the principles **and commitments** of aid and development effectiveness - **democratic** ownership of development priorities by recipient countries; focus on results; inclusive development partnerships; harmonization and coordination; mutual accountability; and transparency - are a driving force in the achievement of the 2030 Agenda for Sustainable Development. These are underpinned by existing international commitments on human rights, decent work, gender equality, environmental sustainability and disability.

7. We recognize that the global development financing landscape has changed significantly, with new and different development actors, and complex financing modalities, instruments and targets. The ambitious and universal 2030 Agenda for Sustainable Development will require a huge increase in the quantity and diversity of resources if we have to achieve our universal goal of leaving no one behind. To achieve this objective will require effective coordination and harmonization of all sources of finance **with development objectives**, translating global principles and normative decisions to regional, national and local levels. **Note: the point here that there are sources of finance that might not be considered “development” finance, but should be aligned with broad development objectives (i.e. policy coherence for development)**

8. We reaffirm the critical role of Official Development Assistance (ODA) **in reducing poverty and inequality, support basic service delivery**, in catalysing other development resources and capacity development in recipient countries, and recognize that South-South and Triangular Cooperation is an important source of financing for development, complementary to North-South Cooperation. We recall and reaffirm previous commitments by provider governments to reach 0.7 per cent of their Gross National Income (GNI) as ODA, as well as allocate 0.15 - 0.20 per cent of GNI to Least Developed Countries.

9. The Nairobi Second High Level Meeting hereby endorses the following commitments which will enable the GPEDC **to support effective development cooperation** and sustain political momentum for the successful implementation of the 2030 Agenda for Sustainable Development through universal collective and unique lens of effective development cooperation.

15. We recognize that capacity development is important if all the private sector players in recipient countries are to participate in local and international procurement. We as providers of development cooperation commit to accelerate **fully** untying development finance particularly for least developed countries and support capacity development of **domestic/local** private sector players to fully participate in local and international procurement **while adhering to and respecting international commitments on labour and environment, contributing to the fiscal resources of the recipient countries.**

19. We acknowledge that data collection on youth and gender based activities is important in informing inclusive planning and development. We commit to formulate, implement, and monitor policies, safeguards and **rights** frameworks that promote social equality and eliminate all forms of discrimination and violence. We also commit to pay special attention to high rates of youth unemployment, employment of women and youth in vulnerable sectors, unpaid care and domestic work. We will continue to call for gender and youth mainstreaming and targeted affirmative action in the formulation and implementation of all financial, economic, environmental and social policies.

23. The AAAA recognizes that the foremost driver of Domestic Resource Mobilization (DRM) is economic growth supported by sound macroeconomic policies, progressive taxation, and a **rights-based** enabling environment at all levels. We will ensure that development cooperation contributes to the implementation of DRM initiatives, including through the strengthening of capacities of national tax authorities and development of innovative tax and financing instruments **and progressive tax systems.** We commit to ensure that development cooperation contributes to the support of DRM initiatives through innovative financing instruments and by strengthening the relevant institutions.

25. We recognize the positive contribution of migrants for inclusive growth of countries, and that play a crucial role in most economies. We also recognize that international migration is a multi-dimensional reality that requires coherent and comprehensive policy frameworks to enable countries to tap into the potential of remittances as a complementary source of development finance. In line with the 2030 Agenda, we commit to reduce the average transaction cost of migrant remittances by 2030 to less than three per cent of the amount transferred; and to ensure that no remittance corridor charges higher than five per cent by 2030, while maintaining service coverage.

**Comment:**

**This paragraph currently gives no recognition to the significance of migrant rights in migration, and is not focused on the causes of migration. Remittances alone should not be a measure of development. Other economic and social costs of migration to migrant workers and their families also require attention. Migration should occur out of choice and not because of a lack of decent work in the source countries. We recommend that this paragraph give recognition to the fact that migrants' human and labour rights are regularly and severely abused during every stage of the process, and that it commit to reforming policy and enforcement systems to protect their fundamental rights. Migration needs to be restructured to allow for permanent residency, a pathway to citizenship, portability of visas, the ability to change employers, and family reunification. In addition to reducing the cost of remittances, recruitment fees should be eliminated for workers across the board.**

24. We note that development efforts of many developing countries continue to be undermined by high capital outflows. We commit to support accountability mechanisms, systems and reforms to combat illicit financial flows, recognizing the **central** role of developed countries in elimination of tax havens and **tax avoidance** policies that attract and facilitate these flows. We commit to harmonization of tax policies and strengthening of systems to stop illicit flows and accelerate repatriation of stolen funds and assets to countries of origin. We recognize the Addis Tax Initiative formed in response to the AAAA as a way to boost capacity on Domestic Resource Mobilization and illicit flows.

26. We commit to improve partnership frameworks and policies for the private sector including finding better ways to align with public sector plans, budgets and frameworks. We encourage investment in innovative private-sector initiatives to explore models of public-private partnerships, ensuring fair and transparent risk sharing **criteria and** arrangements, **avoiding over-priced public services and forced privatisation**, in alignment with the implementation of Agenda 2030. The Private Sector should **adhere to and respect** existing instruments such as ILO Conventions, UN Principles on Business and Human Rights and OECD Guidelines for Multi-national entities and be integrated into development cooperation accountability frameworks at national level.

27. We commit to fostering an enabling policy environment for business, including transparent legal and regulatory systems, women and youth access to credit, **fair** tax incentives for domestic micro, small and medium enterprises while regulating tax holidays for multinationals, and other supporting conditions as essential to mobilizing domestic and international capital to advance the development agenda. We recognize that comprehensive policy actions are needed to conserve the rule of law, enhance the predictability of policymaking, and unlock entrepreneurship in order to fully enable sustainable development. In this context, we encourage the sharing and coordination of internationally-agreed policy instruments, tools, and initiatives conducive to sustainable development.

**NEW: We emphasize in particular that full recognition of social dialogue and social partners (workers' and employers' organisations) is an essential foundation for inclusive development. Social dialogue helps to ensure broad-based democratic ownership of economic and social development objectives, including respect for labour standards, decent work creation and the promotion of social equity. Through social dialogue, employers and workers' representatives contribute to shaping effective and accountable social and economic development strategies while providing effective means for conflict management and contributing to social peace. We recognise social partners as development actors in their own right, and we commit to involving them in the designing of the effective development cooperation agenda.**

33. We recognize that inclusive, coordinated and effective multi-stakeholder partnerships are necessary for the realization of effective development. We commit to upscale our efforts in ensuring a **human rights based** enabling environment for inclusive, multi-stakeholder partnerships as well as for individual actors to perform their complementary roles in a transparent and accountable manner. We emphasize that multi-stakeholder partnerships should not substitute but complement development efforts of national governments. We commit to strengthen and deepen partnerships with the private sector, civil society organisations, parliaments and trade unions to achieve national, regional, continental and global development goals. We commit to increase the quantity and diversity of resources that will enable productive multi-stakeholder partnerships, including more capacity support, knowledge sharing, skills revolution and technology transfer and the strengthening of associated institutions.

34. We recognize the meaningful participation of civil society organizations (CSOs) as **actors** in effective development cooperation **in their own right**. We reiterate the need for institutionalized democratic space, **such as social dialogue**, and an enabling environment as agreed in Busan and the Istanbul Principles for CSO Development Effectiveness, to ensure their full participation in development processes at national and regional level.

35. We recognize that states **and occupied territories** under conflict experience challenges in fostering socioeconomic development. We note the importance of better management of political and social diversity and the promotion of greater dialogue within and among countries. We acknowledge the positive role women and youth can play in conflict resolution, and we will work to ensure that in fragile contexts, priority shall be given to empowering people as independent development actors in their own right. We commit to support effective development cooperation in fragile states to enhance capacities to prevent, manage and resolve conflicts in order to ensure stability and development.

38. Structure of GPEDC: We recognize GPEDC's unique nature as a multi-stakeholder platform to support the implementation of 2030 Agenda and promote inclusive growth and hence reduce poverty. We also acknowledge the need to embrace a 'globally light' and a 'country heavy' presence of the GPEDC. We commit to set up inclusive national structures, which will build on existing structures, as the GPEDC manifestation in each country, in which partners work together to implement GPEDC commitments. We will endeavour to include vulnerable and marginalized populations within country structures, including rural communities, indigenous people, women and young people, **social partners**. We urge our partners including country based and UN Organizations to incorporate their country and regional bureaus in this strategy of effecting change locally. The GPEDC Steering Committee, supported by Joint Support Team, will focus on providing policy guidance to national equivalents and collect information as needed.

40. Monitoring Framework: The Busan Monitoring Framework remains the foundation of the GPEDC and will serve as one of the reliable sources of data for the Sustainable Development Goals' follow up and review process. We will expand the GPEDC monitoring surveys to capture **different development cooperation forms**, including but not limited to ODA, with indicators for non-sovereign/private moneys such as philanthropy. We will identify new ways of measuring development cooperation in support of achieving the SDGs while ensuring that the monitoring process is country-led, inclusive and multi-stakeholder in nature. The Zero Draft (ZD) provides a very useful basis to begin discussions on the HLM2 Outcome and we congratulate the work done. What follows are the Trade Union constituencies inputs to improve the document at this stage. We look forward to continuing to contribute over subsequent iterations.

**The Trade Union Development Cooperation Network (TUDCN)** is an initiative of the International Trade Union Confederation (ITUC), bringing together affiliated trade union organisations, solidarity support organisations, regional ITUC organisations, the Global Union Federations (GUFs), the European Trade Union Confederation (ETUC) and the Trade Union Advisory Committee to the OECD (TUAC). TUDCN's objective is to bring the trade union perspective into the international development policy debates and improve the coordination and effectiveness of trade union development cooperation activities.

Le **Réseau syndical de coopération au développement (RSCD)** est une initiative de la Confédération syndicale internationale (CSI) réunissant des organisations syndicales affiliées, des organisations de solidarité, les organisations régionales de la CSI, ainsi que les Fédérations syndicales internationales (les fédérations sectorielles - FSI), la Confédération européenne des syndicats (CES) et la Commission syndicale consultative auprès de l'OCDE (TUAC). Le RSCD a pour but de traduire la perspective syndicale dans les débats sur la politique en matière de développement international et d'améliorer la coordination et l'efficacité des activités syndicales dans le domaine de la coopération au développement.

La **Red Sindical de Cooperación al Desarrollo (RSCD)** es una iniciativa de la Confederación Sindical Internacional (CSI), que agrupa a diversas organizaciones sindicales afiliadas, organizaciones solidarias (OS), organizaciones regionales de la CSI, las Federaciones Sindicales Internacionales (FSI), la Confederación Europea de Sindicatos (CES) y la Comisión Sindical Consultiva ante la OCDE (TUAC). El objetivo de la red es aportar la perspectiva sindical a los debates políticos y mejorar la coordinación y la eficacia de las actividades sindicales relacionadas con la cooperación al desarrollo.



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