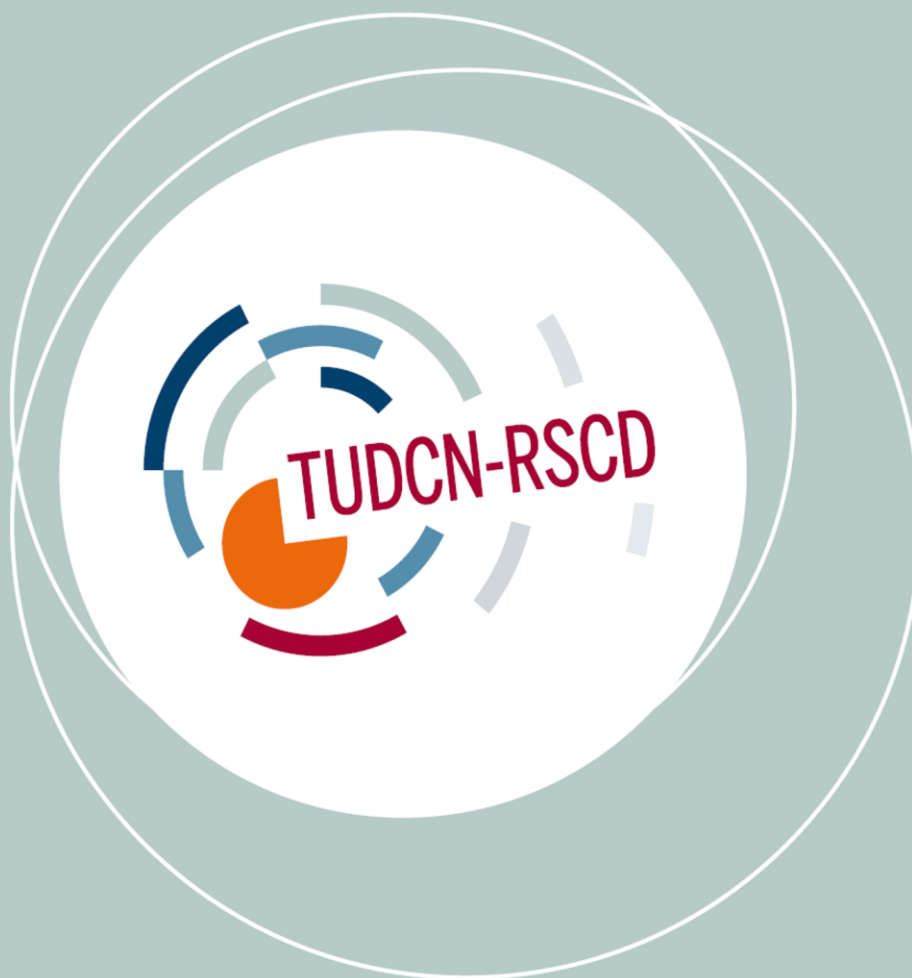


# Trade Union Reactions to HLM2 Zero Draft Document

27 May 2016



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.

## *GENERAL COMMENTS*

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

While recognizing that the GPEDC can be an important support for the implementation and monitoring of the 2030 Agenda and the Addis Ababa Action Agenda, we believe that the ZD places an unrealistic expectation on the overall role of the GPEDC. As a consequence, the origins of the GPEDC (Paris, Accra and Busan), as well as its integrity as a stand-alone entity are lost. There is a need to emphasize instead, that the GPEDC can best serve the implementation of the 2030 Agenda and the AAAA by living up to the principles and fulfilling the commitments that are the basis of its existence in the first place, namely improving the effectiveness of development cooperation. While we appreciate the efforts to preserve some elements of the core aid and development effectiveness agenda (i.e. aid untying, use of country systems) we regret that not once in the text are references made to the Paris Declaration or the Accra Agenda for Action, which are pillars of this agenda.

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

It is surprising that internationally agreed commitments on Human Rights (**decent work**, gender equality, environmental sustainability and disability) disappeared in the HLM2 zero draft, in stark contrast to the Busan and Mexico declarations.

Human rights constitute the foundations of the 2030 Agenda and the Human Rights Based Approach (HRBA) underpins the development effectiveness agenda. As such, it is regrettable that the HRBA is entirely absent from the ZD. We suggest that the ZD be strengthened in this area.

Also missing is any reference to Decent Work. If we insist on the role of the private sector in the realisation of sustainable development, in large part as “job creators”, then we must also balance this with, and insist upon including Decent Work as the framework within which this can be done.

## *SOCIAL DIALOGUE IS A KEY MULTISTAKEHOLDER PARTNERSHIP*

A great deal of emphasis has been placed on the role of multistakeholder partnerships. In this light, we emphasise social dialogue as an exemplary type of multistakeholder partnership that should be promoted and utilized for the design of national development strategy but also at the company level especially given the emphasis on the role of the private sector. Social dialogue brings together the social partners (workers and employers organizations), should be promoted as a means of implementation that can support all three pillars of the Sustainable Development Agenda. It is a crucial pillar of the decent work agenda, and can help ensure that the private sector contributes to sustainable development objectives, which is by no means a foregone conclusion. A specific reference to the social dialogue both in the introductory para 9 and the later section in annex would be welcome.

## *POLICY COHERENCE FOR SUSTAINABLE DEVELOPMENT*

Throughout the document, there is no reference to the notion of Policy Coherence for Development. Policy Coherence will be critical to ensure that all three pillars of the sustainable development agenda are reinforcing rather than undermining each other.

## *SPECIFIC COMMENTS*

### *CHAPEAU (PARA 8)*

We would like to see a reference to the need for accountability in the use of resources in this paragraph. Following the sentence ending "...strengthening of associated institutions" we propose to include the following sentence: *"Moreover, clear mandatory accountability and transparency measures have to be established, in order to ensure that resources are used in line with the SDGs targets."*

### *CHAPEAU (PARA 14)*

We think "full respect of human rights" is also a prerequisite to eradicate poverty.

### *CHAPEAU (PARA 15)*

We believe the principle of democratic ownership should also be referred to here.

#### *UNTYING AID (ANNEX; PARA 8)*

Overall the paragraph should be strengthened to emphasise the priority of fully untying all aid. This is a commitment made by donors since the Paris Declaration and one that has proved elusive to reach. Further tied aid continues to evolve, especially now with the promotion of the private sector in these arenas and debates. We welcome the notion to encourage the private sector to source locally. However, we should also insist that donor public funding, which aims to buttress private sector activities, are geared toward the local/domestic private sector and not “tied” to the donors’ private sector. Further to that, it must be insisted that the private sector actors involved (domestic or from donor countries) fully respect the ILO Conventions and contribute to the fiscal resources of the recipient countries. Further to this and following the final sentence, we would add “*Accountability of private sector activities to aid and development effectiveness principles must be ensured, as well as fair and transparent risk sharing arrangements, to ensure that public resources are used for public objectives.*”

#### *FOCUS ON RESULTS (ANNEX; PARA 11)*

It is not clear to us what the selection criteria were for the “development Cooperation investments” section/column. Certain other elements could equally feature here, such as “promoting fiscal reform, fighting tax avoidance and evasion, improving quality public services, broadening and strengthening social protection systems, environmental protection...”

#### *THE CHALLENGE FACING MIDDLE-INCOME COUNTRIES (ANNEXE 15; PAR 15C)*

We welcome the recognition that middle-income countries still face a high level of inequality. Exit and transition development cooperation policy should recognize the role of CSO’s to find solutions to persisting inequalities.

#### *ECONOMIC EMPOWERMENT OF WOMEN AND YOUTH (ANNEX; PARA 16)*

We welcome the focus given to the empowerment of women and youth. In this paragraph, we see a rationale for including a reference to the social partners and trade unions in particular, for example concerning the fight against discrimination. A major challenge to promoting youth employment is labour supply and skills mismatch. Social partners and trade unions represent both ends of the labour market and should therefore be involved in public policy making in this area. We also believe that a reference to developing clear standards to support youth entry into the labour market via various means and regulations (e.g. training programs, scholarships, apprenticeships, etc.) is worth including.

#### *DOMESTIC RESOURCE MOBILIZATION (ANNEX; PARA 18)*

DRM is not only spurred by innovative financing mechanisms. “Traditional” mechanisms like living wages, social protection systems, collective bargaining, functioning tax administrations and combatting tax evasion and avoidance are equally if not more important than innovative mechanisms.

### *ILLICIT FINANCIAL FLOWS (ANNEX; PARA 19)*

We appreciate the inclusion of a section on this subject. However, the framing reads as though the onus is entirely on developing countries to curb illicit flows, despite the fact that the destination of illicit flows is often the developed world. With this in mind and in light of the recent revelations of the Panama Papers, there are strong grounds to include references to the elimination of tax havens (this also applies to the paragraph on Domestic Resource Mobilisation). Tax havens and the methods used to avoid paying taxes, in particular by multinational enterprises through tax avoidance, are not always “illegal”. So, in addition to the illicit flows, which include tax evasion, we believe there is a need to refer tax avoidance and in particular to those methods used by multinational companies (which can also be included in paragraphs 22-23). Tax avoidance/evasion also contributes to the “deep infrastructure deficit” in paragraph 10. This should not be encouraged and we must insist upon ensuring the sharing of information across financial institutions.

### *BUSINESS AS A PARTNER IN DEVELOPMENT (ANNEX; PARA 22-23)*

There is an assumption that including Business in the sustainable development agenda will inevitably support the realisation of its objectives. However, without any accountability instruments for business, evidence suggests that it is equally likely that it undermines the common objectives. We therefore suggest to include a reference in this paragraph to trade unions and social partners as agents of accountability for the private sector. More generally, we also feel that a greater emphasis needs to be placed on other recognized instruments of accountability for the private sector such as ILO Conventions, UN Principles on Business and Human Rights, OECD Guidelines for MNEs and so forth.

### *ENABLING GREATER PARTICIPATION BY CIVIL SOCIETY (ANNEX; PARA 24)*

This section should build upon the findings of the progress reports on progress (or lack thereof) towards improving the enabling environment for civil society. This is fundamentally grounded in the promotion and respect of the fundamental freedoms, and in particular the freedom of association and assembly.

Likewise, as a constituent of the GPEDC we would be pleased to see the inclusion of a short paragraph on the role for trade unions in this agenda.

### *MANDATE OF THE GPEDC (ANNEX; PARA 29)*

We recognise the need to rethink the role of the GPEDC in light of the 2030 Agenda. However, revising the mandate should not undermine its core purpose and function, which is to improve the effectiveness of development cooperation. Therefore, any revision of its mandate must still be grounded in the GPEDC’s foundations—The Paris Declaration, The Accra Agenda for Action and the Busan Partnership Document.

## *MONITORING FRAMEWORK*

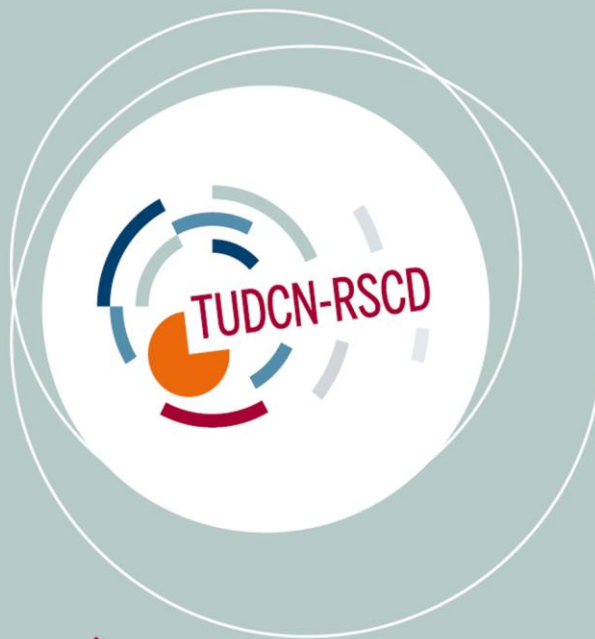
The Busan Monitoring Framework remains a cornerstone of the GPEDC and should remain so. This requires the constant strengthening of the framework in order to make the indicators relevant to the commitments taken since Paris and in light of ongoing operational evolutions.



**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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