



**TRADE UNION DEVELOPMENT COOPERATION NETWORK (TUDCN)**  
**RÉSEAU SYNDICAL DE COOPÉRATION AU DÉVELOPPEMENT (RSCD)**  
**RED SINDICAL DE COOPERACIÓN AL DESARROLLO (RSCD)**

**Welcome!**

**APTUDCN Meeting**  
***Bangkok, 25-26/01/2018***



**ITUC - Asia Pacific**

# Participants' welcome

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**Shoya Yoshida**  
**General Secretary, ITUC-AP**

# Introduction

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Haridasan Parayarikkal – APTUDCN Coordinator  
Paola Simonetti – TUDCN Coordinator



- ✓ Meeting objectives
- ✓ Participants' introduction

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**Group photo!**

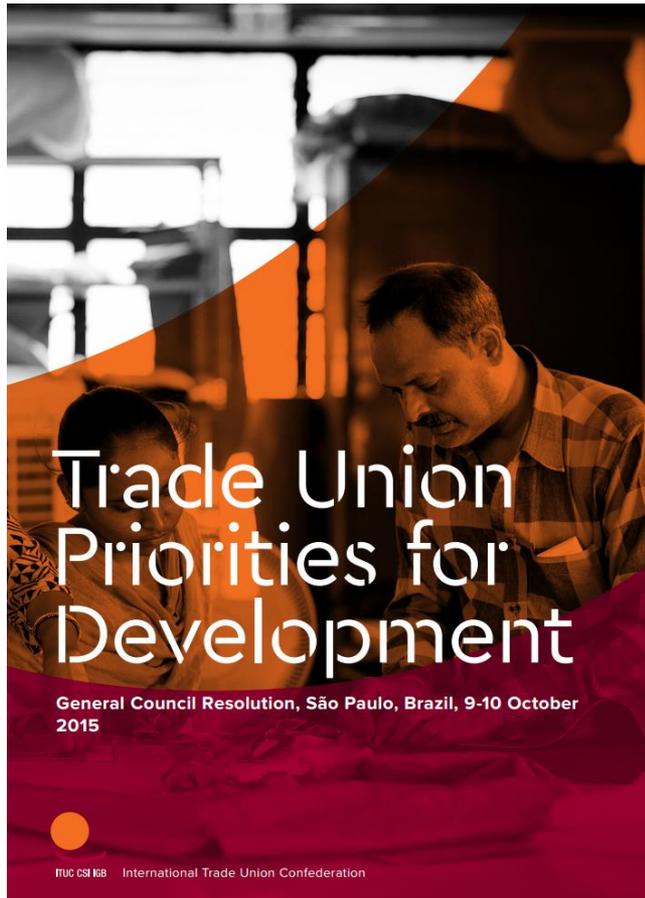


## Trade union strategy on 2030 Agenda

Paola Simonetti, TUDCN

- ✓ TUDCN strategy at global, regional and national level

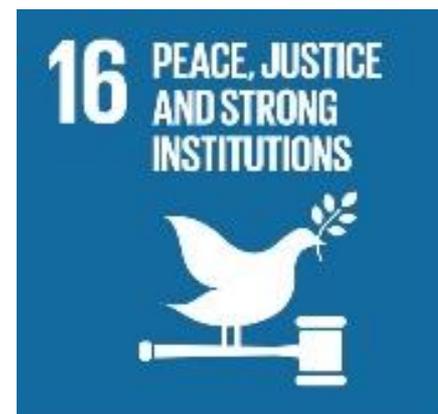
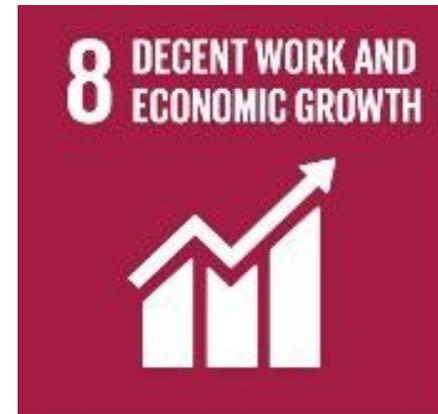
# Highlights from the ITUC 2015 General Council resolution on “Trade Unions Priorities for development”



## Relevance of Agenda 2030 to TUs

- Revolves around three dimensions of sustainable development: environmental, social and economic
- Universal agenda for both developed and developing countries
- Trade unions priorities such as decent work, fight against inequalities, just transition and civil society participation
- An opportunity for trade union engagement and advocacy at national, regional and global level

# Trade union priority SDGs



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## What is our engagement strategy?

### *Mobilisation and Engagement*

Familiarise Trade Unions with Agenda 2030

### *Advocacy and Implementation*

Trade Unions influence Agenda 2030 planning and implementation through social dialogue

### *Monitoring and Reporting*

“Trade Union report on SDGs implementation”

# Trade union SDG pamphlet

## What is the 2030 Agenda for Sustainable Development?

### What are the Sustainable Development Goals?

The 2030 Agenda for Sustainable Development is the reference document on development priorities at the international level. It was adopted at the United Nations in September 2015 by 193 countries. It builds on the Millennium Development Goals (MDGs, 2000-2015), whose main objective was to reduce extreme poverty.

The 2030 Agenda contains a set of objectives, known as the Sustainable Development Goals (SDGs) to which all countries have committed. They cover issues highly relevant to the work of trade unions including the promotion of decent work, the fight against inequalities and climate change, and recognise the need for greater gender equality, better quality education and stronger institutions. They are set out as follows:

<b>1</b>  End poverty in all its forms everywhere	<b>2</b>  End hunger, achieve food security and improved nutrition and promote sustainable agriculture
<b>3</b>  Ensure healthy lives and promote well-being for all at all ages	<b>4</b>  Ensure inclusive and quality education for all and promote lifelong learning
<b>5</b>  Achieve gender equality and empower all women and girls	<b>6</b>  Ensure access to water and sanitation for all
<b>7</b>  Ensure access to affordable, reliable, sustainable and modern energy for all	<b>8</b>  Promote inclusive and sustainable economic growth, employment and decent work for all
<b>9</b>  Build resilient infrastructure, promote sustainable industrialisation and foster innovation	<b>10</b>  Reduce inequality within and among countries
<b>11</b>  Make cities inclusive, safe, resilient and sustainable	<b>12</b>  Ensure sustainable consumption and production patterns
<b>13</b>  Take urgent action to combat climate change and its impacts	<b>14</b>  Conserve and sustainably use the oceans, seas and marine resources
<b>15</b>  Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss	<b>16</b>  Promote just, peaceful and inclusive societies
<b>17</b>  Revitalize the global partnership for sustainable development	

While these cover a very broad range of issues, there are strong connections between each SDG: progress on one often benefits another. Trade unions are among the actors that impact this progress. By promoting social dialogue and decent work, they help to implement the SDGs and boost the accountability of other actors, such as the private sector. Countries report on their progress at the UN High-Level Political Forum.

The success of the 2030 Agenda further depends on other global processes such as the Paris Agreement on Climate Change, the Financing for Development process and the development effectiveness agenda.

## What do trade unions have to do with all of this?

### What are the trade union priorities in the SDGs?

Through their work in upholding freedom of association, collective bargaining rights and in promoting decent work and worker rights, trade unions are essential to achieving these development objectives. Making sure that the overlap between the SDGs and trade unions is **mutually reinforcing** is vital to improving the lives for working people.

In order to do so, trade unions have identified six key areas on which to focus their efforts:

**1 NO POVERTY**  Protecting people's rights can ensure they are sustainably lifted out of poverty. Having a job is no guarantee of a dignified livelihood. **Social protection floors** must be put in place to ensure that people, including the 'working poor' do not fall further into poverty. Addressing the informal economy can help lift huge numbers of people out of poverty.

**5 GENDER EQUALITY**  Imbalanced labour access and conditions are a major component of gender inequality. Addressing this requires policies and laws to protect both formal and informal economy workers, to ensure compliance with **anti-discrimination, minimum wage legislation and core labour standards**, and to secure effective and universal access to social protection.

**8 DECENT WORK AND ECONOMIC GROWTH**  Trade unions play a fundamental role in ensuring that the benefits of economic growth are shared fairly among those that create it. **Employment creation, workers' rights, social dialogue and social protection are the pillars of the Decent Work Agenda** and ensure that "no one is left behind". SDG8 is the hub for trade union action on SDGs.

**10 REDUCED INEQUALITIES**  High and rising inequality among and within countries has a major social and economic cost. The SDGs recognise that the current rise in inequality is at odds with sustainable development. Strengthening the voice of working people is a proven way of curbing this trend. Trade unions promote the adoption of **fiscal, wage and social protection policies** that reduce inequalities and promote decent work in global supply chains.

**13 CLIMATE ACTION**  Climate change and the need to shift to low carbon societies require a massive transformation in how economies and industries work. To avoid hiding the social costs of this transformation, change must start on the work floor: **national Just Transition plans** are needed to appropriately reorient workers in high-emission industries and provided appropriate adaptation measures to workers impacted by climate change.

**16 PEACE, JUSTICE AND STRONG INSTITUTIONS**  Social dialogue contributes to institutional stability by promoting consensus among social partners on socio-economic policies. Trade unions promote **freedom of association and collective bargaining, fighting modern slavery** and contributing to the rule of law and democracy. Only democratic societies and institutions can create an enabling environment for decent work to flourish.

## How can the SDGs work for your trade union?

Ensuring that the contribution to the SDGs provided by the work of trade unions is **fully recognised** is the first step. As the implementation of the SDGs is done at national level, national trade unions play a vital role in highlighting the contribution they make in their everyday work. Advocating for policies that **enhance this contribution** is the next step.

With this in mind, the following actions can be undertaken:

### At national level

- Ask national government to consult trade unions in 2030 Agenda implementation planning
- Raise awareness among workers about 2030 Agenda
- Address the SDGs through social dialogue with employers and government
- Engage with the International Labour Organisation (ILO) and with other international agencies in your country
- Participate in multi-stakeholder platforms and alliances for 2030 Agenda implementation
- Undertake evidence-based research highlighting the link between trade union work and development priorities

### At regional level

- Ask national governments to bring trade union priorities to regional bodies dealing with 2030 agenda (ECLAC, UNECA, ESCAP, UNECE)
- Participate in UN regional mechanisms for 2030 Agenda monitoring, review and follow-up
- Take part in regional Civil Society initiatives for 2030 Agenda implementation

### At global level

- Ask national governments to bring trade union priorities to the annual UN High-Level Political Forum, which reviews and monitors the 2030 Agenda implementation
- Provide trade union monitoring reports on the 2030 Agenda

### Want to know more about the 2030 Agenda?

- Trade unions and 2030 Agenda: [www.ituc-csi.org/2030Agenda](http://www.ituc-csi.org/2030Agenda)
- The International Labour Organization and 2030 Agenda: [www.ilo.org/global/topics/sdg-2030/lang--en/index.htm](http://www.ilo.org/global/topics/sdg-2030/lang--en/index.htm)
- The United Nations and sustainable development: [www.un.org/sustainabledevelopment/](http://www.un.org/sustainabledevelopment/)

## THE SUSTAINABLE DEVELOPMENT GOALS

### A trade union issue!



# Levels of Involvement



# UN SDGs fora in 2017

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## Trade unions at the 2017 ECLAC RFSO (Latin America)

“For the trade union delegation, much clearly remains to be done in terms of the consultation and participation mechanisms for future meetings”.

## Trade unions at the ESCAP 2017 RFSO (Asia-Pacific)

“As it was the first time there was a full participation from workers and trade unions at the CSO Forum, many participants from the other CSO constituencies were able to understand the workers' perspective”.

## Trade unions at the 2017 UNECA RFSO (Africa)

“All in all, the forum was billed as a success for the African trade unions because the delegation played a critical role in defining the outcome document and ensuring that all trade union key messages are duly incorporated”.

## Trade unions at the UNECE 2017 RFSO (Europe+)

“The ITUC's research on the care economy was referred in the concluding CSO Statement, on SDGs 1 (ending poverty), 5 (achieving gender equality) and 17 (strengthening the means of implementation)”.

# Flow chart TUDCN 2030 Agenda strategy



## Mobilisation and Engagement

Mapping survey  
Trade union pamphlet

## Advocacy and Implementation

Training/capacity building  
Research  
Engagement with national governments  
Representation at regional SDG Forums and HLPF

## Monitoring and Reporting

Trade union reports

# What's next?

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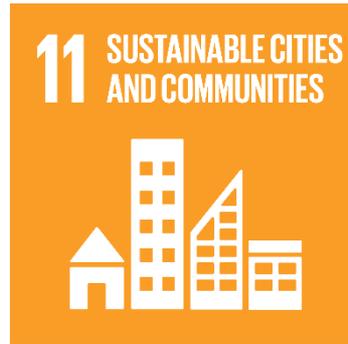


- Keep improving TU SDGs report
- Evidence-based narratives
- Agenda 2030 indicators
- Inclusive representation modalities at the regional UN forums (following the major groups structure)
- Involvement of GUFs
- Cooperation with ACTRAV (awareness and engagement capacity)
- ILO Support (fostering institutional dialogue at country level- DWPs and advocacy on FOA/CB and social dialogue at regional/global level)
- Fostering coherence: visibility on the link between TUs work and the SDGs

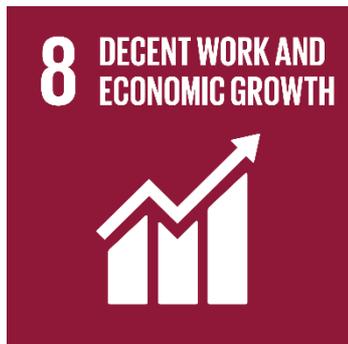
# What's next?



## 2018 goals under review



## 2019 goals under review





## Trade union strategy on 2030 Agenda

- ✓ Reports from members on SDGs implementation at national level (based on survey replies)



**LUNCH**





## Relevance of the SDGs and the involvement of ILO/ACTRAV

**Arun Kumar**  
**ILO/ACTRAV**



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# SDGs: what happened and next steps

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**Brainstorming on the trade union thematic submission on goals 6, 7, 11, 12, 15**



## Goal 6: Clean water and sanitation



Highlighted targets:

- 6.1** By 2030, achieve universal and equitable access to safe and affordable drinking water for all.
- 6.2** By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations.
- 6.4** By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.
- 6.B** Support and strengthen the participation of local communities in improving water and sanitation management.

## Goal 7: Affordable and clean energy



Highlighted targets:

- 7.1** By 2030, ensure universal access to affordable, reliable and modern energy services.
- 7.2** By 2030, increase substantially the share of renewable energy in the global energy mix.
- 7.3** By 2030, double the global rate of improvement in energy efficiency.
- 7.A** By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.
- 7.B** By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support.



# Goal 11: Sustainable cities and communities



## Highlighted targets:

- 11.1** By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.
- 11.2** By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.
- 11.3** By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.
- 11.5** By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations.
- 11.B** By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels

## Goal 12: Responsible consumption and production



Highlighted targets:

- 12.1** Implement the 10-year framework of programmes on sustainable consumption and production, all countries taking action, with developed countries taking the lead, taking into account the development and capabilities of developing countries.
- 12.2** By 2030, achieve the sustainable management and efficient use of natural resources.
- 12.3** By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.
- 12.4** By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.
- 12.6** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

## Goal 12: Responsible consumption and production



Highlighted targets (continued):

- 12.7** Promote public procurement practices that are sustainable, in accordance with national policies and priorities.
- 12.A** Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production.
- 12.B** Develop and implement tools to monitor sustainable development impacts for sustainable tourism that creates jobs and promotes local culture and products.
- 12.C** Rationalize inefficient fossil-fuel subsidies that encourage wasteful consumption by removing market distortions, in accordance with national circumstances, including by restructuring taxation and phasing out those harmful subsidies, where they exist, to reflect their environmental impacts, taking fully into account the specific needs and conditions of developing countries and minimizing the possible adverse impacts on their development in a manner that protects the poor and the affected communities.

## Goal 15: Life on land



### Highlighted targets:

- 15.1** By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.
- 15.2** By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.
- 15.5** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.
- 15.9** By 2020, integrate ecosystem and biodiversity values into national and local planning, development processes, poverty reduction strategies and accounts.



## Goal 15: Life on land



### Highlighted targets (continue):

- 15.A** Mobilize and significantly increase financial resources from all sources to conserve and sustainably use biodiversity and ecosystems.
- 15.B** Mobilize significant resources from all sources and at all levels to finance sustainable forest management and provide adequate incentives to developing countries to advance such management, including for conservation and reforestation.
- 15.C** Enhance global support for efforts to combat poaching and trafficking of protected species, including by increasing the capacity of local communities to pursue sustainable livelihood opportunities.



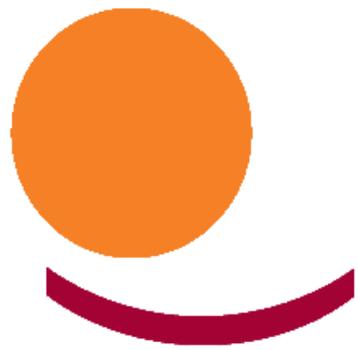
## Closing of first day





# Day 2

## **APTUDCN Meeting** ***Bangkok, 25-26/01/2018***



ITUC - Asia Pacific

# SDGs: focus on regional and national level

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**Riccardo Mesiano**  
UN ESCAP

**Julius Cainglet**  
FFW Philippines & TUs focal point AP-RCEM

**Kate Lappin**  
Asia Pacific Secretary, PSI



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# SDGs: focus on regional and national level



Joan Lanfranco, ITUC-TUDCN

## ✓ Presentation of the trade union country report template

### SDG1 End poverty in all its forms everywhere

Target	Indicators for parallel trade union monitoring	Data source/point (add value, source and year)	Analysis of data: Please provide an analysis and interpretation of the data
1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day	1.1.1 Proportion of population below the international poverty line (1.9 USD), by sex, age, employment status and geographical location (urban/rural)	<a href="#">World Bank<sup>2</sup></a> <a href="#">ILO</a>	
	1.1.T1 Employed persons living below the nationally-defined poverty line by sex and age	OECD (most likely only OECD countries) & <a href="#">ILO</a>  UN Regional Commissions	
	1.1.T2 Percentage of people living in poverty on 3,2 USD a day	<a href="#">World Bank</a>	
	1.1.T3 UN Human Development Index	<a href="#">UN HDI</a>	
1.3 Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable	1.3.1 Proportion of population covered by social protection floors/systems, by sex, distinguishing children, unemployed persons, older persons, persons with disabilities, pregnant women, new-borns, work-injury victims and the poor and the vulnerable	<a href="#">ILO</a>	
	1.3.T1 Number of social protection instruments available (e.g. pension, unemployment benefits)	<a href="#">ILO</a>	



The criteria followed to create the report template are:

- boost national organizations' involvement on of Agenda 2030 implementation with their governments
- support research to provide evidence, such as collecting relevant data, using indicators and analysis
- report based on official data sources (regional data sources + additional national data sources when available) accompanied by analysis and comments from national organizations
- provide a single instrument grouping at the same time priority goals / targets / indicators for the trade union movement
- strengthen advocacy at the national, regional and global levels (not technical but political) – reports to be disseminated in occasion of UN regional and global monitoring processes
- ensure the support of ILO / ACTRAV national offices that can provide technical assistance to trade unions (relevant especially in developing countries)



**LUNCH**



# Business accountability for development

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Joan Lanfranco, ITUC-TUDCN

- ✓ Current policy debates on the role of private sector in development: key trade union asks and future steps

# Contents

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- **What do we mean with private sector in development?**
- **Private sector engagement instruments**
- **Blending and DFIs**
- **Existing business accountability mechanisms**
- **Issues at stake, challenges and policy trends within key institutions**
- **Trade union key asks and tools**
- **Q&A and discussion**

# Private sector in development: some introductory notions



→ **Private sector:** Organisations that engage in profit-seeking activities and have a majority private ownership (i.e. not owned or operated by a government). This term includes financial institutions and intermediaries, multinational companies, micro, small and medium-sized enterprises, co-operatives, individual entrepreneurs, and farmers who operate in the formal and informal sectors. It excludes actors with a non-profit focus, such as private foundations and civil society organisations.

→ **Private sector engagement:** An activity that aims to **engage the private sector for development results**, which involve the active participation of the private sector. The definition is deliberately broad in order to capture all modalities for engaging the private sector in development co-operation from informal collaborations to more formalised partnerships. Given that the term applies to how development co-operation occurs, private sector engagement can occur in any sector or area (e.g. health, education, private sector development, renewable energy, governance, etc.). Through private sector engagement, the private sector and other participants can benefit from each other's assets, connections, creativity or expertise to achieve mutually beneficial outcomes.

# Private sector in development: some introductory notions



→ Modalities for private sector engagement

- **Knowledge and information sharing:** This includes learning-oriented interactions that aim to identify and exchange experiences and best practices among organisations and firms.
- **Policy dialogue:** This includes policy-oriented discussions across sectors that aim to create or change policies or behaviour, including through the adoption of best practices and specific standards.
- **Technical assistance:** Mostly provided in the context of development finance, technical assistance includes the direct provision or funding for the provision of specialised advice and support to private sector actors.
- **Capacity development:** This includes efforts to enhance individual or organisational learning and develop the abilities of actors to perform functions, solve problems and achieve objectives.
- **Finance:** This includes transfers in cash, goods or services for which no repayment is required and transfers for which (re)payment is required to support specific projects, programmes or private sector entities. Finance includes **private sector instruments**.

# Blended finance



→ DAC members define blended finance as “**the strategic use of official funds including concessional tools to mobilise additional capital flows (public and/or private) to emerging and frontier markets**”. Blended finance has three characteristics:

- leverage, the use of development or philanthropic funds to attract capital into deals (i.e. concessional finance);
- impact, investments that drive social, environmental and economic progress;
- and returns, in line with market expectations based on real and perceived risks.

→ For the EU, **blending** is an instrument for achieving EU external policy objectives, complementary to other aid modalities and pursuing the relevant regional, national and overarching policy priorities. Blending means the **combination of EU grants with loans or equity from public and private financiers**. The idea behind blending is that the EU grant element can be used in a strategic way to attract additional financing for important investments in EU partner countries.

→ For TUDCN, blending is **ODA which is used in combination with other forms of finance to catalyse private flows for development**. In general, catalysing or leveraging private flows for development often involves public finance in addition to aid. For example, an aid grant can be blended with a loan extended by a DFI to finance a private-sector project.

# Public-Private Partnerships (PPPs)

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→ PPPs are a modality of blending

→ PPPs are contractual **arrangements between the state and the private sector that entail a risk sharing between the two**. In this contractual agreement, the private sector provides infrastructure assets and services, that traditionally have been provided by government, such as hospitals, schools, prisons, roads, bridges, tunnels, railways, and water and sanitation plants. The partnership arrangement delineates partners' roles and responsibilities, risk sharing, and distribution of financial and nonfinancial benefits.

→ The term PPPs is currently being used to refer to anything from informal and short-term collaborations between non-governmental organisations, the private sector and/or government agencies; to more complex and long-term contractual arrangements in which the private sector participates in the supply of assets and services traditionally provided by the government.

→ PPPs are at odds with traditional procurement schemes, and are seen by trade unions and CSOs as a backdoor for privatisation of essential public services. Evidence shows that PPPs make public service provision more expensive, therefore undermining the inclusive development goal.

# Development Finance Institutions (DFIs)



→ Unlike other forms of aid flows traditionally managed by aid agencies, leveraging or blending instruments generally involve **more specialised financial institutions**. The natural choice of donors has been to rely on development finance institutions (DFIs) to manage aid funds and blend them with other public and private finance.

→ National and international DFIs are specialised development banks or subsidiaries set up to support private sector development in developing countries. They are **usually majority-owned by national governments** and source their capital from national or international development funds or benefit from government guarantees. This ensures their creditworthiness, which enables them to raise large amounts of money on international capital markets and provide financing on very competitive terms.

→ It is very difficult to get an accurate picture for all DFIs, as not all donor countries report aid used for blending in the same way. Different reporting practices make it very difficult to estimate the exact amount of aid being channelled through DFIs for blending purposes. Donor countries' development policies also suggest that **collaboration between DFIs and aid agencies is expected to increase in the future**.

# Development Finance Institutions (DFIs)



→ **Bilateral DFIs are either independent institutions**, such as the Netherlands Development Finance Company (FMO), **or part of larger bilateral development banks**, such as the German Investment and Development Company (DEG), which is part of the German development bank KfW. They are both among the largest DFIs worldwide.

→ **Multilateral DFIs are private sector arms of international financial institutions (IFIs)** that have been established by more than one country, and hence are subject to international law. Their shareholders are generally national governments but could also occasionally include other international or private institutions. These institutions finance projects in support of the private sector mainly through equity investments, long-term loans and guarantees. **They usually have a greater financing capacity than bilateral development banks** and also act as a forum for close co-operation among governments.

→ The main multilateral DFIs include: AFDB (African Development Bank), **ADB (Asian Development Bank)**, EBRD (European Bank for Reconstruction and Development), EIB (European Investment Bank), IDB (Inter-American Development Bank), IFC (International Finance Corporation), ISDB (Islamic Development Bank)

# DFIs – fit for purpose?

→ DFIs were not built to manage and deliver aid flows, there are important concerns about their ability to deliver results and achieve positive development outcomes.

→ DFIs are ill-equipped to manage aid flows in line with existing best practices. DFIs rarely show a good level of performance in any of these areas: Mandate & Eligibility; Participation of social partners; Standard on worker's rights and OFC; Monitoring; Transparency; Complaint mechanisms.

→ DFIs do not have adequate systems in place to guarantee the ownership of development projects by developing countries' governments and stakeholders

→ Current practices and systems used by the DFIs cannot generally guarantee a minimum level of accountability when using aid funds or other public resources



**The development effectiveness of supporting the private sector with ODA funds**



Research Paper – 2016

# Existing business accountability mechanisms



→ In a globalised economy, a large number of instruments have been created **to offset the dominant power of market dynamics**. Many have underlined that the enforcement of social and environmental standards are needed as companies take excessive advantage from the lack of institutional constraints.

→ As matter of the fact, several international standards act together on the global scene with the aim of keeping all governmental and non-governmental actors compliant with **a minimum set of fundamental standards**, mitigating the democratic deficit of the global governance.

→ Such instruments are normative or procedural with the attempt to introduce transparency and accountability in the way private actors behave (e.g., Global Report Initiative, Global compact, OECD Guidelines, etc.). They operate **triggering relationships between business, trade unions, stakeholders, local authorities, states, and international organisations**.

→ It is a complex set of relationships that, in the view of some, shows the lack of any form of worldwide governance of a globalized market. For others, such relationships as a whole still represent **a form of global governance**.

# Existing business accountability mechanisms

- ILO Declaration of Principles concerning Multinational Enterprises and Social Policy
- OECD Guidelines for Multinational Enterprises
- United Nations Global Compact
- United Nations Guiding Principles on Business and Human Rights
- Transnational Company Agreements (TCAs)-Global Agreements



## Business accountability FOR development

Mapping business liability mechanisms and donor engagement with the private sector in development



Research Paper – 2015 **1**

# Some key questions

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- Can increased participation of private sector lead to privatisation of ODA?
- What counter-narratives can be used against the “SDGs funding gap”?
- Is a private sector-friendly development cooperation the backdoor for deregulation?
- Which private sector benefits the most: the local or the one from donor countries?
- How promote decent work and social dialogue in these new schemes?
- Are private sector instruments really efficient?

## Trade union asks

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- Claim same access and space to policy-making that private sector enjoys, in the spirit of social dialogue
- Ensure that private sector is subjected to strict eligibility and reporting criteria to benefit from ODA
- Evaluate projects against development effectiveness principles, and condition future ODA allocation to performance and compliance with business accountability mechanisms
- Mandatory global frameworks for business accountability

# Issues at stake, challenges and policy trends within key institutions



## OECD-DAC

- ODA modernisation & private sector instruments reform
- Total Official support for Sustainable Development (TOSSD)
- OECD-DAC principles on blended finance

**Arenas of action: Yearly Trade Union and OECD-DAC Forum, DAC high-level and senior-level meetings, national delegations to the DAC (minister of international development), national governments, EU delegations in partner countries**

# Issues at stake, challenges and policy trends within key institutions



## United Nations/ESCAP/ILO

- Accountability of private sector in SDGs
- FfD discussions on blended finance, domestic resource mobilisation, tax justice
- Talks for a UN Treaty on Business and Human Rights
- ILO: resolution on contribution of supply chains to decent work & SDGs / Discussion on effective development cooperation (2018 ILC)
- Promotion of decent work (SDG 8) and social dialogue as drivers of sustainable development

**Arenas of action: SDGs regional and global forums, UN Development Cooperation Forum, Financing for Development Follow-Up Forum, ILO ILC**

# Issues at stake, challenges and policy trends within key institutions

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## Development Effectiveness agenda (GPEDC)

→ Multi-stakeholder partnership to increase the effectiveness of aid, where trade unions, private sector, donors & recipients take part

→ Currently debating ways to better engage the private sector in development cooperation

**Arenas of action: Global Partnership meetings, CSO Partnership for Development Effectiveness**

# Some trends to follow in the AP region

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- Indonesia is considering regulation on blended finance
- Australia considering to establish a DFI
- National PPP commissions to engage with:
  - Philippines: PPP Center
  - Indonesia: Directorate of PPP development
  - India: PPP Cell, Department of Economic Affairs
  - Nepal: National Planning Commission
- Regional PPP offices:
  - ADB Office of PPPs
  - ESCAP liaison with national PPP Units

# Trade union tools

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- Awareness-raising among affiliates
- Advocacy at national, regional and global level
- Trade union criteria for private sector engagement
- **Evidence-based research**

## Some examples of blending & PPPs in AP

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→ Indonesia: **Rajamandala Hydropower Project.**

Japanese capital and World Bank guarantees of up to \$200 million USD covering non-shareholder loans by Mizuho Bank Ltd. and Japan Bank for International Cooperation of Japan.

The coverage is for a period of up to 19 years against the risks of transfer restriction, expropriation, war and civil disturbance, and breach of contract. The project consists of the development and operation of a 47 megawatt run-of-the-river hydropower plant near Bandung on Java Island on a build-operate-transfer basis.

## Some examples of blending & PPPs in AP

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→ Nepal: **Efficient transmission of electricity from renewable sources.** Lead financial institution is the German Entwicklungsbank (KfW), with support of the European Investment Bank (EIB) through the Asian Investment Facility (AIF), a blended finance facility.

The objective of this project is to contribute to the improvement of a reliable and sustainable power supply in Nepal by extending the grid infrastructure for efficiently transmitting the electricity generated by renewable energy sources (hydro) from the project region into the national grid.

# What to look for in AP case studies

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- How to create evidence? Precedent of DFI study.
- Focus on blended finance instruments (go beyond PPPs).  
Examples of equity investment/guarantees using ODA.
- Critical cases on decent work creation, involvement of the unions, on sustainability of job creation. Analysis against four pillars of decent work
- Focus on labour-intensive projects (energy, infrastructure, digitalisation)
- Focus on development results



**BREAK**



## Next global and regional initiatives of the TUDCN

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- ✓ AP FSD + CSO Forum (28-30 March, Bangkok)
- ✓ TU-OECD/DAC Forum (19-20 March, Paris)
- ✓ TUDCN General Meeting (9-11 May, Sao Paolo)
- ✓ ILC- thematic discussion on development effectiveness (28 May-8 June, Geneva)
- ✓ AP seminar on TUs partnerships in international solidarity (June, Bangkok)

# Final Conclusions

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