

**Workers and Trade Unions Major Group statement to the High Level Political Forum 2018 review of SDG 17  
(undelivered)**

Thank you moderator,

I speak on behalf of the International Trade Union Confederation (the ITUC).

The informal economy, also known as the “sector of desperation”, is dominated by women and young people struggling to survive and it is growing. Today it is the reality for 60% of the world’s workers. We need to focus our collective efforts to bring them into formal work. Governments have a leading role to play by ensuring an enabling environment for those workers to build collective voices and improve their conditions from the bottom up.

While it may require initial investment, the formalisation of work is a major source of domestic resource mobilisation over the long term. This must be accompanied by strong national industrial policies to build a domestic private sector that is local and accountable.

There is a move towards using Official Development Assistance to “leverage”, “de-risk”, “blend” or otherwise attract private finance to contribute to development, with the aim of increasing the overall resources for development from “billions to trillions”.

However, trade unions highlight that when blending resources, we must take into account that the objectives of the investments are also blended, not to say diluted. While job creation is a major claimed benefit of these initiatives, the provisions to ensure that these jobs are empowering rather than exploitative are lacking.

Trade unions in Malawi, Haiti, in Peru, Zambia and India have taken a closer look at the real impacts of blended finance initiatives on the ground. Rather than a rising tide, they have found that the rights of workers to organise into unions, to collectively bargain or raise a complaint have not been guaranteed and that core labour standards are not met.

If private sector finance is to be used with the aim of achieving the SDGs, we need to make sure that the interests and realities of end beneficiaries stay at centre stage.

The means of implementation should be tailored to these realities. Rather than incentivising their companies to act well, the focus needs to be on ensuring and enforcing the right regulatory framework to shape the private sector to the needs of the 2030 Agenda. One important element is, as France has done, to mandate that companies fulfil their ‘due diligence’ responsibilities, as prescribed by the UN Guiding Principles on Business and Human Rights. Furthermore, they need to do more to close the gaps in the international tax system to ensure that corporations too pay their fair share.

We further highlight the key role of social dialogue as a driver and governance instrument for sustainable development, both in the formalisation process and in development cooperation. This form of multi-stakeholder partnership has been at the core of development success-stories, both historically and in the present-day.

Finally, we would like to suggest some innovation here in this room. The 2030 Agenda commits us to a multi-stakeholder approach. The challenge we put to government representations is the following: to lead by example and embody this approach by include stakeholders from their countries in their national delegations next year.

Thank you.