

Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy





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Introduction

The principles laid down in the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) offer guidelines to multinational enterprises, governments, and employers' and workers' organizations in such areas as employment, training, conditions of work and life, and industrial relations. This guidance is founded substantially on principles contained in international labour Conventions and Recommendations. The ILO Declaration on Fundamental Principles and Rights at Work (1998), as amended in 2022, which is universally recognized as essential for realizing the objective of decent work for all, also underpins the guidance offered. Annex I provides a list of international labour Conventions and Recommendations relevant to the MNE Declaration.

The continued prominent role of multinational enterprises in the process of social and economic globalization renders the application of the principles of the MNE Declaration important and necessary in the context of foreign direct investment and trade, and the use of global supply chains. The parties concerned have the opportunity to use the principles of the MNE Declaration as guidelines for enhancing the positive social and labour effects of the operations and governance of multinational enterprises to achieve decent work for all, a universal goal recognized in the 2030 Agenda for Sustainable Development. These guidelines can also be used in developing partnerships to address many of the challenges which neither governments nor companies can address on their own, including multi-stakeholder partnerships and international cooperation initiatives.

This instrument provides social policy guidelines in a sensitive and highly complex area of activities. Adherence to the MNE Declaration by all concerned will contribute to a climate more conducive to decent work, inclusive economic growth and sustainable development. All are encouraged to apply the principles of the MNE Declaration. To stimulate uptake of its principles by all parties, the Governing Body of the International Labour Office has adopted operational tools that are listed in Annex II.

Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

The International Labour Organization (ILO), with its unique tripartite structure, its competence, and its long-standing experience in the social field, has an essential role to play in evolving principles for the guidance of governments, employers' and workers' organizations, and multinational enterprises themselves.

The Governing Body of the International Labour Office approved the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy at its 204th Session (November 1977) and subsequently amended it at its 279th Session (November 2000) and 295th Session (March 2006). The Governing Body decided at its 329th Session (March 2017) to further amend the Declaration taking account of developments since the previous update in 2006 within the ILO such as the ILO Declaration on Social Justice for a Fair Globalization, adopted by the International Labour Conference (ILC) in 2008, new international labour standards, the ILC Conclusions concerning the promotion of sustainable enterprises (2007) and the ILC Conclusions concerning decent work in global supply chains (2016); as well as the Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework (2011) and the goals and targets of the 2030 Agenda for Sustainable Development (2015) that are particularly relevant to the Declaration; and noting the Addis Ababa Action Agenda (2015) on financing for development, the Paris Agreement (2015) concerning climate change, and the OECD Guidelines for Multinational Enterprises (as revised in 2011). The Governing Body adopted additional amendments at its 346th Session (October-November 2022), following the adoption of the ILC resolution on the inclusion of a safe and healthy working environment in the ILO's framework of fundamental principles and rights at work. The Governing Body approves the following revised Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, which may be cited as the MNE Declaration, and invites governments of States Members of the ILO, the employers' and workers' organizations concerned and the multinational enterprises operating in their territories to observe the principles embodied therein.

Aim and scope

- 1. Multinational enterprises play an important part in the economies of most countries and in international economic relations. This is of increasing interest to governments as well as to employers and workers and their respective organizations. Through international direct investment, trade and other means, such enterprises can bring substantial benefits to home and host countries by contributing to the more efficient utilization of capital, technology and labour. Within the framework of sustainable development policies established by governments, they can also make an important contribution to the promotion of economic and social welfare; to the improvement of living standards and the satisfaction of basic needs; to the creation of employment opportunities, both directly and indirectly; and to the enjoyment of human rights, including freedom of association, throughout the world. On the other hand, the advances made by multinational enterprises in organizing their operations beyond the national framework may lead to abuse of concentrations of economic power and to conflicts with national policy objectives and with the interest of the workers. In addition, the complexity of multinational enterprises and the difficulty of clearly perceiving their diverse structures, operations and policies sometimes give rise to concern either in the home or in the host countries, or in both.
- 2. The aim of this 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.
- **3.** This aim will be 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 the employers' and workers' organizations of all countries.
- 4. The principles of this Declaration are intended to guide governments, employers' and workers' organizations of home and host countries and multinational enterprises in taking measures and actions and adopting social policies, including those based on the principles laid down in the Constitution and the relevant Conventions and Recommendations of the ILO, to further social progress and decent work.
- 5. These principles do not aim at introducing or maintaining inequalities of treatment between multinational and national enterprises. They reflect good practice for all. Multinational and national enterprises, wherever the principles of the MNE Declaration are relevant to both, should be subject to the same expectations in respect of their conduct in general and their social practices in particular.
- 6. To serve its purpose the MNE Declaration does not require a precise legal definition of multinational enterprises; this paragraph is designed to facilitate the understanding of the Declaration and not to provide such a definition. Multinational enterprises include enterprises whether fully or partially state-owned or privately owned which 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. The degree of autonomy of entities within multinational enterprises in relation to each other varies widely from one such enterprise to another, depending on the nature of the links between such entities and their fields of activity and having regard to the great diversity in the form of ownership, in the size, in the nature and location of the operations of the enterprises concerned. Unless otherwise specified, the term "multinational enterprise" is used in this Declaration to designate the various entities (parent companies or local entities or both or the organization as a whole) according to the

distribution 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 laid down in this Declaration. In that regard, it also recognizes that multinational enterprises often operate through relationships with other enterprises as part of their overall production process and, as such, can contribute to further the aim of this Declaration.

7. This Declaration sets out principles in the fields of employment, training, conditions of work and life, and industrial relations which governments, employers' and workers' organizations and multinational enterprises are recommended to observe on a voluntary basis; its principles shall not limit or otherwise affect obligations arising out of ratification of any ILO Convention.

General policies

- 8. All the parties concerned by the MNE Declaration 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 which they have freely entered into, in conformity with the national law and accepted international obligations. They should respect the Universal Declaration of Human Rights (1948) and the corresponding International Covenants (1966) adopted by the General Assembly of the United Nations as well as the Constitution of the International Labour Organisation and its principles according to which freedom of expression and association are essential to sustained progress.
- 9. All parties should contribute to the realization of the ILO Declaration on Fundamental Principles and Rights at Work (1998), as amended in 2022. All Members, even if they have not ratified the fundamental Conventions in question, have an obligation, arising from the very fact of membership in the Organization, to respect, to promote and to realize, in good faith and in accordance with the Constitution, the principles concerning the fundamental rights which are the subject of those Conventions, namely: (a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; (d) the elimination of discrimination in respect of states which have not yet ratified the Conventions concerning fundamental principles and rights at work recognized in the 1998 Declaration are urged to do so. Multinational enterprises, through their operations, can contribute significantly to the attainment of its objectives.
- 10. The principles set out in the MNE Declaration are commended to governments, employers' and workers' organizations of home and host countries and to multinational enterprises themselves. The principles thereby reflect the fact that different actors have a specific role to play. In this regard for the purpose of this Declaration:
 - (a) The Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework (2011) outline the respective duties and responsibilities of States and enterprises on human rights. These principles are grounded in recognition of: (i) States' existing obligations to respect, protect and fulfil human rights and fundamental freedoms ("the State duty to protect human rights"); (ii) the role of enterprises as specialized organs of society performing specialized functions, required to comply with all applicable laws and to respect human rights ("the corporate responsibility to respect human rights"); and (iii) the need for rights and obligations to be matched to appropriate and effective remedies when breached ("access to remedy").
 - (b) The Guiding Principles apply to all States and to all enterprises, both multinational and others, regardless of their size, sector, operational context, ownership and structure.
 - (c) The corporate responsibility to respect human rights requires that enterprises, including multinational enterprises wherever they operate: (i) avoid causing or contributing to adverse impacts through their own activities, and address such impacts when they occur; and (ii) seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.
 - (d) Enterprises, including multinational enterprises, should carry out due diligence to identify, prevent, mitigate and account for how they address their actual and potential adverse impacts that relate to internationally recognized human rights, understood, at a minimum,

as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the ILO Declaration on Fundamental Principles and Rights at Work.

- (e) In order to gauge human rights risks, enterprises including multinational enterprises should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships. This process should involve meaningful consultation with potentially affected groups and other relevant stakeholders including workers' organizations, as appropriate to the size of the enterprise and the nature and context of the operation. For the purpose of achieving the aim of the MNE Declaration, this process should take account of the central role of freedom of association and collective bargaining as well as industrial relations and social dialogue as an ongoing process.
- 11. Multinational enterprises should take fully into account established general policy objectives of the countries in which they operate. Their activities should be consistent with national law and in harmony with the development priorities and social aims and structure of the country in which they operate. To this effect, consultations should be held between multinational enterprises, the government and, wherever appropriate, the national employers' and workers' organizations concerned.
- 12. Governments of host countries should promote good social practice in accordance with this Declaration among multinational enterprises operating in their territories. Governments of home countries should promote good social practice in accordance with this Declaration among their multinational enterprises operating abroad, having regard to the social and labour law, regulations and practices in host countries as well as to relevant international standards. Both host and home country governments should be prepared to have consultations with each other, whenever the need arises, on the initiative of either.

Employment

Employment promotion

- **13.** With a view to stimulating sustainable economic growth and development, raising living standards, meeting employment requirements and overcoming unemployment and underemployment, governments should declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment, and decent work.
- 14. This is particularly important in the case of host country governments where the problems of unemployment and underemployment are most serious, and in particular in developing areas of the world. In this connection, the Global Employment Agenda (2003), the ILC Conclusions concerning the promotion of sustainable enterprises (2007), the Global Jobs Pact (2009), as amended in 2022, and Goal 8 of the Sustainable Development Goals should be kept in mind.
- **15.** Paragraphs 13 and 14 above establish the framework within which due attention should be paid, in both home and host countries, to the employment impact of multinational enterprises.
- 16. Multinational enterprises, particularly when operating in developing countries, should endeavour to increase employment opportunities and standards, taking into account the employment policies and objectives of the governments, as well as security of employment and the long-term development of the enterprise.
- **17.** Before starting operations, multinational enterprises should, wherever appropriate, consult the competent authorities and the national employers' and workers' organizations in order to keep their employment plans, as far as practicable, in harmony with national social development policies. Such consultation, as in the case of national enterprises, should continue between the multinational enterprises and all parties concerned, including the workers' organizations.
- 18. Multinational enterprises should give priority to the employment, occupational development, promotion and advancement of nationals of the host country at all levels in cooperation, as appropriate, with representatives of the workers employed by them or of the organizations of these workers and governmental authorities.
- **19.** Multinational enterprises, when investing in developing countries, should have regard to the importance of using technologies which generate employment, both directly and indirectly. To the extent permitted by the nature of the process and the conditions prevailing in the economic sector concerned, they should adapt technologies to the needs and characteristics of the host countries. They should also, where possible, take part in the development of appropriate technology in host countries.
- 20. To promote employment in developing countries, in the context of an expanding world economy, multinational enterprises, wherever practicable, should give consideration to the conclusion of contracts with national enterprises for the manufacture of parts and equipment, to the use of local raw materials and to the progressive promotion of the local processing of raw materials. Such arrangements should not be used by multinational enterprises to avoid the responsibilities embodied in the principles of this Declaration.
- **21.** Governments should develop and implement an integrated policy framework to facilitate the transition to the formal economy, recognizing that decent work deficits are most pronounced in the informal economy. Multinational and other enterprises should also contribute to this aim.

Social security

22. Governments should establish and maintain, as applicable, social protection floors as a fundamental element of their national social security systems; and implement social protection floors within strategies for the extension of social security that progressively ensure higher levels of social security to as many people as possible, guided by ILO social security standards. Social partners could play a role in promoting these policies. Multinational and other enterprises could complement public social security systems and help to stimulate further their development, including through their own employer-sponsored programmes.

Elimination of forced or compulsory labour

- 23. Governments should take effective measures to prevent and eliminate forced labour, to provide to victims protection and access to appropriate and effective remedies, such as compensation and rehabilitation, and to sanction the perpetrators of forced or compulsory labour. Governments should develop a national policy and plan of action, in consultation with employers' and workers' organizations. This shall involve systematic action by the competent authorities and, as appropriate, in coordination with employers' and workers' organizations, as well as with other groups concerned.
- 24. In order to suppress forced or compulsory labour, governments should provide guidance and support to employers and enterprises to take effective measures to identify, prevent, mitigate and account for how they address the risks of forced and compulsory labour in their operations or in products, services or operations in which they may be directly linked.
- **25.** Multinational as well as national enterprises should take immediate and effective measures within their own competence to secure the prohibition and elimination of forced or compulsory labour in their operations.

Effective abolition of child labour: Minimum age and worst forms

- **26.** Governments should develop a national policy designed to ensure the effective abolition of child labour; take immediate and effective 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 for admission to employment or work to a level consistent with the fullest physical and mental development of young persons.
- 27. Multinational enterprises, as well as national enterprises, should respect the minimum age for admission to employment or work in order to secure the effective abolition of child labour in their operations and should take immediate and effective measures within their own competence to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency.

Equality of opportunity and treatment

- **28.** Governments should 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.
- **29.** Governments should promote equal remuneration for men and women workers for work of equal value.
- **30.** Multinational enterprises should be guided by the principle of non-discrimination throughout their operations without prejudice to the measures envisaged in paragraph 18 or to government policies designed to correct historical patterns of discrimination and thereby to extend equality

of opportunity and treatment in employment. Multinational enterprises should accordingly make qualifications, skill and experience the basis for the recruitment, placement, training and advancement of their staff at all levels.

31. Governments should never require or encourage multinational enterprises to discriminate on any of the grounds mentioned in paragraph 28, and continuing guidance from governments, where appropriate, on the avoidance of such discrimination in employment is encouraged.

Security of employment

- **32.** Governments should carefully study the impact of multinational enterprises on employment in different industrial sectors. Governments, as well as multinational enterprises themselves, in all countries should take suitable measures to deal with the employment and labour market impacts of the operations of multinational enterprises.
- **33.** Multinational enterprises as well as national enterprises, through active employment planning, should endeavour to provide stable employment for workers employed by each enterprise and should observe freely negotiated obligations concerning employment stability and social security. In view of the flexibility which multinational enterprises may have, they should strive to assume a leading role in promoting security of employment, particularly in countries where the discontinuation of operations is likely to accentuate long-term unemployment.
- **34.** In considering changes in operations (including those resulting from mergers, takeovers or transfers of production) which would have major employment effects, multinational enterprises should provide reasonable notice of such changes to the appropriate government authorities and representatives of the workers in their employment and their organizations so that the implications may be examined jointly in order to mitigate adverse effects to the greatest possible extent. This is particularly important in the case of the closure of an entity involving collective lay-offs or dismissals.
- **35.** Arbitrary dismissal procedures should be avoided.
- **36.** Governments, in cooperation with multinational as well as national enterprises, should provide some form of income protection for workers whose employment has been terminated.

Training

- **37.** Governments, in cooperation with all the parties concerned, should develop national policies for vocational training and guidance, closely linked with employment. This is the framework within which multinational enterprises should pursue their training policies.
- **38.** In their operations, multinational enterprises should ensure that relevant training is provided for all levels of workers employed by them in the host country, as appropriate, to meet the needs of the enterprise as well as the development policies of the country. Such training should, to the extent possible, develop generally useful skills and promote career opportunities and lifelong learning. This responsibility should be carried out, where appropriate, in cooperation with the authorities of the country, employers' and workers' organizations and the competent local, national or international institutions.
- **39.** Multinational enterprises operating in developing countries should participate, along with national enterprises, in programmes, including special funds, encouraged by host governments and supported by employers' and workers' organizations. These programmes should have the aim of encouraging skill formation, lifelong learning and development as well as providing vocational guidance, and should be jointly administered by the parties which support them. Wherever practicable, multinational enterprises should make the services of skilled resource personnel available to help in training programmes organized by governments as part of a contribution to national development.
- **40.** Multinational enterprises, with the cooperation of governments and to the extent consistent with the efficient operation of the enterprise, should afford opportunities within the enterprise as a whole to broaden the experience of local management in suitable fields such as industrial relations.

Conditions of work and life

Wages, benefits and conditions of work

- **41.** Wages, benefits and conditions of work offered by multinational enterprises across their operations should be not less favourable to the workers than those offered by comparable employers in the host country. Where comparable employers do not exist, they should provide the best possible wages, benefits and conditions of work. The elements to be taken into consideration should include: (a) the needs of workers and their families, taking into account the general level of wages in the country, the cost of living, social security benefits, and the relative living standards of other social groups; and (b) economic factors, including the requirements of economic development, levels of productivity and the desirability of attaining and maintaining a high level of employment. Where the employer provides workers with basic amenities such as housing, medical care or food, these amenities should be of a good standard.
- **42.** Governments, especially in developing countries, should 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.

Safety and health

- 43. Governments should ensure that both multinational and national enterprises provide adequate safety and health standards and contribute to a preventative safety and health culture in enterprises progressively achieving a safe and healthy working environment. This would include steps to combat workplace violence against women and men and attention to building safety. The relevant international labour standards, including the list of occupational diseases, and the ILO codes of practice and guidelines in the current list of ILO publications on occupational safety and health, should also be taken into account. Compensation should be provided to workers who have been victims of occupational accidents or diseases.
- 44. Multinational enterprises should maintain the highest standards of safety and health, in conformity with national requirements, bearing in mind their relevant experience within the enterprise as a whole, including any knowledge of special hazards. They should also make available to the representatives of the workers, and upon request, to the competent authorities and the workers' and employers' organizations in all countries in which they operate, information on the safety and health standards relevant to their local operations, which they observe in other countries. In particular, they should make known to those concerned any special hazards and related protective measures associated with new products and processes. They, like comparable domestic enterprises, should be expected to play a leading role in the examination of causes of industrial safety and health hazards and in the application of resulting improvements within the enterprise as a whole.
- **45.** Multinational enterprises should cooperate in the work of international organizations concerned with the preparation and adoption of international safety and health standards.
- 46. In accordance with national practice, multinational enterprises should cooperate fully with the competent safety and health authorities, the representatives of the workers and their organizations, and established safety and health organizations. Where appropriate, matters relating to safety and health should be incorporated in agreements with the representatives of the workers and their organizations.

Industrial relations

47. Multinational enterprises should observe standards of industrial relations throughout their operations.

Freedom of association and the right to organize

- **48.** Workers employed by multinational enterprises as well as those employed by national enterprises should, without distinction whatsoever, have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization. They should also enjoy adequate protection against acts of anti-union discrimination in respect of their employment.
- **49.** Organizations representing multinational enterprises or the workers in their employment should enjoy adequate protection against any acts of interference by each other or each other's agents or members in their establishment, functioning or administration.
- **50.** Where appropriate, in the local circumstances, multinational enterprises should support representative employers' organizations.
- **51.** Governments, where they do not already do so, are urged to apply the principles of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (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.
- **52.** Where governments of host countries offer special incentives to attract foreign investment, these incentives should not include any limitation of the workers' freedom of association or the right to organize and bargain collectively.
- **53.** Representatives of the workers in multinational and national enterprises should not be hindered from meeting for consultation and exchange of views among themselves, provided that the functioning of the operations of the enterprise and the normal procedures which govern relationships with representatives of the workers and their organizations are not thereby prejudiced.
- **54.** Governments should not restrict the entry of representatives of employers' and workers' organizations who come from other countries at the invitation of the local or national organizations concerned for the purpose of consultation on matters of mutual concern, solely on the grounds that they seek entry in that capacity.

Collective bargaining

- **55.** Workers employed by multinational enterprises should have the right, in accordance with national law and practice, to have representative organizations of their own choosing recognized for the purpose of collective bargaining.
- **56.** Measures appropriate to national conditions should be taken to encourage and promote the full development and utilization of machinery for voluntary negotiation between employers or employers' organizations and workers' organizations, with a view to the regulation of terms and conditions of employment by means of collective agreements.

- **57.** Multinational enterprises, as well as national enterprises, should provide workers' representatives with such facilities as may be necessary to assist in the development of effective collective agreements.
- **58.** Multinational enterprises should enable duly authorized representatives of the workers in their employment in each of the countries in which they operate to conduct negotiations with representatives of management who are authorized to take decisions on the matters under negotiation.
- **59.** Multinational enterprises, in the context of bona fide negotiations with the workers' representatives on conditions of employment, or while workers are exercising the right to organize, should not threaten to utilize a capacity to transfer the whole or part of an operating unit from the country concerned in order to influence unfairly those negotiations or to hinder the exercise of the right to organize; nor should they transfer workers from affiliates in foreign countries with a view to undermining bona fide negotiations with the workers' representatives or the workers' exercise of their right to organize.
- **60.** Collective agreements should include provisions for the settlement of disputes arising over their interpretation and application and for ensuring mutually respected rights and responsibilities.
- **61.** Multinational enterprises should provide workers' representatives with information required for meaningful negotiations with the entity involved and, where this accords with local law and practices, should also provide information to enable them to obtain a true and fair view of the performance of the entity or, where appropriate, of the enterprise as a whole.
- **62.** Governments should supply to the representatives of workers' organizations on request, where law and practice so permit, information on the industries in which the enterprise operates, which would help in laying down objective criteria in the collective bargaining process. In this context, multinational as well as national enterprises should respond constructively to requests by governments for relevant information on their operations.

Consultation

63. In multinational as well as in national enterprises, systems devised by mutual agreement between employers and workers and their representatives should provide, in accordance with national law and practice, for regular consultation on matters of mutual concern. Such consultation should not be a substitute for collective bargaining.

Access to remedy and examination of grievances

- **64.** As part of their duty to protect against business-related human rights abuses, governments should take appropriate steps to ensure, through judicial, administrative, legislative or other appropriate means, that when such abuses occur within their territory and/or jurisdiction any affected worker or workers have access to effective remedy.
- **65.** Multinational enterprises should use their leverage to encourage their business partners to provide effective means of enabling remediation for abuses of internationally recognized human rights.
- **66.** Multinational as well as national enterprises should respect the right of the workers whom they employ to have all their grievances processed in a manner consistent with the following provision: any worker who, acting individually or jointly with other workers, considers that he or she has grounds for a grievance should have the right to submit such grievance without suffering any prejudice whatsoever as a result, and to have such grievance examined pursuant to an

appropriate procedure. This is particularly important whenever the multinational enterprises operate in countries which do not abide by the principles of ILO Conventions pertaining to freedom of association, to the right to organize and bargain collectively, to discrimination, to child labour, to forced labour and to a safe and healthy working environment.

Settlement of industrial disputes

- **67.** Governments should ensure that voluntary conciliation and arbitration machinery, appropriate to national conditions, is made available to assist in the prevention and settlement of industrial disputes between employers and workers. The procedure should be free of charge and expeditious.
- 68. Multinational as well as national enterprises jointly with the representatives and organizations of the workers whom they employ should seek to establish voluntary conciliation machinery, appropriate to national conditions, which may include provisions for voluntary arbitration, to assist in the prevention and settlement of industrial disputes between employers and workers. The voluntary conciliation machinery should include equal representation of employers and workers.

Annex I

List of ILO Declarations, international labour Conventions and Recommendations, codes of practice, guidelines and other guidance documents relevant to the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy

A. ILO Declarations

- ILO Declaration on Fundamental Principles and Rights at Work (1998), as amended in 2022
- ILO Declaration on Social Justice for a Fair Globalization (2008), as amended in 2022

B. International labour Conventions and Recommendations

Forced labour	 Forced Labour Convention, 1930 (No. 29) and its Protocol of 2014; and Forced Labour (Indirect Compulsion Recommendation, 1930 (No. 35) Abolition of Forced Labour Convention, 1957 (No. 105) Forced Labour (Supplementary Measures) Recommendation, 2014 (No. 203)
Child labour	 Minimum Age Convention (No. 138) and Recommendation (No. 146), 1973 Worst Forms of Child Labour Convention (No. 182) and Recommendation (No. 190), 1999
Non-discrimination	 Equal Remuneration Convention (No. 100) and Recommendation (No. 90), 1951 Discrimination (Employment and Occupation) Convention (No. 111) and Recommendation (No. 111), 1958
Freedom of association and collective bargaining	 Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) Right to Organise and Collective Bargaining Convention, 1949 (No. 98) Collective Bargaining Convention (No. 154) and Recommendation (No. 163), 1981
A safe and healthy working environment	 Occupational Safety and Health Convention (No. 155) and Recommendation (No. 164), 1981 Promotional Framework for Occupational Safety and Health Convention (No. 187) and Recommendation (No. 197), 2006

Industrial relations	•	Workers' Representatives Convention, 1971 (No. 135) Voluntary Conciliation and Arbitration Recommendation, 1951 (No. 92) Co-operation at the Level of the Undertaking Recommendation, 1952 (No. 94)
	•	Communications within the Undertaking Recommendation, 1967 (No. 129) Examination of Grievances Recommendation, 1967 (No. 130)

Employment promotion	• Employment Policy Convention (No. 122), and Recommendation (No. 122), 1964
	• Employment Promotion and Protection against Unemployment Convention (No. 168) and Recommendation (No. 176), 1988
	 Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169)
	• Job Creation in Small and Medium-Sized Enterprises Recommendation, 1998 (No. 189)
	 Promotion of Cooperatives Recommendation, 2002 (No. 193)

Equality of treatment	•	Workers with Family Responsibilities Convention (No. 156) and Recommendation (No. 165), 1981
	•	HIV and AIDS Recommendation, 2010 (No. 200)

Security of employment • Termination of Employment Convention (No. 166), 1982	(No. 158) and Recommendation
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Training	•	Human Resources Development Convention, 1975 (No. 142)
	•	Human Resources Development Recommendation, 2004 (No. 195)

Conditions of work	•	Protection of Workers' Claims (Employer's Insolvency) Convention (No. 173) and Recommendation (No. 180), 1992
	•	Workers' Housing Recommendation, 1961 (No. 115)
	•	Reduction of Hours of Work Recommendation, 1962 (No. 116)

Occupational safety and health	 Working Environment (Air Pollution, Noise and Vibration) Convention (No. 148) and Recommendation (No. 156), 1977 Protocol of 2002 to the Occupational Safety and Health Convention, 1981 Occupational Health Services Convention (No. 161) and Recommendation (No. 171), 1985 Asbestos Convention (No. 162) and Recommendation (No. 172), 1986 Safety and Health in Construction Convention (No. 167) and Recommendation (No. 175), 1988 Chemicals Convention (No. 170) and Recommendation (No. 177), 1990 Prevention of Major Industrial Accidents Convention (No. 174) and Recommendation (No. 181), 1993 Safety and Health in Mines Convention (No. 176) and Recommendation (No. 183), 1995 Safety and Health in Agriculture Convention (No. 184) and Recommendation (No. 192), 2001 Radiation Protection Recommendation, 1960 (No. 114) Guarding of Machinery Recommendation, 1963 (No. 118) Benzene Recommendation, 1971 (No. 144) Occupational Cancer Recommendation, 2002 (No. 194)
Social protection	 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 (No. 130) and Recommendation (No. 134), 1969 Social Protection Floors Recommendation, 2012 (No. 202)
Governance	 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	 Indigenous and Tribal Peoples Convention, 1989 (No. 169)
Particular categories of workers	 Plantations Convention (No. 110) and Recommendation (No. 110), 1958 Maritime Labour Convention, 2006, as amended

C. ILO codes of practice, guidelines and other guidance documents

The ILO has elaborated codes of practice, guidelines and other guidance documents addressing particular issues in more detail. A list of these instruments and links to the texts can be found on the website of the **ILO Helpdesk for Business** – http://www.ilo.org/business.

Annex II

Operational tools

1. **Promotion**¹

The Governing Body of the International Labour Office has the overall responsibility for the promotion of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration). The Governing Body reviews on a regular basis the overall strategy and underlying activities to promote the instrument together with governments, employers' and workers' organizations in all ILO Member States.

(a) Regional follow-up²

A regional follow-up mechanism comprises a regional report on the promotion and application of the MNE Declaration in the ILO Member States in 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, and 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.

(b) Promotion at the national level/promotion by tripartite appointed national focal points ³

Recognizing that enhancing the impact and contribution of the principles of the MNE Declaration to inclusive growth and decent work at the country level requires firm commitment from the tripartite constituents, national constituents – governments, employers and workers – 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.

The national focal points' efforts to actively promote the principles of the MNE Declaration at country level could include: raising awareness of principles of the MNE Declaration among government ministries and agencies, multinational enterprises and employers' and workers' organizations; organizing capacity-building events; and developing online information and dialogue platforms in local languages where possible. National focal points with limited resources or capacity could progressively expand their outreach and activities.

The national focal points may wish to organize tripartite-plus dialogue platforms for the tripartite constituents and multinational enterprises to discuss opportunities and identify challenges presented by operations of multinational enterprises in the national context. Such dialogues could

¹ Adopted by the Governing Body of the International Labour Office at its 317th Session (March 2013) and 320th Session (March 2014).

² Adopted by the Governing Body of the International Labour Office at its 320th Session (March 2014).

³ Adopted by the Governing Body of the International Labour Office at its 317th Session (March 2013) and revised at its 329th Session (March 2017).

build on past experiences, lessons learned and best practices; and they could also encompass dialogues between home and host countries, as outlined in paragraph 12 of the MNE Declaration.

The national focal points should seek to promote the principles of the MNE Declaration and facilitate dialogue in a manner that is transparent, accessible and accountable to tripartite constituents. They are invited to communicate and collaborate with their counterparts in other countries in order to exchange ideas and raise awareness of the MNE Declaration globally. And they are encouraged to regularly inform the International Labour Office of their activities. The Office offers support to Member States to establish national focal points and to develop their promotional and dialogue facilitation activities on the MNE Declaration.

(c) Promotion by the International Labour Office

(i) Technical assistance ⁴

The overall strategy and underlying activities to promote the instrument also includes countrylevel assistance to governments, employers and workers.

(ii) Information and guidance ⁵

Further information and guidance on the application of the principles of the MNE Declaration in company operations or the principles contained in the underlying international labour standards is available through the ILO Helpdesk for Business on International Labour Standards. This free and confidential service of the International Labour Office answers individual questions and also consists of a dedicated website organized by topic where companies, trade unions and others can find information, practical tools and training opportunities and questions and answers to help them put the principles of the MNE Declaration into practice.

http://www.ilo.org/business and mailto:assistance@ilo.org

2. Company-union dialogue ⁶

Acknowledging that dialogue lies at the heart of the MNE Declaration, this procedure gives effect to the need to support dialogues involving multinational enterprises and the representatives of the workers affected, in particular trade unions, on the application of the principles of the MNE Declaration. The ILO, as the global authority on international labour standards, is uniquely placed to support or facilitate such dialogues as part of its overall strategy to promote the uptake of the principles of the MNE Declaration by the various parties addressed therein.

Where a company and a union voluntarily agree to take advantage of using the facilities of the International Labour Office to meet and talk, without prejudice, the Office will provide a neutral ground for discussion of issues of mutual concern. For these purposes, the Office will identify and maintain a list of qualified facilitators, and if necessary provide support to ensure that they execute their functions effectively.

The Office and the participants shall maintain strict confidentiality of the dialogue process. Questions related to confidentiality will be agreed upon in advance by the participants. In this

⁴ Adopted by the Governing Body of the International Labour Office at its 317th Session (March 2013) and 320th Session (March 2014).

⁵ Adopted by the Governing Body of the International Labour Office at its 301st Session (March 2008).

⁶ Adopted by the Governing Body of the International Labour Office at its 317th Session (March 2013) and revised at its 329th Session (March 2017).

regard, the Office will develop, in consultation with the secretariats of the Employers' and Workers' groups of the ILO, confidentiality criteria and practices to be considered by the participants in the dialogue process.

The participants to the dialogue will be determined by the company and the union.

As appropriate to the nature of the request, the dialogue facilities provided by the Office for the company–union dialogue may:

- (a) provide a neutral ground for parties to engage in meaningful dialogue;
- (b) provide input during company–union dialogue as a technical or expert adviser to inform the company–union dialogue;
- (c) facilitate dialogue.

The company–union dialogue is based on consensus of the parties, and its content shall not be used for any binding procedure.

The Office shall keep the secretariats of the Workers' and Employers' groups informed at the end of the process that it has been completed.

The procedure shall be promoted through the ILO Helpdesk for Business, through the secretariats of the Employers' and Workers' groups and through the national focal points or similar tools and processes in the ILO Member States.

3. Procedure for the examination of disputes concerning the application of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy by means of interpretation of its provisions (interpretation procedure)⁷

- 1. The purpose of the procedure is to interpret the provisions of the Declaration when needed to resolve a disagreement on their meaning, arising from an actual situation, between parties to whom the Declaration is commended.
- 2. The procedure should in no way duplicate or conflict with existing national or ILO procedures. Thus, it cannot be invoked:
 - (a) in respect of national law and practice;
 - (b) in respect of international labour Conventions and Recommendations;
 - (c) in respect of matters falling under the freedom of association procedure.

The above means that questions regarding national law and practice should be considered through appropriate national machinery; that questions regarding international labour Conventions and Recommendations should be examined through the various procedures provided for in articles 19, 22, 24 and 26 of the Constitution of the ILO, or through government requests to the Office for informal interpretation; and that questions concerning freedom of association should be considered through the special ILO procedures applicable to that area.

3. When a request for interpretation of the Declaration is received by the International Labour Office, the Office shall acknowledge receipt and bring it before the Officers of the Governing

⁷ Adopted by the Governing Body of the International Labour Office at its 232nd Session (March 1986) to replace Part IV of the Procedures adopted by the Governing Body at its 214th Session (November 1980), and revised at its 329th Session (March 2017).

Body. The Office will inform the government and the central organizations of employers and workers concerned of any request for interpretation received directly from an organization under paragraph 5(b) and (c).

- 4. The Officers of the Governing Body shall decide unanimously after consultations in the groups whether the request is receivable under the procedure. If they cannot reach agreement the request shall be referred to the Governing Body for decision.
- 5. Requests for interpretation may be addressed to the Office:
 - (a) as a rule by the government of a Member State acting either on its own initiative or at the request of a national organization of employers or workers;
 - (b) by a national organization of employers or workers, which is representative at the national and/or sectoral level, subject to the conditions set out in paragraph 6. Such requests should normally be channelled through the central organizations in the country concerned;
 - (c) by an international organization of employers or workers on behalf of a representative national affiliate.
- 6. In the case of 5(b) and (c), requests may be submitted if it can be demonstrated:
 - (a) that the government concerned has declined to submit the request to the Office; or
 - (b) that three months have elapsed since the organization addressed the government without a statement of the government's intention.
- 7. In the case of receivable requests, the Office shall prepare a draft reply in consultation with the Officers of the Governing Body. All appropriate sources of information shall be used, including government, employers' and workers' sources in the country concerned. The Officers may ask the Office to indicate a period within which the information should be provided.
- 8. The draft reply to a receivable request shall be considered and approved by the Governing Body.
- 9. The reply, once approved, shall be forwarded to the parties concerned and published in the *Official Bulletin* of the International Labour Office.



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