Budapest 14-18 February 2005

Conclusions

- **1.** Participants at the Seventh European Regional Meeting of the ILO welcomed the Report of the Director-General, *ILO activities 2001-04: Cooperation in a changing environment* (Volume I) and *Managing transitions: Governance for decent work* (Volume II).
- **2.** Delegates thanked the Hungarian Government for hosting the event in Budapest and the Luxembourg Government, European Union (EU) presidency during the first half of 2005, for making the Regional Meeting a part of its EU agenda. Delegates highly appreciated the venue of the European Regional Meeting and the hospitality of the Hungarian constituents.
- **3.** Member States, employers' and workers' organizations represented at the Meeting noted the many areas of convergence among them and agreed on the following conclusions.

Promoting dialogue for a common future: The ILO's role in Europe and Central Asia

- **4.** The ILO European Regional Meeting is the only regional institutional space where the Member States of the EU, countries covered by the Stability Pact for the Reconstruction of South-East Europe, the Commonwealth of Independent States and the Council of Europe come together, to address in a tripartite manner, issues of common concern in the world of work. Europe, East and West, and Central Asia, in all its diversity, is bound by geography, history and shared ILO values. Governments, employers' and workers' organizations throughout the region agree to work together through dialogue and cooperation to promote a common future of democracy, economic prosperity and social justice.
- **5.** Many elements of a common vision for Europe and Central Asia are shared by ILO constituents across the region. These include growth and competitiveness, more and better jobs and social cohesion, equality and fairness, and respect for fundamental principles and rights at work. ILO cooperation with Member countries of the EU, the CIS and the Stability Pact, and with the European Commission, should serve to reinforce social and economic policies that offer new combinations of opportunity and protection, individual and collective responsibility, in key transitions of work and life.
- **6.** The participation of the Prime Ministers of Hungary, Kazakhstan, Luxembourg and Malta, the EU Commissioner for Employment and Social Affairs and a large number of Ministers of Labour reaffirms the central importance of genuine social dialogue in meeting the challenges of globalization.

The social dimension of regional and global economic integration

- **7.** Globalization and rapid economic integration pose common challenges to countries, enterprises and workers in the European and Central Asian region. Enhanced economic competition and capital and enterprise mobility may stimulate economic growth and integration. Globalization may also carry social costs in the form of industrial and enterprise restructuring, which can lead to job losses, unemployment, more inequality and insecurity.
- 8. Dynamic and competitive economies require a supportive environment for public and private investment and enterprise development so that buoyant job creation can ensure steady progress towards full and productive employment. Genuine social dialogue and making decent work a global goal are the essential means of bringing about a fair globalization providing opportunities for all.
- **9.** The report of the World Commission on the Social Dimension of Globalization "A fair globalization: Creating opportunities for all" is a useful stimulus to dialogue at the national, regional and international levels on the promotion of decent work as a global goal. The ILO tripartite constituents in the European and Central Asian region share a common view of the need for greater policy coherence, at home, regionally and globally, between economic, social, financial and trade policies and policies for decent work based on fundamental principles and rights at work, employment, social protection and social dialogue.
- **10.** The Meeting welcomes the United Nations General Assembly resolution requesting the Secretary-General to take account of the World Commission's recommendations in the forthcoming review of the Millennium Development Goals. The ILO,¹ a number of other international bodies and the EU are well placed to consider further the approaches put forward by the World Commission.
- **11.** The valuable working relationship between the ILO and the institutions of the EU can support economic and social policy coherence in the multilateral system, and in shaping development cooperation towards the promotion of decent work in the region and worldwide.

East-West cooperation for decent work

- **12.** In pursuit of decent work, governments should work towards greater coherence between the trade and financial policies and the labour and social policies they support in the IMF. the World Bank, the WTO and the ILO. Consultations between the IMF and the World Bank, the national authorities and national organizations of employers and workers should be strengthened. The ILO should pursue its close collaboration with the Bretton Woods institutions, in keeping with their respective mandates.
- **13.** The ILO should continue to support cooperation between Central Asia, East and West Europe and within the various subregional groupings. The ILO should strengthen its partnerships with donor countries and the European Commission in providing technical cooperation for decent work policies in countries requesting such assistance. Employers' and workers' organizations should be closely consulted in both donor and receiving countries.

¹ In accordance with the decisions of the Governing Body of the ILO.

14. Enhanced efforts are required to increase public awareness and knowledge in the region about the ILO, its values, labour standards and policies.

Governance and democratic institutions

15. Good governance, economic and social progress, and the fight against corruption rests on democratic institutions drawing their legitimacy from freely elected representation, effective social dialogue, fundamental principles and rights at work, and the rule of law.

Life cycles and work transitions

16. The ILO mandate spans key transitions in life and work. The following four elements were discussed at the Meeting.

Starting right

17. A broad-based quality education is a basic foundation for working life. In many countries of the region, the transition from school to work is difficult for young people. An integrated approach to entry into employment is recommended, combining supportive macroeconomic policy and targeted measures aimed at addressing both demand and supply and quantity and quality dimensions of youth employment. A lasting integration in the labour market should also be promoted. Apprenticeship schemes and other combinations of training and work can contribute significantly to employment prospects of young people. Governments, in consultation with the social partners, are specifically requested to address the needs of young workers in national employment strategies. The ILO should encourage exchange of experience on mechanisms for the assessment and recognition of previous experience and skills and prior learning. The partnership between the UN, World Bank and ILO in the Youth Employment Network is a welcome innovation. Countries are encouraged to join the Network.

Balancing flexibility and security

18. Enterprises face enhanced competition as a result of globalization and adaptation to rapidly changing markets. A policy of flexibility and security for enterprises and for workers by providing new training opportunities to improve employability, job search assistance, income support and social protection has worked well in some countries. Critical elements in balancing flexibility with security are tripartite social dialogue in the framework of broader national macroeconomic strategies, collective bargaining and respect of labour legislation. The ILO is encouraged to pursue tripartite consultations on flexibility and security and facilitate the exchange of good practices, recognizing that any approach must be context-specific.

Labour migration

19. The growing importance of labour migration in the region is noted. The current bilateral, regional and international mechanisms appear insufficient to ensure management of labour migration which upholds the rights of legal migrants. The decision of the 92nd Session (2004) of the International Labour Conference requesting tripartite constituents "to develop a non-binding multilateral framework for a rights-based approach to labour migration which takes account of national labour market needs" is particularly pertinent to the countries of Europe and Central Asia. National policies for migrant workers, developed through tripartite consultations, should ensure equality of treatment, in line with relevant

international labour standards. At the same time the ILO should facilitate the exchange of good practice in protecting the rights of migrants and in combating clandestine trafficking of women, men and children for labour, as well as combating illegal work and in fighting against racism, xenophobia and discrimination.

Security in old age

20. Increased life expectancy and other demographic changes and employment trends pose new challenges to pension systems in most countries of the region. Social dialogue concerning policy options for socially inclusive and sustainable pensions is essential. To assist in meeting these challenges, the ILO is requested to provide technical assistance to constituents in the region, as well as to facilitate the exchange of experience in the design and management of pension systems.

Good governance in the world of work

Fundamental principles and rights at work and international labour standards

- **21.** There is full commitment to ILO fundamental principles and rights at work concerning freedom of association and effective recognition of the right to collective bargaining, eradication of child labour and forced labour, and equal opportunity and treatment in employment and occupation. The Europe and Central Asia region is close to achieving the first universal ratification of all fundamental international labour standards. Member States that have not yet done so are encouraged to complete the ratification of the eight relevant instruments in good time for the 10th Anniversary of the Declaration on Fundamental Principles and Rights at Work.
- **22.** The full application of these instruments in law and practice across the Europe and Central Asia region and indeed worldwide is an essential dimension of a fair globalization. The ILO is requested to actively promote and assist with the full implementation of fundamental principles and rights at work and international labour standards worldwide.
- **23.** Many problems continue to plague the application of ratified international labour standards, including fundamental principles and rights at work in the region, as evidenced by reports of the Committee of Experts on the Application of Conventions and Recommendations and conclusions of ILO standards supervisory bodies. Member States are encouraged to submit timely and complete reports on ratified instruments. The ILO is called upon to promote dialogue within and across countries in the region in order to exchange good practices in overcoming problems of application.
- **24.** Following the Commission of Inquiry that investigated cases of violations of freedom of association and the right to collective bargaining in Belarus, the ILO should closely monitor the effect given to the recommendations of the Commission of Inquiry. The recommendations are to be promptly followed up and the Government of Belarus is called upon to cooperate in their full implementation.

Social dialogue, tripartism and reform

25. Employment, labour and social policies are in the midst of major reform debates throughout the region. Globalization presses for economic and social reforms but no reforms can be successful without strong social dialogue, including free and unconstrained collective bargaining and tripartite and bipartite consultations. National solutions to

common problems are needed, through dialogue and consultations, based on ILO principles and labour standards, in particular Conventions Nos. 87, 98 and 144.

- **26.** Governments should facilitate the work of organizations of employers and of workers, strictly applying principles of freedom of association and voluntary membership, and refraining from interference that could restrict the right to freely join those organizations. Independence, democracy and representativity are essential for effective social dialogue.
- **27.** In the light of the resolution adopted at the Warsaw Regional Conference in 1995, and reiterated at the Sixth European Regional Meeting in 2000, governments that have not yet taken the necessary measures are reminded that they should facilitate by all means (including tax deductions) policies that stimulate the expansion of membership of free and independent employers' and workers' organizations.
- **28.** Economic and social reforms and the promotion of decent work for all call for robust social dialogue to arrive at genuine solutions adapted to the changing conditions in a globalized economy.

Equality and rights at work

29. Discrimination in access to employment and in occupation, whether based on gender, ethnic origin, political or religious beliefs and other forms of discrimination, including age, disability and sexual orientation, remains a problem in the region. The commitment to principles of non-discrimination is strongly reaffirmed. The principle of equal pay for work of equal value between women and men must be upheld. The ILO is encouraged to monitor closely discrimination in labour markets, and facilitate the exchange of good experience in promoting equality and rights at work, in particular through the application of ILO instruments.

Social protection for all

30. The commitment to social protection for all throughout people's life cycles is reaffirmed. Social protection plays an essential role in reducing poverty, raising security and smoothing the peaks and troughs of economic cycles and income volatility. The sustainability of many social protection systems in the region is dependent on higher employment rates in general, and of women and younger and older workers in particular. High rates of employment participation, especially for women workers, should be supported by social protection policies. Measures to reconcile work and family life, including maternity protection and childcare, should be further developed. The ILO is encouraged to strengthen national and international efforts through policy coherence, technical advice and exchange of experiences, particularly regarding mutually supportive social protection and employment policies.

Labour administration

31. Across the region the capacity of labour administrations is increasingly constrained by declining financial and human resources. Within the framework of national legislation, effective labour administration and/or tribunals in the area of working conditions, occupational safety and health, observance of wage agreements, labour inspection, vocational training and employment services is essential to sound industrial relations and good economic, social and labour outcomes. Governments are reminded of the importance of well-functioning labour administrations for decent work. The ILO is requested to strengthen its support of labour administration.

Employment and entrepreneurship

32. The importance of steering economic and social policy to a level as close as possible to full employment is acknowledged. In line with the ILO Global Employment Agenda, a range of policies is to be encouraged, including: sound monetary and fiscal policies; supportive environments for investment, trade and enterprise development, in particular small enterprises and cooperatives; high productivity supported by sound microeconomic practices of enterprises; incentives for innovation and cooperation among local institutions, including microfinance; strong support for initial training and lifelong learning; adequate labour market regulations; and social protection systems.

Investment, growth and employment

33. Varying trends in the region regarding investment, economic growth and employment call for different policy mixes. The ILO is encouraged to carry out, when a country so requests and following tripartite consensus, country analyses of the likely impact on decent work of trade, fiscal, monetary and labour market policies. Such analyses would contribute to the development of national, regional and global policies for decent work. The studies would be discussed in tripartite meetings and facilitate the exchange of experience among constituents in the region.

Decent work country programmes

- **34.** ILO assistance to constituents in member States will increasingly be prepared and implemented within time-bound and resourced decent work country programmes. These programmes will define, within UN frameworks, an ILO strategy for the promotion of decent work in accordance with the specific characteristics and needs of each country. The ILO is encouraged to strengthen its support to the exchange of experience and good practice among countries, employers' and workers' organizations in the region.
- **35.** Timely and comprehensive statistical data and knowledge to support decent work policies are essential. The ILO is encouraged to develop its knowledge base and facilitate the exchange of knowledge, experience and good practices among constituents throughout the region.

Follow-up action on the conclusions of the Meeting

- **36.** The ILO is invited to explore the holding of tripartite subregional and Regional Meetings to review major policy issues. The ILO will ensure that such reviews are consistent with existing regional initiatives.
- **37.** ILO technical assistance should support increased capacity of the tripartite constituents to develop integrated policies on employment, social protection, social dialogue and standards. The Governing Body is requested to conduct a mid-term review of follow-up action on these conclusions.