



## THIRD ITEM ON THE AGENDA

**Developments in other organizations****Overview of developments in other international organizations and bodies relevant to the work of the Working Party****Contents**

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## Introduction

1. The present paper is submitted in accordance with the request made by the Working Party in November 2000 for a regular update on developments regarding international policy relating to the social dimension of globalization and other global issues that have a strong impact in social and related fields. Developments on issues such as preparations for the Fourth Ministerial Conference of the WTO (Doha, Qatar, November 2001), poverty eradication, debt relief, information and communication technology, corporate social responsibility and the role of international labour standards have occurred in various international forums during the current year and are duly reflected here. The ILO was involved and made substantive contributions to many of the reports and events mentioned, in particular where its concerns were addressed directly. However, this paper does not reflect such ILO views or contributions, but merely reports on the issues from an ILO perspective.
2. In view of the wealth of information available on the many different aspects of globalization, the first section of this paper groups together the various reports and studies published. This has the advantage of highlighting the different shades of opinion in the assessment of the effects of globalization. The second section covers various high-level conferences and meetings that have addressed this subject, reflecting the policy positions adopted. One interesting feature in this respect is the revitalization of various regional and subregional groups and their work to define their role and activities in relation to the social and other challenges posed by globalization, in some cases through meetings at the highest level. An issue on which a certain degree of consensus can be detected among the various contributions is the growing recognition of the need for a development dimension in trade. Increasing importance is also being attached to the role of civil society, the private sector and, to a certain extent, social dialogue in addressing key social issues.
3. This document is not exhaustive, and has been prepared on the basis of internal information and elements to be found in the public domain, mainly through Internet sites. Wherever possible, full document and Internet references are given for the texts and events included. It is proposed in the coming year to expand the section of the ILO website dealing with policy developments concerning globalization so as to provide information that is regularly updated and accessible on line.<sup>1</sup>

## I. Reports and studies

### A. United Nations system

#### 1. *United Nations Conference on Trade and Development (UNCTAD)*

Trade and Development Report, 2001

4. The report gives a wide picture of the global economic downturn and emphasizes the need for a reform of the international financial architecture as well as for increased cooperation

<sup>1</sup> <http://www.ilo.org/public/english/bureau/exrel/global.htm>

among, and responsible action by, all major players in the world economy. It stresses that if the performance of the world economy in 2000 was the best in over a decade, things changed dramatically over the last quarter of 2000 and into the new year.

5. It states that political constraints and conflicts appear to be the main reason why the international community has not been able to achieve significant progress in setting up effective global arrangements for the prevention and management of financial crises. The process has been driven by the interest of the major creditor countries, and many issues of crucial importance to developing countries have been excluded from the reform agenda.
6. Efforts in the past few years have focused on measures designed to discipline debtors and provide costly self-defence mechanisms. By contrast, little attention has been given to the role played by institutions and policies in creditor countries in triggering international financial crises. Of concern to developing countries is the fact that despite the emphasis on their voluntary adoption, there is the danger that incentives and sanctions linked to financial standard setting will become features of the International Monetary Fund (IMF) surveillance and conditionality, compliance with which would place a further heavy burden on the administrative capacities of many countries.
7. The report concludes by stating that effective reform of the international monetary and financial system will ultimately depend on the willingness of developing countries to organize their efforts around such common objectives, and on acceptance by developed countries that accommodating these objectives will be an essential part of building a more inclusive system of global economic governance.

Issued: 24 April 2001

Internet: <http://www.unctad.org/en/pub/ps1tdr01.en.htm>

#### World Investment Report, 2001: Promoting Linkages

8. This report covers linkages between foreign affiliates of multinational enterprises and local companies in developing countries. Foreign Direct Investment (FDI) is still the main factor driving the expansion of the international production system, and forging linkages between foreign affiliates and domestic firms is a main challenge for policy-makers in developing countries in order to maximize the benefit from FDI. Fostering linkages is an important means of diffusing knowledge, information and skills from a foreign investor, and in a technology- and skill-driven world, this can help increase the efficiency and growth potential of the host economy. The rapidly changing international setting is changing the drivers of FDI. While the main traditional factors driving FDI location – large markets, the possession of natural resources and access to low-cost unskilled or semi-skilled labour – remain relevant, they are diminishing in importance, particularly for the most dynamic industries and functions. As trade barriers come down and regional links grow, the significance of many national markets also diminishes. Primary industries account for a shrinking share of industrial activity, and natural resources per se play a smaller role in attracting FDI for many industries.
9. The role of cheap “raw” labour is similar: even labour-intensive activities often need to be combined with new technologies and advanced skills. The location of transnational corporations instead increasingly reflects three developments: policy liberalization, technical progress and evolving corporate strategies. Changes in the international policy environment have a strong impact on location decisions and technical progress affects the geography of FDI in many ways. Hence, the changing geography of international production reflects the dynamic interaction of many economic, organizational and policy factors. While many of these factors have long been relevant, their combination today represents new forces influencing TNC location decisions. This situation calls for a new generation of investment promotion policies.

10. FDI flows reached record levels in 2000, but are expected to decline in 2001. Developed countries remain the prime destination of FDI, accounting for more than three-quarters of global inflows. Cross-border mergers and acquisitions remain the main stimulus behind FDI, and these are still concentrated in developed countries. Major differences in FDI trends were observed among developing countries. In contrast to the experience in most other parts of the world, inflows to Africa declined in 2000. A comparison of the world maps of inward and outward FDI in 2000 and 1985 reveals that FDI reaches many more countries in a substantial manner than in the past. Despite its reach, however, FDI is unevenly distributed. The world's top 30 host countries account for 95 per cent of total world FDI inflows and 90 per cent of stocks. The top 30 home countries account for around 99 per cent of outward FDI flows and stocks, mainly industrialized economies. About 90 of the world's 100 largest non-financial TNCs in terms of foreign assets are based in the United States, Japan and Europe. Finally, the report stresses that, for the first time, three companies from developing countries are among the world's 100 largest TNCs.

Issued: 18 September 2001  
 Internet: <http://www.unctad.org/en/pub/ps1tdr01.en.htm>

## 2. *International Conference on Financing for Development*

Report of the Secretary-General

11. The Preparatory Committee for the UN High-Level International Intergovernmental Event on Financing for Development (now named the International Conference on Financing for Development) considered at its second session (New York, 12-23 February 2001) the report prepared by the Secretary-General. This report reviews the major issues to be addressed by the Conference and proposes a large number of ensuing recommendations. It drew upon the work of various inter-agency task forces and public "hearings" organized by the secretariat. It is very wide-ranging, covering all the major potential sources of financing for development, and deals with issues related to the mobilization of domestic resources for development, FDI and other private financial flows, trade, ODA, debt relief, and the systemic issues involved in ensuring coherence and consistency in mobilizing these sources of finance for development. Its recommendations call for more coherent and participatory economic governance at both the national and international level, efforts to achieve higher and more evenly spread levels of foreign direct investment to developing countries, greater market access for developing countries in the next round of multilateral trade negotiations, increased levels of official development assistance (including specific funding for global public goods), enhanced debt relief, and the strengthening of the role of the United Nations in ensuring more coherent and democratic governance of the global economy.
12. Many of the recommendations are in line with ILO positions on development and international policy. For example, on national policy it recommends that national macroeconomic policies should aim at a medium-term framework that balances the key objectives of sustained economic growth, employment growth, and poverty reduction. It calls for the strengthening of the institutional arrangements that bring the main elements of macroeconomic policy into the public domain so that the full consequences of these policies, including their social dimensions, can be discussed. The recommendations on national policies also recognize the importance of microfinance and the key role of small and medium enterprises in promoting economic growth and employment. Similarly, the need to increase the allocation of national resources for social protection and to mobilize resources to extend social protection to those working in the informal economy and those performing unpaid work is recognized. On systemic issues, it recognizes the importance of integrating the social dimension into the formulation of economic and financial policies.

For example, in discussing the strengthening of the international financial architecture, it calls on countries to provide a system of social protection that is strengthened at the same pace as the country's increasing integration into the global economy, and notes that this national imperative is also desirable from the perspective of the international financial system. It also urges the Conference to reiterate that internationally supported adjustment programmes should be employment- and growth-oriented and should minimize the social costs of adjustment.

Internet: [http://www.un.org/esa/ffd/aac257\\_12E.htm](http://www.un.org/esa/ffd/aac257_12E.htm)

#### Report of the High-Level Panel on Financing for Development ("Zedillo Report")

- 13.** In December 2000 the UN Secretary-General appointed a Panel to recommend strategies for the mobilization of resources to accelerate equitable and sustainable growth in developing countries. He asked Mr. Ernesto Zedillo, the former President of Mexico, to chair the Panel. The High-Level Panel on Financing for Development included ten other respected personalities.<sup>2</sup> The Panel issued a report<sup>3</sup> as a contribution to the preparatory process of the International Conference on Financing for Development.<sup>4</sup> This report contains a number of recommendations which were to be considered by the Preparatory Committee for the Conference in October this year, as well as by the Conference itself (Monterrey, Mexico, 18-22 March 2002). It states that the increasing polarization between the haves and have-nots has become a feature of our world and that in the global village, someone else's poverty very soon becomes one's own problem. There are several hopeful signs that the international community has begun to acknowledge this reality, and the report refers in particular to the outcome of the UN Millennium Summit, including the commitment to halve the proportion of people living in extreme poverty by 2015.
- 14.** The High-Level Panel considers that every developing country needs to set its economic fundamentals in order, including the establishment of a regulatory environment that effectively protects workers' rights. It urges the international community to launch a Development Round, with the principal objective of fully integrating the developing countries into the global trading system. The Panel also calls for the endorsement of the proposal by the Commission on Global Governance to create a global council at the highest political level to provide leadership on issues of global governance, and proposes a Globalization Summit to discuss this issue further that would convene a group of heads of State to address the key governance challenges of globalization. The Conference should explore the desirability of securing an adequate international tax source to finance the supply of global public goods, and further rigorous study would be needed on a currency transactions tax. A better possibility would be to impose a minimum level of taxation on the consumption of fossil fuels (a carbon tax) as a way of combating global warming. They also call on the international community to consider the potential benefits of an international tax organization, stressing that this could address many needs that have arisen as globalization has progressively undermined the territoriality principle on which traditional tax codes are based.

<sup>2</sup> Mr. Abdulatif Y. Al-Hamed, Mr. David Bryer, Ms. Mary Chinery-Hesse, Mr. Jacques Delors, Ms. Rebeca Grynspan, Mr. Alexander Y. Livshits, Mr. Abdul Magid Osman, Mr. Robert Rubin, Mr. Manmohan Singh and Mr. Masayoshi Son.

<sup>3</sup> To be submitted as an official UN General Assembly document (A/55/1000).

<sup>4</sup> See below, section II.A.3.



15. In a subsection entitled “Institutional response to environmental and labour issues” the authors stress that various international organizations have been under huge and frequently conflicting pressures to address legitimate environmental and labour issues raised by civil society interests. With its capacity to impose sanctions, WTO has been the most attractive target for such pressure. They believe that, to a large extent, this situation reflects the lack of global instruments capable of responding adequately to the labour and environmental concerns that are raised. To deflect pressure from WTO and provide a more adequate forum for the development and enforcement of labour and environmental standards, they propose that serious consideration should be given to strengthening the ILO by providing it with instruments to enforce its standards. The Organization should be quicker than it has been to condemn governments that violate its Conventions, and it should be able to impose economic sanctions, perhaps in the form of fines, on persistent offenders. Reform of the ILO needs more careful thought than the Panel has been able to give to the issue, and another Panel could be charged specifically with developing concrete proposals for its reform. Members of the Panel also refer to pension systems, stressing that if a pension system is to add to national saving, it must be a funded, and not a pay-as-you-go system, and the transition to the funded system must not be financed by borrowing.

Internet: <http://www.un.org/esa/ffd/a55-1000.pdf>

### 3. *United Nations Development Programme (UNDP)*

Human Development Report 2001: Making New Technologies Work for Human Development

16. This report examines specifically how new technologies will affect developing countries and poor people and argues that information and communications technology and biotechnology can actually make major contributions to reducing world poverty. It concludes that information and communications technology (ICT) can also have an important development impact, since it can overcome barriers of social, economic and geographical isolation, increase access to information and education, and enable poor people to participate in more of the decisions that affect their lives. In assessing the potential of ICT, the report notes new opportunities for poor people in terms of political empowerment, health networks, long distance learning and job creation.
17. Regarding new employment and export opportunities, the report notes that the recent downturn in the Nasdaq has quieted the hyperbole, but the long-term potential for some developing countries remains tremendous as electronic commerce breaks barriers of distance and market information. However, many of the most important technology opportunities for poor people have so far been missed because of lack of market demand and inadequate public funding. Technology creators in the private sector respond to the needs of high-income consumers, rather than the needs of those with little purchasing power. Public sector funding and incentives for research and development could compensate for these market failures but, says the report, governments in both developing countries and developed countries have so far failed to provide the support needed. The report stresses that, even in the network age, domestic policy still matters and all countries, even the poorest, need to implement policies that encourage innovation, access and the development of advanced skills. To that effect, in the network age, concentrating on primary education will not suffice – the advanced skills developed in secondary and tertiary education are increasingly important. Nor can vocational and on-the-job training be neglected. When technology is changing, enterprises have to invest in training workers to stay competitive. Smaller enterprises in particular can benefit from public policies that encourage coordination and economies of scale and that partly subsidize their efforts.

Issued: 10 July 2001

Internet: <http://www.undp.org/hdr2001/>

#### **4. UN Sub-Commission on the Promotion and Protection of Human Rights**

##### Universal Human Rights Guidelines for Companies (Draft Guidelines)

- 18.** At its first meeting in 1999, the Working Group on Transnational Corporations of the UN Sub-Commission on the Promotion and Protection of Human Rights decided to consider a code of conduct for companies based on human rights standards. The draft Universal Human Rights Guidelines for Companies (Draft Guidelines)<sup>5</sup> have been presented to the Sub-Commission as “legally binding standards”.<sup>6</sup> Whether the guidelines should apply only to transnational corporations or to all business enterprises remains unresolved, as does the question of whether the draft is to become a voluntary code or a binding convention.
- 19.** The Draft Guidelines address company conduct in areas key to the ILO’s mandate, such as forced labour, child labour, occupational safety and health, remuneration, freedom of association, the right to organize and collective bargaining, equality of opportunity and treatment and elimination of discrimination in employment. Other provisions of the Guidelines speak to company actions in areas including the following: “security of persons” (e.g., war crimes, torture, hostage-taking); “respect for national sovereignty and local communities” which addresses economic, social and cultural rights generally, as well as civil and political rights; “consumer protection”; and “environmental protection”. Various sources of reference are cited in the draft annotated version of the Guidelines, including the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), selected ILO Conventions and Recommendations, various UN Treaties and Declarations, the Global Compact, OECD and regional instruments, certain company codes of conduct and guidelines, and selected model and operative codes of trade unions, NGOs, business associations, and coalitions.
- 20.** Implementation of the draft Guidelines is foreseen to require each company to adopt its own code of conduct or other adequate measures, to ensure independent and transparent monitoring and verification, and to conduct human rights assessments of their major activities. Other implementation methods proposed to the Sub-Commission at its fifty-third session (Geneva, August 2001) included use of the guidelines as a tool in collective bargaining agreements, NGO monitoring, ethical investment, model legislation, court decisions, treaty body interpretations, and reporting by NGOs and other groups.<sup>7</sup> The Draft Guidelines are to be reviewed by the Sub-Commission at its fifty-fourth session (July-August 2002).

**Reference:** UN Doc. E/CN.4/Sub.2/2001/WG.2/WP.1 (2001).  
**Internet:** <http://www1.umn.edu/humanrts/links/draftguidelines-intro.html>

<sup>5</sup> See E/CN.4/Sub.2/2001/WG.2/WP.1/Add.1.

<sup>6</sup> E/CN.4/Sub.2/2001/9, para. 24 (Report of the Working Group).

<sup>7</sup> *ibid.*, para. 28.

## B. Bretton Woods institutions

### 1. World Bank

Global Economic Prospects and the Developing Countries, 2001

- 21.** This edition focuses on international trade and discusses the policies required if developing countries are to benefit from global integration. On core labour standards, the report states that the adoption of and respect for such standards are desirable and essential. However, the threat of trade sanctions or the imposition of trade barriers are likely to be excessively costly instruments for raising labour standards, and could even be counter-productive in some cases: barriers to a country's exports hurt workers by reducing demand for the country's products, and even if sanctions force improvements in some sectors, they are unlikely to improve average working conditions in the economy. Although labour and environmental standards generally improve as countries develop, low labour and environmental standards are not usually a significant source of competitive advantage. Labour and environmental standards are positively correlated with income, both because higher incomes stimulate demand for better standards and because better standards tend to encourage technological change to economize on inputs. Keeping labour standards low is not an effective way of gaining a competitive advantage over trading partners. Indeed, low labour standards are likely to erode competitiveness over time because they reduce incentives for workers to improve skills and for firms to introduce labour-saving technology.<sup>8</sup>
- 22.** The report states that the international community has more effective means than trade sanctions to encourage improved environmental and labour standards in developing countries, including efforts to support development, such as increasing assistance to countries with good policies. Encouraging greater openness to trade and to foreign direct investment (FDI) will facilitate the diffusion of cleaner technology that can reduce environmental degradation and improve worker productivity, thereby promoting better labour standards. Strengthening the ILO and enhancing its cooperation with other international organizations would be an effective step towards improving working conditions worldwide.

**Issued:** 5 December 2000  
**Internet:** <http://www.worldbank.org/prospects/gep2001>

Social Protection Sector Strategy: From Safety Net to Springboard

- 23.** The World Bank's strategy paper for the social protection sector highlights the need to expand the definition of social protection to encompass all public interventions that help individuals, households and communities to manage risk or that provide support to the critically poor. It recommends that social protection programmes be embedded in an integrated approach to poverty reduction based on a new framework for social risk management.
- 24.** Regarding the strategy to be followed, the paper indicates that the World Bank will work, in collaboration with partners, to convince policy-makers of the importance of risk

<sup>8</sup> See "Organization, bargaining and dialogue for development in a globalizing world", GB.279/WP/SDG/2.

management for poverty reduction. According to the Bank, the challenge is to rethink existing public sector programs and expand the range of interventions to provide better support to informal and market-based activities. In the traditional areas of public social protection it will involve: (i) enhancing pre- and in-service skills building – this will be done in partnership with international organizations, especially the ILO; (ii) eliminating harmful child labour – the Bank will build on its existing approach in this area, following the lead of UNICEF and the ILO; and (iii) assisting governments in making labour markets more equitable and inclusive. For this last action, it states that “labour is often poor people’s main or only asset, equitable access to safe and well-paid work – ‘decent work’ according to the ILO (1999) – is one of the most important aspects of risks reduction. This is reflected in basic labour standards, including the prohibition of forced labour as well as gender and other forms of discrimination in employment and pay. Private or market-based standards, which range from corporate benchmarking and codes of conduct to voluntary enforcement of industry standards, are rightly a promising complement to public labour standards”.

25. The paper stresses that many developing countries are questioning the standard insurance approach to mitigating the risk of unemployment, and proposes assessing the experience of alternative instruments (including their gender impact) and piloting them where there is sufficient interest, in close collaboration with the ILO.
26. Since this strategy paper will expand the Bank’s involvement in social protection, the Bank stresses the importance of reassessing its partnership with other organizations involved in the sector of social protection. In this regard the paper refers to the partnership with the ILO and states that its main aspects will be the continuation of information exchanges and cooperation in relation to child labour, the labour market, pensions, social protection training, and collaboration in social expenditure reviews, as well as envisaged collaboration in actuarial services.

Issued: January 2001

Internet: <http://wbln0018.worldbank.org/HDNet/hddocs.nsf/2d5135ecbf351de6852566a90069b8b6/1628e080eb4593a78525681c0070a518?OpenDocument>

## 2. *International Monetary Fund (IMF)*

World Economic Outlook: Fiscal Policy and Macroeconomic Stability; The Information Technology Revolution

27. The IMF produced its two main *World Economic Outlook* (WEO) reports in May and September. The first, entitled *Fiscal Policy and Macroeconomic Stability*, clearly looks at a substantial and broadly distributed slowdown in global economic growth this year and states that IMF’s forecast for world economic growth for the year was cut a full percentage point to 3.2 per cent. Apart from increased trade interdependence, the increasing integration of financial markets has strengthened the mechanisms for transmitting a recession from the United States to the rest of the world through what the report calls “financial and confidence effects”.
28. Chapter 2 discusses Africa’s integration into the global economy: there is evidence that Africa does “under-trade” relative to other developing countries, despite substantial trade liberalization efforts by many countries in Africa during the 1990s; this suggests that further trade liberalization is an important element of the policy agenda. Africa’s trading partners must also play their role by eliminating barriers to African and other developing country exports. The remaining two chapters examine the recent improvement in fiscal

balances in most advanced countries and the same phenomenon in terms of inflation performance in emerging markets.

29. The October issue, entitled *The Information Technology Revolution*, states that since May, prospects for the global economy had continued to weaken. Even before the tragic events of 11 September, macroeconomic developments over the preceding six months already pointed to weaker growth in just about every region of the globe, both this year and next, than the IMF had anticipated in April. Among the main factors, this synchronized slowdown had reflected stronger than expected global linkages highlighted in Chapter 2, which had been particularly evident in Europe, the continued weakness in the information technology (IT) sector, the deteriorating situation in Japan, and worsening financial conditions in emerging markets. Consequently, the IMF's published global growth projection for 2001 has been marked down by a little over half a per cent to 2.6 per cent, with a similar reduction in the outlook for 2002. In the context of growing linkages through the internationalization of production, the discussion in Chapter 4 of capital account liberalization in developing countries touches on an important aspect of the further integration of these countries into the global economy. The report gives due recognition to the importance of country-specific factors and the costs that need to be considered alongside the potential benefits of capital liberalization. The essay in Chapter 2 on the world trading system provides advocacy (with its pros and cons) for the opening of a new round of multilateral negotiations in Doha in November.
30. The report does not skirt the issue that continued barriers in industrialized countries to those imports in which developing countries, and low-income countries in particular, have the greatest comparative advantage continues to be a fundamental problem. In Chapter 3, on IT, Europe's "less flexible labour markets" are advanced as one explanation of lower productivity growth and the apparent delayed arrival of "the new economy" there. It is also recognized that the extent to which IT can contribute to productivity growth depends on the extent to which it can be combined with human resources. Finally, an updated assessment of the impact of the events of 11 September in the economic sphere, based on the latest information, was incorporated into the text of the published version. The negative risks identified in this WEO have now increased, even if the economic channels are largely the same. However, with the situation remaining fluid, the IMF believes it is premature to try and quantify the implications of the attack for growth in the US or elsewhere.

Internet: May: <http://www.imf.org/external/pubs/ft/weo/2001/01/>  
September: <http://www.imf.org/external/pubs/ft/weo/2001/02/>

## C. Organisation for Economic Co-operation and Development (OECD)

### *Employment Outlook, 2001*

31. The principal message of this edition is that reducing the incidence and persistence of poverty requires careful analysis of its causes and coordination between policies to promote social welfare and policies designed to promote employment.
32. Economic growth and low or falling unemployment in many OECD countries have made inroads into poverty rates, but many individuals and families still live in conditions of deprivation with high attendant risks of social exclusion. The report stresses that poverty is more persistent in households containing no workers and in households composed of a single adult and children.

33. The report notes that governments are increasingly turning to strategies aimed at encouraging people to find work and believes there are many good reasons for such choices. While income transfers continue to be a major support for those unable to work, some income-transfer programmes may discourage beneficiaries from seeking jobs if the take-home pay from working is an insufficiently attractive alternative to welfare. Better integration of social and employment policy can facilitate job placement and career development for adults in low-income families.
34. By contrast, poorly designed social and employment policies can trap individuals in low-wage and/or intermittent jobs. Low earnings potential, for example due to lack of qualifications or valuable work experience, and the burden of family responsibilities are among the main causes of long-term poverty. For this reason, family-friendly policies such as quality child care, maternity leave and flexible working-hours have a role to play in combating poverty, particularly by making it easier for single parents to enter the labour market.
35. In parallel, the OECD believes, however, that a fully integrated policy approach must also deal with poverty among working households because it affects large numbers of people. Low-paid and precarious jobs are more frequently associated with poverty than continuous exclusion from the labour market. This reinforces the case for well-designed policies to “make work pay”, which simultaneously address employment and social goals.

Issued: June 2001

Internet: <http://www.oecd.org/media/publish/pb01-26a.htm>

## **D. European Union (EU): European Commission**

### **1. *Communication on promoting core labour standards and improving social governance in the context of globalization***

36. Submitted by the European Commission to the Council, the European Parliament and the Economic and Social Committee, this Communication states that the complex interface between globalization and the promotion of core labour standards is receiving growing attention. However, it stresses that the growing public interest is based on recognition of the universality of core labour standards, and does not aim to call into question the comparative advantage of low-wage developing countries. Existing international economic and social rules and structures are unbalanced at the global level. Global market governance has developed more quickly than global social governance.
37. According to this paper, the ILO enforcement mechanism, being limited to ratified Conventions, has limited effectiveness; by comparison, the World Trade Organization (WTO), with its rules-based system and binding dispute settlement mechanism, is a strong and relatively effective organization. This relative strength of the WTO has led to calls that it take upon itself to act in areas outside the trade field, thus using its instruments to reinforce governance in other policy areas, such as labour standards and the environment. However, the Communication stresses that the ILO is, and must remain, the organization competent to set and deal with labour standards, and a re-balancing of the global system should seek to strengthen the social pillar by taking its starting point in the ILO mechanisms, not in the WTO.
38. Regarding international developments in support of core labour standards, the Communication refers to the ILO Declaration on Fundamental Principles and Rights at

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Work as “an important step forward in the universal recognition of core labour standards” and to the Working Party on the Social Dimension of Globalization.

39. The objective of the paper is to outline a strategy for the improvement of social governance and the promotion of core labour standards, with a view to enhancing the contribution of globalization to social development and to respect for fundamental rights. In defining this strategy, it proposes instruments in several policy areas, at the international and at the European level, thus seeking to define a comprehensive and multidisciplinary approach.
40. In order to enhance action at the international level and particularly to make ILO instruments more effective, it is suggested that the EU should promote, within the ILO, discussion on further steps to reinforce the effectiveness of ILO supervision, including better publicity, more effective follow-up and ways of enhancing the status of the findings of the ILO supervisory mechanism throughout the international system. The EU itself should take the findings of the supervisory mechanism into account more systematically in its bilateral and multilateral relations. The EU should promote, inter alia within the ILO, discussion on new incentive mechanisms to promote respect for core labour standards. This could include consideration of a new system of reciprocal commitments to ensure respect of the ILO core Conventions, involving a mechanism for ensuring adequate public recognition of this commitment. The EU should promote discussion, within the ILO, on a new mechanism for the regular review of social policy at the country level.
41. The Communication states that the Commission and Member States should provide increased support for ILO technical assistance activities as a means to promote core labour standards. They should actively promote the consideration and discussion of social development and core labour standards in other development organizations in order to ensure policy coherence in support of such standards and increased assistance for their enforcement as part of aid programmes. The EU should also continue its efforts to launch a regular international dialogue on trade and social development, including core labour standards. In this regard the paper refers to the Working Party on the Social Dimension of Globalization, which in its view could provide a useful starting point for a constructive further process as a forum for exchange and dialogue, in which the WTO, UNCTAD and the World Bank, inter alia, would be natural partners. In order to pool the EU’s policy tools, it is suggested that, in the framework of the current review of the European Commission’s GSP (General System of Preferences) Regulation, the social incentive scheme should be strengthened by providing for further improved market access opportunities, by making the scheme more transparent and by extending the basis to all of the core labour standards in the 1998 Declaration. The provision for temporary withdrawal should be extended by broadening the basis to severe and systematic violations of any of the core labour standards. In the context of a future review of the GSP scheme, consideration should be given to enhancing the possibilities to use GSP incentives to promote core labour standards.
42. The Communication also suggests that the Commission should better integrate core labour standards into its development policy in line with its overall objective of poverty reduction, including by strengthening capacity in developing countries for the implementation of core labour standards. The Commission and member States should improve the link between the GSP scheme and development programmes to help countries make better use of the incentive schemes for the promotion of core labour standards. The EU should extend the Cotonou approach to other agreements by seeking to include specific provisions on core labour standards. The Commission should consider means to better reflect the effect of trade policy on social development and the promotion of core labour standards.
43. On private and voluntary schemes for the promotion of core labour standards, the paper indicates that the Commission and member States should help developing countries make

use of the premium market opportunities offered by social labelling schemes, including through capacity building and by supporting efforts to improve the transparency, availability and non-discrimination of schemes. The Commission favours the implementation by business and the voluntary sector of objective, transparent and non-discriminatory labelling schemes, which respect its international obligations and applicable competition rules, aimed at the promotion of core labour standards, and supports the use of the ILO's core Conventions as a common minimum standard for such schemes. The Commission believes that the EU should continue to support the work of the ILO with regard to private voluntary initiatives.

44. In its conclusions, the Communication notes that the interface between globalization, trade and social development is complex and links a number of policy areas in the shared objective of sustainable development. Therefore, improving social governance and promoting core labour standards in the context of globalization and trade liberalization require a comprehensive approach. To this end the European Commission proposes the adoption by the Council of a strategy to improve global social governance and promote core labour standards in the context of globalization. The Council could begin by reaffirming the basic tenets of the Commission's position as set out in the October 1999 Council Conclusions, i.e. the universality of core labour standards, support for the work of the ILO and its cooperation with other international organizations and the rejection of any sanctions-based approaches. In addition, a number of measures should be envisaged, including action to be undertaken by the EU, encouraging other partners to do likewise, and initiatives to be proposed at the international level.

Issued: July 2001

Reference: (COM(2001) 416 final)

Internet: [http://europa.eu.int/eur-lex/en/com/cnc/2001/com2001\\_0416en01.pdf](http://europa.eu.int/eur-lex/en/com/cnc/2001/com2001_0416en01.pdf)

## **2. *Green paper on promoting a European framework for corporate social responsibility***

45. This Green Paper focuses mainly on companies' responsibility in the social field and stresses the EU's interest in corporate social responsibility. According to the Commission, the promotion of their corporate social responsibility strategies by an increasing number of European companies leads to the development of new partnerships and new spheres for existing relationships within the company regarding social dialogue, skills acquisition, equal opportunities, and anticipation and management of change, at the local or national level regarding the reinforcement of economic and social cohesion and health protection, and more generally at the global level regarding environmental protection and respect of fundamental rights. This Green Paper aims to launch a wide debate on how the EU could promote corporate social responsibility at both the European and international level, in particular on how to make the most of existing experience, to encourage the development of innovative practices, to bring greater transparency and to increase the reliability of evaluation and validation. It suggests an approach based on the deepening of partnerships in which all actors have an active role to play.
46. The paper refers to the major international initiatives that are focusing on the globalization of social standards and stresses that the complexity of creating global standards applicable to any culture and country has created a lot of controversy. Internationally agreed standards, such as the fundamental ILO Conventions, "as identified in the ILO Declaration", constitute by their universal nature the most appropriate basis for such initiatives.
47. It is stressed that a European approach to corporate social responsibility must reflect and be integrated in the broader context of various international initiatives such as the Global



Compact, the ILO's Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, or the OECD's Guidelines for Multinational Enterprises. The paper also calls for observance of the core ILO labour standards, stressing that this is central to corporate social responsibility and that their monitoring and compliance should be strengthened.

Issued: July 2001  
 Reference: COM(2001) 366 final  
 Internet: [http://europa.eu.int/rapid/start/cgi/guesten.ksh?p\\_action.gettxt=gt&doc=DOC/01/9/0|RAPID&lg=EN](http://europa.eu.int/rapid/start/cgi/guesten.ksh?p_action.gettxt=gt&doc=DOC/01/9/0|RAPID&lg=EN)

## E. Organization of African Unity (OAU)

### ***A New African Initiative: Merger of the Millennium Partnership for the African Recovery Programme (MAP) and the Omega Plan***

48. The *New African Initiative* was submitted and endorsed by the Heads of State and Government of the Organization of African Unity (OAU) at their Thirty-seventh Assembly, held in Lusaka, Zambia from 9 to 11 July 2001 (see below, section II.D). It was then presented to the G-8 Summit held from 20 to 22 July 2001 in Genoa, Italy. It stresses that the continued marginalization of Africa from the globalization process and the social exclusion of the vast majority of its peoples constitute a serious threat to global stability. The Initiative is hence a call for a new partnership between Africa and the international community, especially the highly industrialized countries. The need for a commitment on the part of governments, the private sector and other institutions of civil society, to the genuine integration of all nations into the global economy and body politic is emphasized.
49. The long-term objectives of the "Strategy for Achieving Sustainable Development in the 21st Century" contained in this paper are to eradicate poverty in Africa and to place African countries, both individually and collectively, on the path of sustainable growth and development and thus halt the marginalization of Africa in the globalization process, and to promote the role of women in all activities. The programme endorses the multi-pronged poverty reduction programmes that are championed by a number of multilateral development agencies and donors. It calls for the expansion of income-earning opportunities for the poor.
50. Health is identified as a key priority sector as it helps increase productivity and consequently economic growth. "The most obvious effects of health improvement on the working population are the reduction in lost working days due to sick leave, the increase in productivity, and the chance to get better paid jobs. The link to the fight against poverty is clearly established." In order to mobilize resources, the paper emphasizes the need for additional official development assistance (ODA) to enable the least developed countries (LDCs) to achieve the international development goals, especially in the areas of primary education, health and poverty eradication. Further debt reduction is also crucial. This document indicates that the enhanced Heavily Indebted Poor Countries (HIPC) debt relief initiative still leaves many countries within its scope with very high debt burdens, given the need to direct more resources towards poverty reduction.
51. This document also contains a *Programme of Action*. On poverty reduction, its main objectives are to meet the international development goal of halving the proportion of people living in extreme poverty by 2015; to provide focused leadership by prioritizing poverty reduction in all African initiatives and national governments' macroeconomic and sectoral policies; to develop a special focus on the reduction of poverty among women; to ensure empowerment of the poor in poverty reduction strategies; to support existing

poverty initiatives at the multilateral level, such as the Comprehensive Development Framework (CDF) of the World Bank and the Poverty Reduction Strategy Papers (PRSP) approach linked to the HIPC debt relief initiative. The need for the diversification of production and exports is highlighted and implies, among others, the promotion of the private sector. At the African level, it is proposed to take measures to enhance the entrepreneurial, managerial and technical capacities of the private sector. At the international level, it is proposed to promote entrepreneurial development programmes for mentoring African firms and to provide technical assistance in relation to the development of an appropriate regulatory environment, the promotion of small, medium and micro-enterprises and microfinancing schemes for the African private sector. The African Initiative's objective is to consolidate democracy and sound economic management on the continent. While recognizing that they hold the key to their own development, African leaders affirm that this initiative offers an historical opportunity for the developed countries of the world to enter into a genuine partnership with Africa, based on mutual interest, shared commitments and binding agreements.

Issued: 11 July 2001  
Internet: <http://www.dfa.gov.za/events/afrinit.htm>

## **F. Regional development banks**

### **1. African Development Bank**

Annual Report, 2000

52. The *Annual Report* for 2000 contains a message from the Chairman of the Board of Directors and the President of the Bank Group which indicates that a coherent and comprehensive policy framework for promoting sustainable economic growth and poverty reduction is now being put in place in the region. The report stresses that in 2000 priority was given to projects and programmes in the agriculture and social sectors, where approvals accounted for over one-third of all loans and grants.
53. Another important area was assistance to the private sector, with emphasis placed on providing financial resources to small and medium enterprises. A major initiative for the Bank Group during the year was its full involvement – in close collaboration with the Bretton Woods institutions – in the enhanced initiative to reduce the debt of Heavily Indebted Poor Countries (HIPC). In the coming years, one of the Bank Group's main objectives should be to provide effective and quality assistance to its regional member countries in their fight to reduce poverty. A particular area of focus will be its support to countries in the preparation and implementation of their Poverty Reduction Strategy Papers (PRSP).

Issued: 31 March 2001  
Internet: [http://www.afdb.org/knowledge/documents/Banks\\_Annual\\_Report.htm](http://www.afdb.org/knowledge/documents/Banks_Annual_Report.htm)

### **2. Asian Development Bank**

Annual Report, 2000

54. The *Annual Report* for 2000 stresses that within months of adopting its poverty reduction strategy in 1999, the ADB began focusing its work toward reducing poverty in Asia and the Pacific through the three pillars of pro-poor sustainable economic growth, social development and good governance. The report considers that globalization, led by trade and financial liberalization and increasingly rapid changes in ICT, is having a deep impact

on Asian and Pacific economies and societies and the challenges involved have made the fight against poverty even more daunting.

55. The ADB recognizes that pro-poor growth is essential for sustained poverty reduction, but that unleashing the potential of the poor will contribute substantially to overall growth and enhance the quality of life for all. On promoting pro-poor economic growth, the report states that economic growth can reduce poverty by generating employment and incomes; labour-intensive growth can reduce it even faster. Promoting inclusive, more equitable, pro-poor, sustainable economic growth relies on the successful pursuit of the other pillars of ADB's poverty reduction strategy: social development and good governance.

Issued: April 2001

Internet: [http://www.adb.org/Documents/Reports/Annual\\_Report/2000/default.asp](http://www.adb.org/Documents/Reports/Annual_Report/2000/default.asp)

### 3. *Inter-American Development Bank*

Annual Report, 2000

56. The *Annual Report* for 2000 states that the core of IDB's lending activities in 2000 continued to be its steadfast commitment to sustainable economic growth, poverty reduction and social equity. To help protect the most vulnerable segments of society, the Bank assisted its borrowing countries in making sizeable investments in such critical areas as urban and rural poverty alleviation, social safety nets, water and sanitation, and health and education. In 2000, the Bank also continued to reach out to the trade union movement in the region. The IDB and the Inter-American Regional Organization of Workers (ORIT) established the IDB/ORIT High-Level Working Group, chaired by the Vice-President of the IDB, to focus on issues of mutual interest, such as promoting core labour standards, labour training, research on the effects of globalization, and the joint financing of a campaign to reduce child labour in the region.
57. On poverty reduction and social equity, the report indicates that reducing poverty in Latin America and the Caribbean requires addressing four interrelated problems: (i) material deprivation; (ii) low levels of human development; (iii) vulnerability; and (iv) powerlessness. Many of the actions that are being undertaken in the region to deliver higher growth rates, macroeconomic stability and more accountable government can also bring greater social equity. On the other hand, the report stresses that accelerating the pace of poverty reduction requires specific actions in the various sectors to ensure that the benefits of growth reach all segments of society.

Issued: 7 February 2001

Internet: <http://www.iadb.org/exr/ar99/ar99home.htm>

### G. *Latin American Economic System (SELA)*

#### ***Study: The Insertion of Latin America and the Caribbean in the World Economy Globalization Process***

58. This study states that the strategy of unilaterally opening up the economy and applying the rules of the market is beginning to show its limitations regarding economic stability itself and has been notably inadequate at tackling social problems and promoting equity: the international community will have to take some concerted action to ensure that international economic relations allow the positive aspects of globalization to be taken advantage of and minimize its negative effects.

59. According to the study, globalization has speeded up development and increased the well-being of a significant number of social groups, but there have also been cases in which globalization has increased poverty, unemployment, marginalization and the exclusion of social groups and even whole countries or regions. The way the system operates has been criticized from various angles in both developed and developing countries. The international financial institutions (IFIs) themselves have stated that they are given ambitious tasks to perform but not the resources to carry them out. Resistance to providing such resources is increasing in developed countries and the approval of outlay is often linked to subjects outside the realm of the IFIs' specific purposes, such as labour and environmental protection norms. Concerning the possibilities for action and negotiation areas, the worsening and spread of poverty and social problems and the unequal distribution of growth have highlighted the need to adopt a more critical attitude towards the policies which until recently had been recommended as essential complements to globalization.
60. The study also raises the problem of the gap created between a formal and representative group such as the United Nations and the G-7, which is an informal group of the most developed economies. In relation to economic affairs the United Nations has become a mere forum for statements, cooperation and technical assistance, while the G-7 has made itself into the decision-making centre for the most important items on the international economic agenda, including those that directly affect developing countries. The study raises the same problem regarding the G-20, where "the vast majority of developing countries are left without representation". Finally, the paper states that the start of a new round of talks within the WTO is in the interests of the region's countries, provided that the multilateral trade negotiations start to be imbued with greater fairness and symmetry between the rights and commitments of developed and developing countries, and take the relationship between trade and development in account.

Issued: October 2000  
 Reference: SP/CL/XXVI.O/Dt No. 8 - 2000  
 Internet: <http://lanic.utexas.edu/~sela/AA2K/EN/docs/2000/spclxxvi0dt8-2000.htm>

## II. Conferences and meetings

### A. United Nations system

#### 1. *Third United Nations Conference on the Least Developed Countries (LDC III)* *(Brussels, May 2001)*

Texts adopted: ■ Political Declaration (A/CONF.191/L.20)  
 ■ Programme of Action for the LDCs for the Decade 2001-2010 (A/CONF.191/L.18)

61. In the *Political Declaration*, member States committed themselves –

- to the eradication of poverty in the LDCs and to the improvement of the quality of life of the more than 600 million people living in them;
- to reverse the declining trend in Official Development Assistance (ODA) and to meet the targets of 0.15 or 0.20 per cent of their GNP as ODA to LDCs;
- to implement the OECD-DAC recommendation on untying ODA to LDCs;

- to provide full financing and speedy implementation of the enhanced HIPC Initiative;
- and agreed –
- that the accession of LDCs to the WTO should be encouraged and facilitated;
  - to seize the opportunity of the Fourth WTO Ministerial Meeting (Doha, Qatar, 9-13 November 2001) to advance the development dimension of trade;
  - to seize the opportunity of the International Conference on Financing for Development (Monterrey, Mexico, 18-22 March 2002) for the mobilization of resources for development, in particular for the LDCs.

## 62. The *Programme of Action* –

- calls for initiatives to arrest the marginalization of LDCs as an ethical imperative;
- outlines a broad range of measures to be taken by the developed nations and the LDCs themselves in the form of a framework for partnership and seven commitments;
- calls on the governments of LDCs to implement the Programme of Action within their respective national development framework and poverty eradication strategy with the involvement of civil society, including the private sector;
- invites the governing bodies of UN agencies to mainstream the implementation of the Programme of Action within their programmes of work and in their intergovernmental processes; and to bring to the attention of ECOSOC progress made by their respective organizations in implementing this Programme of Action;
- invites the General Assembly, towards the end of the decade, to consider holding a fourth Conference on LDCs to review the implementation of the Programme of Action and decide on subsequent action;
- requests the UN Secretary-General to submit to the General Assembly at its fifty-sixth session his recommendations for an efficient and highly visible follow-up mechanism, including the possibility of establishing an Office of High Representative for the Least Developed, Land-locked Developing Countries and Small Island Developing States;
- recognizes employment as a cross-cutting priority issue, together with poverty eradication, gender equality, sustainable development, governance and capacity building; calls for the respect, promotion and realization of the principles contained in the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up; refers to microcredit and microfinance, basic social services, training and human resources development, response to socio-economic shocks, migrant workers, programmes to address the HIV/AIDS pandemic, the informal sector, small and medium-sized enterprises and self-employment; and stresses the importance of an effective dialogue between government and the private sector.

**Internet:** Conference: <http://www.un.org/events/lcd3/conference/index.html>  
 Declaration: <http://www.un.org/events/lcd3/conference/declaration.htm>  
 Plan of Action: [http://www.un.org/events/lcd3/conference/plan\\_action.htm](http://www.un.org/events/lcd3/conference/plan_action.htm)

**2. Economic and Social Council (ECOSOC):  
High-Level Segment – The role of the  
United Nations in support of the efforts of  
African countries to achieve sustainable  
development  
(Geneva, 16-18 July 2001)**

Text adopted: ■ Ministerial Declaration (E/2001/L.20)

**63.** Statements made in the policy dialogue between the Executive Heads of the international financial and trade institutions (World Bank, IMF, WTO and UNCTAD) on recent developments in the world economy –

- stressed the need to eradicate poverty in Africa;
- referred to the current interconnectedness characterizing the globalization process as well as the need to integrate African countries into the global economy;
- praised the New African Initiative, offering their full support, and placed emphasis on the role of Africans themselves in their own development;
- underscored the need for an integrated concept for answering critical questions about globalization;
- in some cases blamed the international community and the family of international organizations for having all been guilty of incoherence and of conflicting priorities, initiatives and advice in the name of development in the past; great challenges remained for the UN system, the Bretton Woods institutions and the WTO to coordinate and cooperate better.

**64.** In the Ministerial Declaration, ministers and heads of delegations –

- resolved to take special measures to address the challenges of poverty eradication and sustainable development in Africa, including debt cancellation, improved market access, enhanced ODA and increased flows of FDI, as well as transfer of technology;
- called on the UN system and the international community to support the New African Initiative: they invited the Secretary-General to take the requisite measures to ensure an effective and coordinated response by the UN system to the Initiative and acknowledged the call made by the African Heads of State for a special session of the General Assembly to consider how best to support the Initiative;
- called on the United Nations to strengthen the capacity of African governments to make the linkages between the economic and social dimensions of poverty-reduction strategies, and assist in monitoring and analysis before and after such strategies are produced, and support African countries in promoting economic and social policies that are pro-poor and gender-sensitive, including employment and income-generating opportunities for poor people, women and youth through microfinance, community-based development and decentralization, as well as enterprise development; in this connection they called for the strengthening of the ILO's Jobs for Africa programme;
- expressed grave concern that if current trends were to continue, the majority of African countries would be unable to achieve the international development goals, including those reaffirmed by the UN Millennium Declaration, and therefore called

for the urgent mobilization of domestic and external resources to reverse the rising tide of poverty;

- recognized that external finance, in particular ODA, would remain a critical resource for achieving international development goals for Africa: consequently, they called for strengthened efforts by developed countries to meet as soon as possible the ODA targets of 0.7 per cent of their GNP and the targets of earmarking 0.15 per cent to 0.20 per cent of GNP for the LDCs, as agreed;
- referred to the implementation of the OECD-DAC recommendation on the untying of aid to LDCs and to the full, speedy and effective implementation of the enhanced HIPC Initiative for eligible African countries through new and additional resources;
- expressed their strong belief that public-private partnerships could bring additional technical and financial resources to support African initiatives, and urged UN organizations to expand their partnerships with global civil society;
- welcomed the dialogue between the G-8 and representatives of Africa, including at the highest level, and invited the G-8 to maintain the dialogue to ensure that the challenges facing the region receive due attention on a regular basis.

Internet *High-level Segment:* [http://www.un.org/esa/coordination/ecosoc/dev\\_afr/index.htm](http://www.un.org/esa/coordination/ecosoc/dev_afr/index.htm)  
*Ministerial Declaration:* [http://www.un.org/esa/coordination/ecosoc/dev\\_afr/declar.pdf](http://www.un.org/esa/coordination/ecosoc/dev_afr/declar.pdf)

## B. Bretton Woods institutions<sup>9</sup>

### ***Spring meetings: IMF International Monetary and Financial Committee IMF-World Bank Development Committee (Washington, DC, 26-30 April 2001)***<sup>10</sup>

Texts adopted: ■ Communiqués

- 65.** *Development Committee:* Broad support was given by ministers to proposals for World Bank action in middle-income countries, where combating poverty was regarded as essential if international development goals were to be achieved. In their Communiqué they reaffirmed that good policies and the institutions to implement them were at the core of successful development programmes, and country ownership must be ensured.
- 66.** The Bank was urged to be highly selective in its work, drawing increasingly on analyses by other development partners and by countries themselves, and looking to development partners to take the lead in supporting reforms in particular sectors where they have a comparative advantage. Ministers emphasized the critical importance of trade for economic growth and poverty reduction, and the role of the World Bank, together with its partners, in helping developing countries increase their ability to access global markets.

<sup>9</sup> For more detailed information on ILO relations with the Bretton Woods institutions, see GB.279/ESP/1 and GB.282/ESP/3.

<sup>10</sup> These meetings are discussed in greater detail in GB.282/ESP/3.

- 67.** *IMF International Monetary and Financial Committee:* Ministers welcomed the refocusing of the IMF towards reducing vulnerability to currency and balance of payment crises, and towards supporting policies promoting sustainable growth and poverty reduction. They endorsed its efforts to increase complementarity and strengthen cooperation with other organizations, especially with the World Bank, in strengthening financial sectors, fighting poverty, and making progress toward the achievement of international development goals.
- 68.** The Committee stressed that conditionality remained indispensable, but agreed that the recent expansion of structural conditionality warranted a review: conditionality should focus on measures, including structural ones, that were critical to a Fund programme's macroeconomic objectives. However, it cautioned that this would have to be interpreted carefully on a case-by-case basis. Enhanced collaboration and a clearer division of labour between the Fund and other international agencies, in particular the World Bank, were an important element of this streamlining, which was to make conditionality more efficient and effective without weakening it.
- 69.** The Committee stressed that Fund-supported programmes should take adequate account of national decision-making processes and administrative capacity to implement reforms, and be founded on strong country ownership.
- 70.** At a special *Joint Session* of the Development Committee and the International Monetary and Financial Committee to review ongoing efforts by the Bank and the Fund to strengthen growth and fight poverty, ministers renewed their commitment to these efforts and to assisting countries to achieve the International Development Goals. They committed their support to strong efforts by African leaders to tackle problems, including dealing with conflict and weak governance, building a strong human resource base and attacking HIV/AIDS and other communicable diseases. They also reiterated their commitment to the enhanced HIPC Initiative. This, as with the broader fight against poverty, could only be achieved if poor countries took charge of their own future, created opportunities for equitable and sustainable growth and poverty reduction by improving their macroeconomic management, but also received international assistance through debt relief, increased Official Development Assistance (ODA), and expanded opportunities for trade. They called for the opening of markets to developing countries, and particularly to exports from the poorest countries. They urged full support by the Bank and Fund, and by other multilateral institutions and bilateral donors to countries preparing PRSPs to develop, implement and monitor their poverty reduction strategies, and supported World Bank efforts to assist them with the improvement of social impact assessments.
- 71.** The IMF's contribution here was also welcomed and they urged it to draw on the social impact analyses of others in its macroeconomic policy advice. Helping countries to resolve and recover from conflicts and establish the basis of economic and social progress was seen as a critical priority. In this regard, the ministers called for increased Bank and Fund assistance, in close collaboration with the UN system, to ensure full use of the specialized skills of the UN agencies.
- 72.** The conclusions of these meetings were immediately discussed at the Fourth Special High-Level Meeting of ECOSOC with the Bretton Woods institutions in New York in May 2001, which viewed them as contributing to a better understanding of the main issues related to financing for development and the reform of the global financial system, in the broader context of the commitment to achieving the development goals of the Millennium Declaration and the fight against poverty in developing countries.



Internet: General: <http://www.imf.org/spring/2001/index.htm>  
 Development Committee: <http://wbln0018.worldbank.org/dcs/devcom.nsf>  
*Communiqué*: <http://wbln0018.worldbank.org/DCS/devcom.nsf/communiquessnav?OpenNavigator>  
 IMF International Monetary and Financial Committee:  
*Communiqué*: <http://www.imf.org/external/np/sec/pr/2001/pr0120.htm>  
 Joint IMFC/DC Session:  
*Communiqué*: <http://www.imf.org/external/np/cm/2001/010429c.htm>

## C. Organisation for Economic Co-operation and Development (OECD)

### **OECD Council at Ministerial Level** (Paris, 16-17 May 2001)

Text adopted: ■ Final Communiqué: Towards a Sustainable Future

#### 73. In the *Communiqué*, Ministers –

- committed themselves to shaping globalization to the benefit of all, and ensuring that the poorest are not left behind;
- recognized the need, nationally and internationally, to bring greater coherence across the range of policies that affect the achievement of this goal, and stated that trade, investment and development policies had a vital contribution to make to sustainable development and poverty reduction;
- highlighted the adoption of several new OECD development policy guidelines, including one on poverty reduction which emphasizes the importance of decent work;
- expressed their commitment to fighting the causes of poverty and social exclusion: if OECD unemployment had declined significantly in recent years, more needed to be done to reduce long-term unemployment and benefit dependency within the context of an adequate social safety net;
- welcomed OECD's work on employment-oriented social policies to help tackle social inequalities, facilitate adjustment to rapid economic restructuring, and improve growth prospects;
- stressed that the consequences of population ageing remained a major concern for OECD economies: further reforms were needed to encourage continued labour force participation of older workers and to achieve a better balance, taking account of national context, between various forms of pensions, to support the fundamental goal of ensuring adequate incomes in old age; they welcomed OECD's work on active ageing, including its contribution to the G-8 Turin Charter;
- noted that private initiatives for corporate responsibility were increasing and therefore invited OECD to build on this positive development in support of effective implementation of the recently revised OECD *Guidelines* for Multinational Enterprises, to which they reaffirmed their commitment;
- expressed their commitment to the launch of a new global round of multilateral trade negotiations at the next WTO Ministerial Conference and renewed their commitment to the strengthening of the multilateral trading system and their rejection of protectionist pressures: all WTO Members should find their concerns and interests reflected in the final result, and negotiations should be conducted in a transparent

manner. All WTO Members would need to be creative and flexible in addressing areas and modalities of negotiation. Trade and labour as well as other social development issues raised concerns that had to be addressed through dialogue taking into account the expertise of all relevant international institutions, including the WTO. A new round was essential for developing countries, given the need to stimulate their economic growth, alleviate poverty and promote their integration into the multilateral trading system.

Internet: *Final Communiqué*: <http://www.oecd.org/media/release/nw01-48a.htm>  
 DAC Guidelines on Poverty Reduction:  
<http://www.oecd.org/oecd/pages/document/displaywithoutnav/0,3376,EN-document-notheme-1-no-no-2124-0,00.html>  
 Policy Statement by the DAC High Level Meeting upon endorsement of the DAC Guidelines on Poverty Reduction:  
<http://www.oecd.org/pdf/M00003000/M00003177.pdf>

## D. Organization of African Unity (OAU)

### ***Thirty-seventh Assembly of Heads of State and Government***

*(Lusaka, 9-11 July 2001)*

Texts adopted: ■ Declaration on the New Common Initiative (MAP and OMEGA)  
 ■ Decision for the holding of a ministerial meeting on employment and poverty control in Africa

#### 74. In the *Declaration*, the Heads of State and Government –

- stressed that Africa needed to take urgent and effective steps to avoid marginalization and ensure that it becomes a partner in the emerging world economic order;
- reaffirmed that the revival and development of Africa were primarily the responsibility of its governments and peoples: consequently, they declared themselves determined to establish the conducive political, economic and social environment and create the required structural economic transformation in their countries with the objective of achieving a human-centred and sustainable development;
- recalled the endorsement by the 5th Extraordinary Summit of the OAU (Sirte, Libya, 1-2 March 2001), of the work done regarding the revival and development of Africa by Presidents Mbeki of South Africa, Obasanjo of Nigeria, Bouteflika of Algeria, Mubarak of Egypt and Wade of Senegal; and commended the efforts of the five Presidents for producing a single coordinated and inclusive plan for Africa's renewal based on the two initiatives, namely the Millennium Partnership for the African Recovery Programme (MAP) and OMEGA Plan, which complement each other;
- committed themselves to the objectives of the Declaration which they adopted at the Fourth Extraordinary Session of their Assembly (Sirte, Libya, 9 September 1999) in which they decided to establish the African Union;
- adopted the Strategic Policy Framework and the New African Initiative and its Programme of Action and reaffirmed their commitment to the provisions of the Treaty Establishing the African Economic Community and the Constitutive Act of the African Union;
- decided to present the African Common Initiative for endorsement to the UN General Assembly in September 2001 and called on the international community, particularly

their development partners and the United Nations system, to support this initiative and to assist Africa in its implementation.

75. In their *Decision* for the holding of a ministerial meeting on employment and poverty control in Africa, the Heads of State and Government –

- took note of the proposal by Burkina Faso to organize a ministerial meeting whose central theme would be “Employment and Poverty Control in Africa” and endorsed its offer to organize this ministerial meeting in parallel with the Twenty-fifth Ordinary Session of the OAU Labour and Social Affairs Commission;
- recognized the challenges facing African countries due to the current economic situation, globalization and technological changes as well as the increased risks of unemployment, underemployment and the resulting social exclusion: they requested the UN Secretary-General, in collaboration with the ILO, the other regional and international institutions concerned, other stakeholders and the host country, to take all the necessary measures towards the organization of this meeting.

Reference: AHG/Decl.1(XXXVII); AHG/Decl.166(XXXVII)  
Internet: <http://www.oau-oua.org/Lusaka/Documents.htm>

## E. Economic Community of West African States (ECOWAS)

### ***Twenty-Fourth Session of the Authority of Heads of State and Government (Bamako, Mali, 15-16 December 2001)***

Text adopted: ■ Final Communiqué

76. In their *Final Communiqué*, the Heads of State and Government of the Economic Community of West African States (ECOWAS) –

- welcomed the signing of the Charter of the African Union during the 36th ordinary Summit of the OAU in Lomé on 11 July 2000 and appealed to all Member States which were yet to ratify the Charter to do so as quickly as possible, in order to enable the realization of this project which is of great importance for the future of Africa;
- having considered the modalities for implementing the strategy for accelerating the regional integration process, with a view to establishing a single economic zone, decided to establish, within the shortest possible time, a customs union in ECOWAS;
- stressed that efforts to strengthen the political and economic dimension of integration should be accompanied by actions and measures that would consolidate the achievements of ECOWAS;
- directed the ECOWAS Executive Secretary to determine and propose specific actions to support the socio-economic development of the Community’s island and landlocked countries;
- expressed concern about malaria and HIV/AIDS which are wreaking havoc among their populations.

Internet: <http://www.ecowas.int/sitecedea0/english/final-com-15122k.htm>

## F. European Union (EU)

### 1. **European Council meeting** (Nice, 7-9 December 2000)

Text adopted: ■ Presidency's Conclusions

77. In the Presidency's Conclusions, the European Council –

- welcomed the joint proclamation by the Council, the European Parliament and the Commission, of the Charter of Fundamental Rights,<sup>11</sup> combining in a single text the civil, political, economic, social and societal rights hitherto laid down in a variety of international, European and national sources;
- approved the European Social Agenda (appended to the *Conclusions*), which –
  - defines, in accordance with the Lisbon European Council conclusions<sup>12</sup> and on the basis of the Commission's communication,<sup>13</sup> specific priorities for action for the next five years around six strategic guidelines in all social policy areas: (i) more and better jobs; (ii) anticipating and capitalizing on change in the working environment by creating a new balance between flexibility and security; (iii) fighting poverty and all forms of exclusion and discrimination in order to promote social integration; (iv) modernizing social protection; (v) promoting gender equality; and, (vi) strengthening the social policy aspects of enlargement and the European Union's external relations;
  - identifies seven common challenges:
    - (i) benefiting from technical progress;
    - (ii) developing mobility;
    - (iii) taking advantage of economic and monetary integration;
    - (iv) dealing with population ageing;
    - (v) strengthening social cohesion;
    - (vi) making a success of enlargement in the social field;
    - (vii) affirming the social dimension of globalization: the Social Agenda states that multilateral negotiations on economic issues increasingly have a social dimension (for example, discussions on fundamental social rights and health care problems); it is therefore important that the EU should organize itself in such a way as to ensure that social issues are taken into account in international negotiations;

<sup>11</sup> GB.279/WP/SDG/1, para. 27.

<sup>12</sup> [http://europa.eu.int/council/off/conclu/mar2000/mar2000\\_en.pdf](http://europa.eu.int/council/off/conclu/mar2000/mar2000_en.pdf)

<sup>13</sup> GB.279/WP/SDG/1, pp. 10-11.

- highlights the strengthening of the social policy aspects of enlargement and EU external relations, and the development of a concerted approach to international social policy issues within the multilateral institutions (UN, WHO, Council of Europe, ILO and, where appropriate, WTO and OECD).

**Internet:** <http://ue.eu.int/Newsroom/LoadDoc.cfm?MAX=1&DOC=!!!&BID=76&DID=64245&GRP=3018&LANG=1>

## **2. European Council meeting** *(Stockholm, 23-24 March 2001)*

**Text adopted:** ■ Presidency's Conclusions

### **78. The European Council –**

- expressed full agreement that economic reform, employment and social policies are mutually reinforcing;
- addressed the demographic challenge of an ageing population of which people of working age constitute an ever smaller part;
- emphasized that regaining full employment not only involved focusing on more jobs, but also on better jobs;
- identified the fight against social exclusion as being of utmost importance for the EU: in that sense, paid employment for women and men offered the best safeguard against poverty and social exclusion;
- welcomed the initiatives taken by business to promote corporate social responsibility;
- recommended that the EU should pursue its active role in order to achieve a consensus on the launch of a new inclusive round of multilateral trade negotiations in the WTO framework at the Fourth WTO Ministerial Conference. According to the Council; this new round should respond to the interests of all WTO members, in particular developing countries, and be prepared in a transparent and inclusive manner taking into account the need for dialogue with civil society.

**Internet:** <http://ue.eu.int/Newsroom/LoadDoc.cfm?MAX=1&DOC=!!!&BID=76&DID=65786&GRP=3314&LANG=1>

## **3. European Council meeting** *(Göteborg, 15-16 June 2001)*

**Text adopted:** ■ Presidency's Conclusions

### **79. The European Council –**

- stated that enlargement and globalization presented the EU with great opportunities and challenges, and stressed that a strong, open and rule-based multilateral trading system contributed to the EU's strategic goals, including the promotion of economic growth, sustainable development and the social dimensions of globalization; the launch of an ambitious and balanced new round of multilateral trade negotiations in Doha remained the objective of the Union;
- in relation to full employment and the quality of work in a competitive Union, stressed the need for member States to capitalize on the entire labour force by

improving women's opportunities to enter the labour market and increasing employment rates among older workers: a comprehensive approach was needed to meet the challenges of an ageing society.

Internet: <http://ue.eu.int/Newsroom/LoadDoc.cfm?MAX=1&DOC=!!!&BID=76&DID=66787&GRP=3565&LANG=1>

#### **4. European Parliament** *(October 2000)*

**Text adopted:** ■ Resolution on the Commission communication to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on the social policy agenda

**80.** In its resolution, the European Parliament –

- shared the Commission's view that the Social Agenda must be very ambitious in order to confirm the fact that social, economic and employment policy are closely interlinked;
- considered that the emphasis on employability must be increased to help to ensure that everyone has access to the world of work: this should lead to increased investment in innovative training and life-long learning and greater emphasis on language skills;
- viewed the role of the social partners as decisive and states that social dialogue should be fostered and strengthened as a key factor in meeting the social and labour market policy challenges facing Europe;
- called on the Commission to take the following steps to reinforce the new Social Agenda:
  - (i) guarantee the quality of the new forms of employment by legislative initiatives;
  - (ii) ensure that full account is taken of the social dimension in competition policy by including consideration related to employment and industrial relations in Commission decisions concerning mergers of undertakings;
  - (iii) assess operation of the social clause in the context of the GSP (compliance with the Forced Labour Convention, 1930 (No. 29) and the Abolition of Forced Labour Convention, 1957 (No. 105), and encouragement of compliance with the Worst Forms of Child Labour Convention, 1999 (No. 182)), and propose social clauses for inclusion in international agreements concluded by the Union and the Community.

Reference: A5-0291/2000

Internet: [http://www.europarl.eu.int/hearings/20000821/empl/pdf/pv\\_en.pdf](http://www.europarl.eu.int/hearings/20000821/empl/pdf/pv_en.pdf)

## 5. **EU-China Summit** (Brussels, 5 September 2001)

Text adopted: ■ Joint Press Statement

**81.** In their Joint Press Statement, the Heads of Government –

- agreed to continue their dialogue on human rights and reaffirmed their commitment to work towards meaningful and positive results. Both sides reaffirmed that the dialogue would continue on the basis of mutual respect and equality, and agreed that the dialogue should help promote their compliance with international human rights standards and cooperation with UN bodies and mechanisms in this field;
- emphasized the political importance of EU-China cooperation in combating illegal migration;
- expressed their satisfaction that the work of China's accession to the WTO was proceeding smoothly and reaffirmed their shared commitment to securing China's entry into the WTO as soon as possible; and agreed that China's accession would benefit both sides;
- expressed their full support for a broad-based new round of multilateral trade negotiations under the principle of balanced interests for the benefit of all WTO members.

Internet: [http://europa.eu.int/comm/external\\_relations/china/intro/summit4.htm](http://europa.eu.int/comm/external_relations/china/intro/summit4.htm)

## G. **EU-United States Summits** (Washington DC, 18 December 2000; Göteborg, 14 June 2001)

Texts adopted: ■ Highlights of EU-US cooperation under the New Transatlantic Agenda (Washington DC)  
■ Statement (Göteborg)

**82.** The Heads of State and Government of the EU and the United States –

- *Washington DC*: reaffirmed their willingness to continue to work together to build a consensus for the launch of a new trade round in the WTO at the earliest opportunity; such a round should address the interests of all WTO members, in particular the poorer countries, and should strengthen and develop the rule-based system of the WTO; agreed that securing the launch of an inclusive and balanced round during 2001 was of the highest priority and committed themselves to continue to work to this end and seek to narrow differences that remain between them on the agenda of the Round;
- *Göteborg*: reiterated their commitment to address growing global challenges, acknowledging that they shared a unique responsibility to confront issues of global concern and impact;
- again expressed their commitment to the launch of a new round of multilateral trade negotiations and recognized that they had made progress towards this shared goal; the new round should demonstrate that the trading system can respond to the concerns of civil society and promote sustainable development.

Internet: <http://www.eurunion.org/partner/summit/Summit0012/NTACoop.htm>

## H. EU-Canada Summits

(Ottawa, 19 December 2000;  
Stockholm, 21 June 2001)

**Texts adopted:**

- Ottawa Joint statement on development assistance cooperation
- Stockholm: Joint statement on the WTO

**83. Ottawa:** The Heads of State and Government of the EU and Canada stated that –

- they shared a common purpose in pursuing development cooperation policies whose central objective is poverty reduction and agreed to work together to this end;
- for developing countries, particularly the least developed, integration and participation in the world economy was essential for sustained economic growth, social development and poverty reduction; they stressed that this process had to be accompanied by the necessary social and political reforms. In addition to improved access to EU and Canadian markets, developing countries needed greater technical and institutional capacities in order to be full participants in the global trading system.

**84. Stockholm:** The Heads of State and Government –

- agreed that a healthy, open, rule-based multilateral trading system that adapts to changes in the global economy was a key element for the prosperity of all WTO Members;
- were committed to the successful launch of an ambitious and balanced new trade round at the Fourth Ministerial Conference that reflects the interest of all WTO Members by expanding access to all markets for all Members; improving, strengthening and clarifying existing trade rules; and bringing new areas under multilateral disciplines;
- recognized that the negotiations should help developing countries in their development efforts and address the challenges they face in integrating into a global economy;
- shared the view that the future negotiations would have to respond to legitimate public concerns about the trading system by ensuring that the new round supports sustainable development and other broad social goals, including the right of each WTO Member to promote cultural diversity;
- underlined the need to strengthen the policy coherence between the WTO, the World Bank, the IMF and specialized UN bodies and support efforts, including those now being undertaken by the ILO, to address, in concert with the relevant international agencies, the social dimensions of globalization.

**Internet:**

- Ottawa: [http://europa.eu.int/comm/external\\_relations/canada/summit12\\_00/conclusions\\_en.htm](http://europa.eu.int/comm/external_relations/canada/summit12_00/conclusions_en.htm)
- Stockholm: [http://europa.eu.int/comm/external\\_relations/canada/sum06\\_01/](http://europa.eu.int/comm/external_relations/canada/sum06_01/)



## I. Group of Eight (G-8)

### 1. G-8 Summit (Genoa, 20-22 July 2001)

Texts adopted: ■ Final Communiqué  
■ Genoa Plan for Africa

#### 85. *Final Communiqué*: The Heads of State and Government of the G-8 –

- stated that, as democratic leaders, accountable to their citizens, they believed in the fundamental importance of open public debate on the key challenges facing their societies, and committed themselves to promote innovative solutions based on a broad partnership with civil society and the private sector;
- stated that they would also seek enhanced cooperation and solidarity with developing countries, based on a mutual responsibility to combat poverty and promote sustainable development, and expressed their determination to make globalization work for all citizens and especially the world's poor: drawing the poorest countries into the global economy was the surest way to address their fundamental aspirations;
- as regards poverty reduction, stressed that the situation in many developing countries – especially in Africa – called for decisive global action, and that the most effective poverty reduction strategy was to maintain a strong, dynamic, open and growing global economy;
- stated that open, democratic and accountable systems of governance, based on respect for human rights and the rule of law, were preconditions for sustainable development and robust growth: they would help developing countries promote the active involvement of civil society and non-governmental organisations and freedom of economic activity;
- as regards debt relief – particularly the enhanced HIPC Initiative – said that the initiative was a valuable contribution to the fight against poverty, but was only one of the steps needed to stimulate faster growth in very poor countries;
- noted that open trade and investment drove global growth and poverty reduction and agreed therefore to support the launch of an ambitious new round of global trade negotiations with a balanced agenda;
- affirmed that education was a central building block for growth and employment and that they would also work with the ILO to support efforts to fight child labour and would develop incentives to increase school enrolment;
- stressed their firm belief that economic performance and social inclusion are mutually dependent and committed themselves to implement policies in line with the recommendations of the G-8 Labour Ministers Conference (Turin, 2000), welcoming the increased activity of older persons who represented, as stated in the G-8 Turin Charter *Towards Active Ageing*,<sup>14</sup> a great reservoir of resources for their economies and their societies.

<sup>14</sup> <http://www.g7.utoronto.ca/g7/labour/ageingnov2000.htm>

**86. Genoa Plan for Africa: The Heads of State and Government of the G-8 –**

- agreed to “support African efforts to resolve African problems”;
- considered that peace, stability and the eradication of poverty in Africa were among the most important challenges they faced in the new millennium;
- welcomed the New African Initiative, which should provide the basis for a new intensive partnership between Africa and the developed world, and stressed the importance of working in partnership with African governments to improve access of African products to world markets, attract FDI and promote investment in key social sectors, in particular health and education; they stressed their commitment to promote this objective with their African partners and in multilateral forums – in the UN, the World Bank and the IMF, and in a new round of WTO negotiations – and decided that each G-8 Member would designate a high-level personal representative to liaise with committed African leaders on the development of a concrete Action Plan to be approved at the G-8 Summit in 2002.

Internet: G-8 Summit: [http://www.g8italia.it/\\_en/docs/ZILPSW34.htm](http://www.g8italia.it/_en/docs/ZILPSW34.htm)  
Final Communiqué: [http://www.g8italia.it/\\_en/docs/XGKPT170.htm](http://www.g8italia.it/_en/docs/XGKPT170.htm)  
Genoa Plan for Africa: [http://www.g8italia.it/\\_en/docs/TQMJG165.htm](http://www.g8italia.it/_en/docs/TQMJG165.htm)

**2. Meeting of the G-7 Summit**  
*(during the G-8 Summit,  
Genoa, 20-22 July 2001)*

Text adopted: ■ Statement

**87. The Heads of State and Government of the Group of Seven (G-7) –**

- agreed that cooperation on three elements was important to a strengthened global economy: (i) the launch of a new trade round; (ii) action to enhance the stability and integrity of the international financial system; and (iii) action to ensure that the poorest countries are not left behind, including the implementation of the HIPC Initiative;
- recognized that there were legitimate concerns in implementing the Uruguay Round agreements and stressed they were ready to examine ways to make further progress in connection with the launch of a new round;
- on the strengthening of the international financial system, considered that the multilateral development banks had a central role to play in combating poverty by promoting productivity growth and supporting equitable and sustainable economic development; to this end, they welcomed and endorsed their finance ministers’ recommendations for reforming the development banks and sharpening their focus on core social and human investments;
- on the enhanced HIPC initiative, stated that at Okinawa nine countries had qualified for debt relief and that 23 countries were now benefiting from the Initiative: they encouraged HIPCs that had not yet reached their decision point to quickly undertake the necessary economic and social reforms, including the development of a strategy for overall poverty reduction in cooperation with the World Bank and the IMF.

Internet: <http://www.g7.utoronto.ca/g7/summit/2001genoa/g7statement.html>

### 3. **Conference of G-8 Labour Ministers** (Turin, 10-11 November 2000)

Texts adopted: ■ Communiqué  
■ Charter on Ageing

#### 88. In their *Communiqué*, the Ministers –

- stressed that the globalization of markets and the rapid introduction and adoption of new technologies made a skilled and adaptable workforce key to a country's competitiveness and to the well-being of its citizens;
- stated that full employment in a knowledge-based society was their overarching goal and that it was essential that the interrelatedness of social and economic goals be reflected in the design of coherent employment and social policies;
- as regards policies for a socially inclusive society, recognized that while the knowledge-based society created enormous opportunities, if too many people were excluded from the fruits of economic growth or the benefits of learning, there was a risk of eroding social cohesion and impairing the conditions for sustainable social and economic development;
- shared the goal of broadly-shared prosperity, which meant ensuring that work pays and that issues of income inequality are effectively addressed;
- managing foreign debt along the lines of the enhanced HIPC initiative and with direct connections to poverty reduction strategies;
- agreed that sustained policies should be designed –
  - (i) to encourage investments in social sectors;
  - (ii) to improve and broaden social protection networks;
  - (iii) to enhance respect for core labour standards and maximize the number of those who benefit from the globalization process;
- were concerned about the digital divide both within the G-8 economies and societies as well as between the developing and developed countries;
- stressed that core labour standards should be respected wherever a person works so as to help share prosperity in a globalized world,; they reiterated the statements made at the Washington G-8 Labour Ministers Conference by committing themselves to work with and in the ILO to ensure that the Organization has the ability and resources it needs to fully promote the 1998 Declaration on Fundamental Principles and Rights at Work and the Worst Forms of Child Labour Convention, 1999 (No. 182);
- reiterated the conclusions of the Okinawa Summit, welcoming the increasing cooperation between the ILO and the international financial institutions (IFIs) in promoting adequate social protection and core labour standards;
- urged the IFIs to incorporate these standards into their policy dialogue with member countries;
- stressed the importance of effective cooperation between the WTO and the ILO on the social dimensions of globalization and trade liberalization;

- encouraged the OECD and the ILO to continue their valuable work on employment and related social issues; to promote policy coherence among international organizations and avoid duplication of research efforts, they strongly encouraged both the OECD and the ILO to share their knowledge and expertise related to the development of effective policies, their implementation and evaluation, and the dissemination of information.

**89.** In their Charter entitled *Toward Active Ageing*, the Ministers –

- were convinced that the ageing of their societies would create new opportunities as well as challenges;
- considered that therefore, through concerted efforts, coherent strategies and enhanced partnership with all actors concerned, they could reap the economic and social benefits resulting from increased activity of older people;
- attached continued importance to international cooperation and to the strengthening of dialogue with social partners in this field;
- encouraged the OECD, WHO and ILO to continue their work in this area.

Internet: *Toward Active Ageing*: <http://www.g7.utoronto.ca/g7/labour/ageingnov2000.htm>

**J. Group of Twenty (G-20):<sup>15</sup> Second meeting**  
(Montreal, Canada, 25 October 2000)

Text adopted: ■ Joint statement

**90.** In their *Joint Statement*, the Finance Ministers and Central Bank Governors of the Group of Twenty –

- reaffirmed their belief that the economic integration that is at the heart of globalization could continue to be an enormously powerful force contributing to improving the lives of hundreds of millions of people in industrial, transition and developing countries alike;
- at the same time, were in agreement that the process of globalization, like any other economic transformation, could also give rise to economic difficulties and social dislocation;
- stressed the role of governments in formulating and implementing policies to promote financial and economic stability and harness the benefits of globalization, and agreed that putting in place the right frameworks and policies for promoting a globalization process that works well for all its participants would be the key challenge for the international community in the twenty-first century;

<sup>15</sup> This group was formed in 1999 after the commitment made at the G-8 Summit in Cologne, Germany to establish an informal mechanism for dialogue within the framework of the Bretton Woods institutions. The G-20 brings together the G-7 and 12 emerging countries (Argentina, Australia, Brazil, China, India, Indonesia, Republic of Korea, Mexico, Russian Federation, Saudi Arabia, South Africa and Turkey) as well as the EU.

- called for the creation of more favourable conditions for the integration of heavily indebted poor countries into the global economy by urging both bilateral and multilateral creditors to participate fully in the enhanced HIPC Initiative;
- supported continued efforts by the WTO to build a consensus towards further multilateral trade liberalization and strengthening of trade rules that would bring broad benefits to the global economy, by reflecting the needs and interests of both developed and developing countries;
- called for the promotion of the design and effective implementation of “social safety nets” that protect the most vulnerable groups of society in the process of globalization.

Internet: *Group of Twenty*: <http://www.g20.org/indexe.html>

## K. Group of 77 (G-77)

### ***Thirtieth Meeting of Chairmen/Coordinators of the Group of 77 Chapters (Geneva, 15-16 March 2001)***

Text adopted: ■ Final Communiqué

#### 91. Participants –

- pledged to work in partnership with all stakeholders to make globalization work for LDCs by supporting those countries’ efforts to build the requisite productive, human and institutional capacities;
- offered assistance in creating a favourable international environment for their beneficial integration into the world economy and to ensure their sustainable development;
- urged that the process of decision-making in WTO regarding implementation issues should be completed before the Fourth Ministerial Conference in order to ensure that the interests and concerns of developing countries are fully taken into account;
- as regards financing for development, emphasized the importance of more stable and predictable financing for social and economic development and stressed the important role that ODA can still play, in this respect, for the majority of developing countries, particularly LDCs and other countries with limited potential for domestic savings or export earnings;
- were particularly concerned that virtually all developing countries, irrespective of their stage of development, were hindered by the burden of excessive debt service: they agreed that the solution to this problem lay in expeditious action to relieve indebtedness. As such, they welcomed the important steps taken in this direction through the HIPC process and the cancelling of the bilateral debts of those countries. Nevertheless, they also believed that further debt relief measures should be developed and extended, including for indebted middle-income countries.

Internet: *Final Communiqué*: <http://www.g77.org/News/comuniqu30.html>

## L. Group of Fifteen (G-15)

### *Eleventh Summit*

*(Jakarta, 30-31 May 2001)*

- Texts adopted:**
- Joint Communiqué
  - Jakarta Declaration on Information and Communication Technology for Development

#### **92. The Heads of State and Government of the Group of Fifteen (G-15) –**

- noted that despite the rapid recovery of the global economy in 1999 and early 2000, the looming slowdown reduced prospects for sustaining this momentum: this influenced negatively the projections for sustained economic growth and sustainable development in developing countries;
- these developments highlighted the need for a new global approach to bolster cooperation and partnerships to promote a more equitable sharing of the benefits of globalization;
- recognized in particular the need for a higher degree of macroeconomic coordination among developed countries to promote a conducive environment for growth and development and to minimize the adverse social and economic consequences of globalization;
- noted with concern that 1.2 billion of the world's population still live in conditions of abject poverty and deprivation, and stressed that the international community had to demonstrate greater commitment to making the right to development a reality;
- as regards preparations for the International Conference on Financing for Development, stated that the Conference should aim at making globalization work for all peoples and achieving the internationally agreed development targets and the Millennium Summit goals through concrete measures and actions;
- remained concerned that the debt problem of developing countries continued to be a major obstacle to development and reiterated their call for expeditious and additional action by developed countries to enable all HIPC countries to qualify for debt and debt-service relief;
- in the light of the significance of employment generation in alleviating poverty, welcomed the decision of the Special Session of the UN General Assembly "Copenhagen + 5" (Geneva, June 2000) to convene a Global Employment Forum, under the auspices of the ILO, in November 2001; the Forum was an opportunity for the formulation of a global framework for the realization of a Comprehensive Employment Strategy; in the preparations for the Forum, they urged the ILO to take into consideration the G-15 initiative on a Comprehensive Employment Strategy and to ensure that actual implementation programmes figured prominently in the ILO's programme and budget for the years 2002-03;
- strongly reiterated that non-trade issues such as labour standards and environmental conditionalities should not be included in the WTO agenda, and further expressed their concern at the deterioration of preferential schemes, especially the imposition of additional conditionalities on developing countries under the GSP; and called for the exclusion of conditionalities, particularly labour, health, safety and environmental standards in the implementation of GSP schemes;

- in the *Jakarta Declaration on Information and Communication Technology for Development* stressed that, in conjunction with the basic elements for development, ICT had the potential to accelerate sustained economic growth and promote sustainable development in developing countries; there was an urgent need to address the major impediments to the participation of the majority of the peoples in developing countries in the ICT revolution, and to define and implement national programmes aimed at mainstreaming ICT into national development strategies. They therefore agreed on the establishment of a G-15 Task Force on ICT.

Internet: *General*: <http://www.sibexlink.com.my/g15/>  
*Joint Communiqué*: <http://www.dfa-deplu.go.id/world/multilateral/g15/joint-communique1.htm>  
*Jakarta Declaration on Information and Communication Technology for Development*:  
<http://www.dfa-deplu.go.id/world/multilateral/g15/jkt-declaration2.htm>

## M. Summit of the Americas

### ***Third Summit of the Americas*** *(Quebec City, 20-22 April 2001)*

Texts adopted: ■ *Declaration of Quebec City*  
 ■ *Plan of Action*

#### **93.** In the *Declaration of Quebec City*, the Heads of State and Government of the Americas –

- renewed their commitment to create greater prosperity and expand economic opportunities while fostering social justice and the realization of human potential and to work with all sectors of civil society and international organizations to ensure that economic activities contribute to the sustainable development of their societies;
- welcomed the significant progress achieved to date toward the establishment of a Free Trade Area of the Americas (FTAA), including the development of a preliminary draft FTAA Agreement: they directed their Ministers to ensure that negotiations of the FTAA Agreement were concluded no later than January 2005 and to seek its entry into force as soon as possible thereafter, but in any case no later than December 2005;
- stated that democracy and economic and social development were interdependent and mutually reinforcing as fundamental conditions to combat poverty and inequality. They committed themselves to further efforts to reach International Development Goals, especially the reduction by 50 per cent by the year 2015 of the proportion of people living in extreme poverty and stated that progress towards more democratic societies, growing economies and social equity relied on an educated citizenry and a skilled labour force;
- committed themselves to promote compliance with internationally recognized core labour standards as embodied in the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up;
- expressed their willingness to consider the ratification of or accession to the “fundamental agreements” of the ILO, as appropriate;
- in order to advance their commitment to create greater employment opportunities, improve the skills of workers and improve working conditions throughout the hemisphere, they recognized the need to address, in the relevant hemispheric and international forums, issues of globalization related to employment and labour, and

therefore instructed the Inter-American Conference of Ministers of Labour (Ottawa, 17-19 October 2001)<sup>16</sup> to continue their consideration of issues related to globalization which affect employment and labour;

- instructed the foreign ministers of the region to prepare, in the framework of the next General Assembly of the OAS, an *Inter-American Democratic Charter* to reinforce OAS instruments for the active defence of representative democracy” (see next section).

**94.** In the *Plan of Action*, the Heads of State and Government of the Americas –

- in a section on labour and employment issues, recognized that employment is the most direct way in which economic activity is linked to the improvement of the standard of living of their citizens and that true prosperity can only be achieved if it includes protecting and respecting basic rights of workers as well as promoting equal employment opportunities and improving working conditions for people in all countries in the region;
- noted the importance of investing in human resource development, of promoting employment security consistent with economic growth and developing mechanisms to assist workers in periods of unemployment, as well as of strengthening cooperation and social dialogue on labour matters among workers, their organizations, employers and governments;
- directed ministers to collaborate in the examination of the labour dimension of the Summit of the Americas process; in this regard, they expressed their will to create a process for improved collaboration and coordination on the labour dimensions of the Summit process between labour ministries and other appropriate ministries and key international institutions that have a critical role to play in the improvement of labour conditions, in particular the OAS, ILO and ECLAC, as well as IDB and the World Bank;
- reaffirmed their respect for the ILO Declaration on the Fundamental Principles and Rights at Work and its Follow-up, as well as their readiness to adopt and implement legislation and policies that provide for the effective application of core labour standards as recognized by the ILO, and to consider the ratification and implementation of the fundamental ILO Conventions;
- stated that they would continue to work towards the elimination of child labour, and as a priority, promote the hemispheric ratification and implementation of the Worst Forms of Child Labour Convention, 1999 (No. 182), work to bring national laws, regulations and policies into conformity with that Convention, and take immediate action to eliminate the worst forms of child labour;
- stressed the need to design and implement, with the cooperation of the IDB, the World Bank, other donors, as appropriate, as well as the ILO, legislation, policies and regulations that reduce start-up costs, foster the development of community finance institutions and create conditions that encourage commercial banks to broaden their client base to include more micro, small and medium-sized enterprises;

<sup>16</sup> <http://xii-ciamt.org/english/index.html>



- stated that they would increase access to opportunities for sustainable entrepreneurship, productivity and employment among young people and improve, as appropriate, social safety nets at the national and regional levels.

Internet: *Summit*: <http://www.americascanada.org/menu-e.asp>  
*Declaration of Quebec City*: <http://www.americascanada.org/eventsummit/declarations/declara-e.asp>  
*Plan of Action*: <http://www.americascanada.org/eventsummit/declarations/plan-e.asp>  
*Follow-up*: [http://www.americascanada.org/eventsummit/document/dec\\_study\\_release-e.asp](http://www.americascanada.org/eventsummit/document/dec_study_release-e.asp)

## N. Organisation of American States (OAS)

### ***Special Session of the General Assembly*** *(Lima, Peru, 11 September 2001)*

Text adopted: ■ Inter-American Democratic Charter

95. The Foreign Ministers of the Americas, meeting in plenary sitting in Lima on 11 September 2001 during the 28th Special Session of the OAS General Assembly, adopted by acclamation the *Inter-American Democratic Charter*, resulting from the mandate conferred by the *Declaration of Quebec City* (see previous section). The Charter –

- reaffirms that the fight against poverty, and especially the elimination of extreme poverty, is essential to the promotion and consolidation of democracy and constitutes a common and shared responsibility of American States;
- recognizes that the right of workers to associate freely for the defence and promotion of their interests is fundamental to the fulfilment of democratic ideals;
- in its Article 10, states that the promotion and strengthening of democracy requires the full and effective exercise of workers' rights and the application of core labour standards, as recognized in the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, as well as the related fundamental ILO Conventions;
- stresses that democracy is strengthened by improving standards in the workplace and enhancing the quality of life for workers in the hemisphere;
- reaffirms the commitment of OAS member States to adopting and implementing all the measures required to generate productive employment, reduce poverty and eradicate extreme poverty, taking into account the different economic realities and conditions of the countries of the hemisphere.

Internet: *Special Session*: [http://www.oas.org/charter/eng/charter\\_en.htm](http://www.oas.org/charter/eng/charter_en.htm)  
*Charter*: [http://www.oas.org/charter/docs/resolution1\\_en\\_p4.htm](http://www.oas.org/charter/docs/resolution1_en_p4.htm)

**O. Xth Summit of Heads of State and of Government of Ibero-American Countries**  
(Panama, 17-18 November 2000)

Text adopted: ■ Panama Declaration

**96. The Heads of State and Government of Ibero-American countries –**

- adopted a Declaration with special focus on children and adolescents, in which they agreed to urge countries that have not yet done so, to consider signing, ratifying or accepting the ILO's Worst Forms of Child Labour Convention, 1999 (No. 182), and the Minimum Age Convention, 1973 (No. 138);
- expressed satisfaction at the results achieved in the region by the International Programme for the Elimination of Child Labour (IPEC);
- agreed to continue making every effort to bring about significant reductions in the levels of poverty in which some Ibero-American populations are living;
- supported, like the creditor countries, an effective, just and lasting solution to the problem of external debt, particular attention being given to the highly indebted countries of the Ibero-American community;
- proposed that the international financial institutions improve their credit facilities through transparent, coordinated and non-discriminatory mechanisms and help ensure that countries facing difficulties can promptly regain solvency and access to international financial markets.

Internet: *Panama Declaration:* <http://www.atfal.org/KeyDocs/Esp-X Cumbre-final.doc>  
<http://www.oei.es/xcumbreddec.htm> (Spanish)

**P. Rio Group**

**XVth Presidential Summit**  
(Santiago, Chile, 17-18 August 2001)

Texts adopted: ■ Declaration of Santiago  
■ Decision on the International Conference on Financing for Development

**97. The Heads of State and Government member of the Rio Group –**

- highlighted the importance they assigned to the struggle against poverty and extreme poverty as a global objective and urgent imperative;
- agreed to take firm and coordinated steps towards economic and social development, whose target shall be dignified employment, quality education and integrated health services for the underprivileged;
- underscored the fact that the main topic of their deliberations at the Summit had been that of the Information Society, wherein they had discussed the impact and effects of technological change on equity, competitiveness and employment in their region;

- urged G-8 member countries to take action to relieve the foreign debt of the countries that so require, and to support the struggle of the Rio Group countries against poverty and extreme poverty;
  - reaffirmed the need for a stronger multilateral trade system, especially at a time of world economic slowdown, where protectionist pressures strike more heavily: for this reason they renewed their commitment to continue working towards reaching the necessary consensus that will ensure the success of the WTO Fourth Ministerial Conference. In particular, they expressed their support for a new round with a balanced, well-defined agenda that takes into account the interests of all participants and whose results benefit all members, particularly the developing and less advanced countries. According to them, a new round agenda will have to tackle properly the developing countries' concerns regarding the implementation of the Uruguay Round agreements, and include an ambitious mandate oriented at the agricultural trade liberalization process that began during that round;
  - reaffirmed the decisive role played by the United Nations as an international forum for dialogue for decision-making in economic, social and environmental matters, and for ensuring the orientation and consistency of the international economic order, with a view to responding to development priorities, including poverty eradication, and ensuring an equitable share in globalization benefits.
- 98.** In their Decision on the International Conference on Financing for Development, they declared their resolute support for the preparation and holding of the International Conference on Financing for Development: they underscored that the Conference was a unique opportunity to define, from the financial standpoint, a new world alliance strongly supporting development; this world alliance should include an adequate mobilization of increasing internal resources; increased, more stable international financial flows, such as official development flows, other public flows and direct foreign investment; an international trade system affording better access to markets for goods and services from developing countries; effective, lasting solutions to the foreign debt burden problem; a comprehensive approach to systemic issues, including enhanced and more effective participation of developing countries in decision-making on international issues, which promotes the creation of a new international financial scheme strongly furthering development and making it possible to prevent, avoid and, if applicable, tackle crises.
- 99.** In a separate statement they also called on the international financial organizations to adopt the necessary measures to address the current requirements of the Argentine economy, thereby enabling the country and the region to continue to progress in its integration into the world economy.

**Internet:** *Declaration of Santiago:* <http://www.minrel.cl/grupoderio/Declaración-Santiago-Inglés.htm>  
*Decision:* <http://www.minrel.cl/grupoderio/Decisión-Financiamiento-Inglés.htm>

## **Q. Andean Community**

### **1. *Thirteenth Andean Presidential Council*** *(Valencia, Venezuela, 23-24 June 2001)*

Text adopted: ■ Act of Carabobo

#### **100.** In the Act, the Presidents –

- noted with satisfaction that the Andean Community had continued to intensify its economic integration and strengthen its international presence, and had broadened its Community agenda to encompass new spheres of action: like the political and social spheres, the Andean business and labour sectors were becoming increasingly committed to the integration process;
- recognized that the movement toward more advanced forms of social and political integration would be possible only to the extent that all sectors of society become integrated; accordingly decided to foster more social involvement in the deepening of the integration process and agreed that, despite the efforts and accomplishments in the social arena, a high level of poverty and social inequality still existed in the Andean area which threatened the stability of the democratic systems and affected the progress of integration;
- confirmed the social commitments adopted at the Andean Presidential Councils of Guayaquil, Cartagena, and Lima and agreed to attach greater priority to the development of an interdisciplinary Andean Social Agenda that would offer an effective response to the needs of member Countries in their struggle against poverty, inequality, and social exclusion;
- expressed their satisfaction at the signing of the Protocol of Substitution of the Simón Rodríguez Convention, which establishes a suitable forum for tripartite participation in promoting socio-labour integration, and committed themselves to expedite the pertinent domestic steps to be taken in each country for rapid ratification;
- instructed the Ministers responsible for implementing the policies on social welfare, health, labour, education, and housing, to hold the first Andean meeting of Ministers in these areas during the second half of this year, in order to exchange experience and draft a Comprehensive Social Development Plan to cope with the problems of poverty, social exclusion and inequality in the subregion;
- requested the Andean Development Corporation to intensify its special financing programmes through financial institutions with social purposes;
- emphasized the importance of the Fourth Ministerial WTO Conference, which they believed would be an appropriate occasion for launching a new round of multilateral trade negotiations that would ensure the equitable participation of developing countries.

Internet: <http://www.comunidadandina.org/ingles/document/valencia24-6-01.htm>

## 2. **Meeting of Heads of State of the Andean Community** (Lima, 28-29 July 2001)

**Text adopted:** ■ Machú Pichú Declaration on Democracy, the Rights of Indigenous Peoples and the War against Poverty

### 101. The Heads of State –

- reiterated their intention to undertake measures to reduce poverty by 50 per cent by the year 2015;
- stated that social justice is a basic element of democracy and essential for guaranteeing the political stability and legitimacy of their governments;
- stated their intent to strengthen their political cooperation within the subregional integration process and to attach considerable priority to their social agenda;
- had great expectations of the agreements reached by the G-8 in Genoa and urged those governments to make them effective, especially those concerning external debt relief and the war on poverty and extreme poverty;
- with a view to advancing the social agenda and mobilizing all sectors of society in the war against poverty and the creation of jobs, charged the Foreign Ministers to draft a proposal to set up a social conciliation group within the Andean Forum in order to give the citizenry full participation in the integration processes; the group should contribute its ideas to the design of an Integrated Andean Social Development Plan.

## 3. **Meeting of Foreign Ministers of the Andean Community, MERCOSUR and Chile** (La Paz, Bolivia, 17 July 2001)

**Text adopted:** ■ Ministerial Declaration of La Paz on the Institutionalization of the Political Dialogue between the Andean Community and MERCOSUR and Chile

### 102. The ministers –

- decided to set up the Mechanism for Dialogue and Political Cooperation among the Andean Community, the MERCOSUR and Chile, comprising the foreign ministers, whose representatives will meet half-yearly to follow up on the agreements adopted, promote political cooperation and propose the agenda, venue and times of the ministers' meetings;
- agreed that the integration and development of their countries called for the fair distribution of the benefits they produced, and in view of the progress achieved both in the extended MERCOSUR with the adoption of the Buenos Aires Charter on Social Commitment, and in the Andean Community, where work was under way to draw up an Integrated Social Development Plan, stressed the importance of analysing the possibilities of a convergence of such activities and of promoting joint efforts in this area;
- took note of the proposal by Argentina for a "Social and Cultural Commitment of the Andean Community and MERCOSUR and Chile," to be discussed at their next meeting.

**Internet:** <http://www.comunidadandina.org/ingles/document/lapaz17-7-01.htm>

## R. Caribbean Community (CARICOM)

### 1. *Twelfth Inter-sessional Meeting of the Conference of Heads of Government (Barbados, 14-16 February 2001)*

Text adopted: ■ Communiqué

#### 103. In the communiqué, heads of government –

- referred to their full and frank exchange of views with the Director-General of the WTO on the process of globalization, liberalization, the operation of the WTO and the implications for developing countries, particularly small developing countries;
- took note of information from the Director-General on ongoing confidence-building initiatives and technical assistance to developing countries;
- expressed the interest of the Caribbean in an equitable, rule-based multilateral system;
- expressed great disappointment with the operation of the multilateral arrangements ushered in by the Uruguay Round, which increased the imbalance and lack of consideration for the interests of developing countries, as evidenced by the processes leading up to the Seattle Ministerial Meeting and the cost of access to the dispute settlement facility;
- affirmed that any new round of multilateral trade negotiations should be as much about development as trade liberalization;
- stressed the importance of confidence building, the provision of technical assistance to enable developing countries and small countries in particular to implement their existing commitments, and the overall review of the multilateral system to the creation of a climate conducive to the participation of small developing countries in future negotiations.

Internet: [http://www.caricom.org/pressreleases/pres36\\_01.htm](http://www.caricom.org/pressreleases/pres36_01.htm)

### 2. *Twenty-Second Meeting of the Conference of Heads of Government of CARICOM (Bahamas, 3-6 July 2001)*

Text adopted: ■ Communiqué

#### 104. The heads of government –

- stressed the importance of a systematic engagement at all levels between government and social partners in order to arrive at concrete proposals to advance the region's agenda;
- as regards activities in the WTO, reiterated their commitment to a rule-based multilateral trading system which caters for the concerns and peculiarities of smaller economies such as those of the Caribbean Community; to that end, they recognized that the region would need to deploy its best technical skills in pursuit of its interests in the negotiations in agriculture and services that are part of the built-in agenda, the

work on unresolved implementation issues of concern to developing countries and in the ongoing preparations for the Fourth WTO Ministerial Meeting.

Internet: <http://www.caricom.org/22hgc-communique.htm>

## S. Arab Labour Conference

### **28th Arab Labour Conference** (Amman, Jordan, 2-7 April 2001)

Text adopted: ■ Resolution

**105.** In their *resolution* concerning the Report of the Director-General of the Arab Labour Office entitled *Social Protection for All Citizens*, the Ministers of Labour of Arab States –

- expressed satisfaction to the Director-General for choosing the report on social protection to be at the centre of the debate of the Conference;
- called on Arab States to develop social security with a view to extending social protection nets through the extension of coverage of social insurance to the informal sector and to all categories in society; the coverage of new branches of social insurance, by giving priority to health insurance and unemployment insurance; the establishment of social safety nets in order to cope with contingencies not covered by social security schemes; achieving integration, coordination and cooperation between efforts made by the public and private sector in social security schemes; the optimum investment of resources of social security funds for the generation of employment for youth and their protection against unemployment; the provision of basic and necessary services to Arab citizens, first and foremost health, educational and housing services;
- called on the secretariat of the League of Arab States to accelerate the establishment of the Arab Common Market and develop its mechanisms to ensure the movement of Arab capital and labour, considered as a national objective in order to face the consequences of globalization; to achieve Arab economic integration through the extension of the role and tasks of Arab funding agencies, and increase their capital with a view to carrying out their national role in the establishment of economic projects at the national level, thus contributing to the provision of employment opportunities for the Arab labour force.

## T. League of Arab States

### **13th Council of the League of Arab States** **at the Summit Level** (Amman, Jordan, 27-28 March 2001)

Text adopted: ■ Amman Declaration

**106.** In their *Declaration*, the Kings, Heads of State and Princes of Arab States declared their intention to seek the promotion of Arab solidarity, to reinforce Arab common action in order to achieve economic integration between Arab States and to take the necessary steps,

according to conditions in each state, to accelerate the process of establishing a large Arab Free Trade Zone.

## U. Organization of the Islamic Conference (IOC)

### ***Ninth Session of the Islamic Summit Conference***

*(Doha, Qatar, 12-13 November 2000)*

Texts adopted: ■ Final Communiqué  
■ Doha Declaration  
■ Resolution

**107.** In their *Final Communiqué* and in the *Doha Declaration*, the Kings, Emirs and Heads of State and Government of the Organization of Islamic Conference (OIC) –

- stressed the need to take effective measures to alleviate the negative impact of the international economic order on the economies of Member States so as to ensure their sharing, on an equal footing, of the benefits of globalization;
- stressed the need to face up to the challenges of globalization through the full participation of developing countries and of those whose economies are in transition in the international decision-making process concerning economic and financial policies;
- noted that the liberalization of international trade has not been beneficial to the developing countries, and highlighted the need for confidence-building in the multilateral trading system by encouraging the participation of all developing countries;
- agreed to strengthen the consultation mechanism within the OIC organs or through bilateral or multilateral cooperation, with a view to coordinating the positions of its members as regards negotiations in the WTO;
- further called for the rejection of attempts to include non-trade issues, such as labour and environment standards, in the work programme of WTO or to link such issues with trade deals, given their detrimental effect on the evolution of a just, free and fair multilateral trading environment;
- called on the WTO to strengthen the development dimension in the various multilateral trade agreements, inter alia, by operationalizing the provisions on special and preferential treatment in favour of the developing countries;
- considered the establishment of an Islamic Common Market a long-term objective which requires in particular the establishment of an Islamic free-trade zone;
- called for improving the performance of international financial institutions in order to avoid crises and the situation of instability experienced by the world financial system;
- expressed their disappointment at the declining trend in the volume of ODA to the LDCs and called on the developed countries that have not increased their ODA to do so in order to be consistent with the current international development strategy;



- expressed their belief in the link between the phenomenon of acute poverty in the LDCs and the distortion in their socio-economic structures, deterioration of terms of trade and consequent marginalization in the global economy;
- further reaffirmed the common objective of the Member States of eradicating poverty before the end of the next decade;
- renewed their call to the international community, and the developed countries in particular, to offer substantial reduction of African debts and lowering of the burden of servicing charges;
- agreed that microcredit programmes providing access to small capital for productive self-employment contributes significantly to the eradication of poverty and called for the incorporation of such programmes in the strategy for poverty eradication;
- stressed the role of the private sector in Member States in providing impetus to intra-OIC economic relations, as well as the need to enhance the role of small and medium enterprises (SMEs) as a crucial element in the industrial development process in Member States.

**108.** They also adopted a *resolution* (No. 27/9-P(IS)) on *the Islamic World and Challenges of Globalization*, in which they requested, among others, the IOC Secretary-General, in coordination with Member States to prepare in-depth studies and organize specialized symposia on the matter to provide more information on the subject and to define the practical ways and means that would enable Member States to face up to the challenges of globalization in such a way as to serve the interests of the Islamic Ummah.

**Internet:**

- Final Communiqué: [http://www.oic-oci.org/english/is/9/9th-is-sum-final\\_communique.htm](http://www.oic-oci.org/english/is/9/9th-is-sum-final_communique.htm)
- Resolution: [http://www.oic-oci.org/english/is/9/9th-is-sum-political\\_2.htm](http://www.oic-oci.org/english/is/9/9th-is-sum-political_2.htm) - 27

## **V. Southern African Development Community (SADC)**

### **1. Summit of Heads of State and Government (Blantyre, Malawi, 12-14 August 2001)**

**Text adopted:** ■ Final Communiqué

**109.** The Heads of State and Government –

- stressed that SADC leaders were committed to making the organization operationally effective and efficient so that it can respond positively to challenges such as poverty, HIV/AIDS and globalization which have a negative impact on the livelihoods of the people of SADC;
- noted that at the continental level, through collective efforts, remarkable progress had been achieved towards strengthening African unity: to this end, a giant step had been taken with the transformation of the OAU into the African Union (AU) and adoption of the New African Initiative;
- noted that the region was faced with a formidable challenge to ensure that these new initiatives work for the benefit of all the people of the continent;
- observed that on average, the region had achieved positive GDP growth rates since 1995; however, those rates had been significantly below the growth target of 6 per

cent that is required to have a meaningful impact on eradicating poverty; the challenge was therefore to increase the economic growth rate of the region to levels that would have such an impact.

Internet: <http://www.dfa.gov.za/docs/sadccom.htm>

## **2. Meeting of COMESA and SADC Trade Ministers (, Cairo, Egypt, 30 July 2001)**

Text adopted: ■ Report

**110.** In their *Report*, the Ministers of Trade of COMESA (Common Market for Eastern and Southern Africa) and SADC –

- called upon international lending institutions, bilateral creditors and the Bretton Woods institutions to support the development efforts of developing countries and LDCs by writing off their debt;
- urged WTO developed member States to give credit to developing countries and LDCs for autonomous liberalization already undertaken;
- urged all developed country members of the WTO to fulfil their undertakings with regard to assuring greater market access for developing and least developed countries by addressing peaks and tariffs escalation in sectors of export interest to COMESA/SADC countries, and binding duty-free and quota-free market access for all products from African developing and least developed countries;
- requested the WTO to pursue initiatives aimed at achieving greater coherence in global economic policy-making;
- reiterated their commitment, made in the Singapore Declaration, whereby the ILO is the only competent organization to deal with core labour standards.

Internet: <http://www.comesa.int/news/newsdoha.htm>

## **W. Association of South-East Asian Nations (ASEAN)**

### **1. Fourth ASEAN Informal Summit (Singapore, 25 November 2000)**

Text adopted: ■ Chairman's statement

**111.** The Heads of State and Government of the Association of South-East Asian Nations (ASEAN) agreed to launch an “Initiative for ASEAN Integration (IAI)”. Its main objective is to narrow the divide within ASEAN and enhance ASEAN’s competitiveness as a region. It therefore provides a framework for regional cooperation through which the more developed ASEAN members could help those member countries that most need it. The Initiative will focus on education, skills development and worker training. These will be key factors of competitiveness in the new economy.

Internet: [http://www.aseansec.org/summit/infs4\\_cps.htm](http://www.aseansec.org/summit/infs4_cps.htm)

## 2. ***Fifteenth Meeting of ASEAN Labour Ministers*** (Kuala Lumpur, Malaysia, 10-11 May 2001)

Text adopted: ■ Joint Communiqué

### 112. The Ministers of Labour of ASEAN States –

- noted the efforts by the ILO to promote the ratification of core labour standards;
- expressed satisfaction that ASEAN member countries had responded positively by ratifying several of the fundamental Conventions in response to promotional efforts by the ILO;
- reiterated their view, supported by their counterparts from East Asia, that labour standards should not be linked to international trade and that the ILO is the most competent body to deal with the issue;
- noted that the ILO's Worst Forms of Child Labour Convention, 1999 (No. 182), had received overwhelming support from ASEAN member countries, and called for appropriate technical assistance to ensure effective implementation of the Convention;
- were pleased to note the decision by the Governing Body to review the ILO's standard-setting processes and supervisory mechanisms;
- stressed that the implementation of their work programme would further their vision of addressing the impact of globalization and trade liberalization on labour and employment, particularly by enhancing the quality of ASEAN's manpower, strengthening the capacity to better manage the impact of economic downturns on labour and employment, and safeguarding the well-being of workers.

Internet: <http://www.aseansec.org/function/pralm15.htm>

## X. **Asia-Pacific Economic Cooperation Forum** (APEC)

### ***APEC Summit*** (Brunei, 16 November 2000)

Text adopted: ■ Final Declaration

### 113. The Heads of State and Government of the Asia-Pacific Economic Cooperation Forum (APEC) –

- noted that as they viewed the options ahead, they were convinced that the movement towards global integration held the greatest opportunity to deliver higher living standards and social well-being for their communities;
- acknowledged that meeting the wide range of social and economic challenges that globalization poses would not always be easy: they understood that in all their economies there were people who had yet to gain the benefits of economic growth, especially in rural and provincial communities; they therefore resolved to address the wide disparities in wealth and knowledge and bring the benefits of globalization to all their people;

- stated that their ability to reap the benefits of globalization would depend on the capacity of their economies and their people to cope with ongoing change;
- asked all their ministers to include ways to look after those disadvantaged by economic change, including through continued work on “social safety nets”;
- as regards creating new opportunities, stated that there was no doubt that the revolution in ICT was dramatically boosting the development of a global economy;
- as regards strengthening the multilateral trading system, stated that in the era of globalization, a fair and rules-based multilateral trading system was even more crucial to their success and prosperity;
- reiterated that there was a need to expeditiously launch a new WTO round for the benefit of all WTO members, particularly least-developed and developing economies; agreed that a balanced and sufficiently broad-based agenda that responds to the interests and concerns of all WTO members should be formulated and finalized as soon as possible in 2001 and that a round be launched in 2001; commended the confidence-building measures adopted in the WTO, including those on market access for least-developed economies and those addressing concerns over aspects of the implementation of WTO agreements. They urged effective implementation and the participation of more economies in the least-developed economies market access initiative.

Internet: *Brunei*: <http://www.apec2000.gov.bn/leaders.pdf>

## **Y. South Asian Association for Regional Cooperation (SAARC)**

### ***Meeting of Commerce Ministers (New Delhi , 23 August 2001)***

**Text adopted:** ■ Joint Statement on the Fourth WTO Ministerial Conference

**114.** The Commerce Ministers and the Heads of Delegations of the Member Countries of the South Asian Association for Regional Cooperation (SAARC) –

- reiterated their strong commitment to work to further strengthen the multilateral trading system through the WTO;
- recalling the Joint Statement of the Commerce Ministers of SAARC Countries issued on August 9th 1999 at Bandos Island, Maldives, prior to the Seattle Ministerial Conference, stressed that a consensual outcome of the forthcoming Doha Ministerial Conference was of the utmost importance, particularly from the standpoint of developing countries;
- reviewed progress made in WTO in relation to the resolution of the implementation concerns raised by developing countries in respect of the Uruguay Round agreements: deep disappointment was expressed at the lack of any meaningful progress, despite a clear decision in May 2000 by the WTO General Council that these issues had to be addressed and decisions taken for appropriate action not later than the Fourth WTO Ministerial Conference. They felt that any further delay was likely to erode the credibility of the multilateral trading system among the developing and the least developed countries;

- emphasized that these issues remaining from the Uruguay Round Agreements had to be meaningfully and fully resolved, and with urgency, without any extraneous linkages;
- noted with serious concern that the Uruguay Round of Agreements and their implementation had further accentuated the inequalities and disparities between the developed and developing countries: they felt strongly that addressing this growing development deficit should receive primacy in all future work programmes in the WTO, since the key to sustained global economic growth lies in unlocking the growth potential of developing countries;
- resolutely opposed any linkage of trade with social or other non-trade issues like labour standards and cautioned against developing concepts such as global coherence with other intergovernmental organizations like ILO and UNEP, since this may be used to link trade with social issues or widen the environmental window for protectionist purposes.

**Internet:** <http://www.saarc.org/>

Geneva, 22 October 2001.