

EUROPEAN
COMMISSION

INTERNATIONAL
LABOUR
ORGANISATION



MEMORANDUM of UNDERSTANDING

Concerning the establishment of a strategic partnership between the International Labour Organisation and the Commission of the European Communities in the field of Development

Considering the successive Agreement and Exchanges of Letters between the International Labour Organisation (hereinafter referred to as 'the ILO') and the Commission of the European Communities (hereinafter referred to as 'the Commission') of 1958 and 1989, and the latest dated 14 May 2001;

Considering the Commission's Communications to the Council and the European Parliament "*Building an effective partnership with the United Nations in the fields of Development and Humanitarian Affairs*"¹ and "*The European Union and the United Nations: the choice of multilateralism*"² and

Following the Joint Conclusions of the second High Level Meeting between the Commission and the ILO concerning the establishment of a strategic partnership in the field of Development between the Commission and the ILO, dated 8 July 2003;

The Commission and the ILO hereby establish a strategic partnership in the field of Development (hereinafter referred to as 'the Partnership') with the aim of enhancing and increasing the effectiveness of both partners in their efforts to achieve their common goals and objectives in this field.

A. GOAL

1. Through the Partnership, the Commission and the ILO will work towards the shared goal of reducing poverty and achieving the Millennium Development Goals, together with the Decent Work for All Agenda and other internationally agreed development targets, by making the greatest possible contribution to strengthening the social dimension of development cooperation.
2. The Partnership complements and further develops in the field of Development the ongoing overall cooperation between the Commission and the ILO, which is promoted in accordance with the above-mentioned Exchange of letters. Within this overall framework, the objectives of the Partnership will be achieved through:

¹ COM (2001)231 final, 2 May 2002.

² COM(2003)526

- regular policy dialogue on development issues;
- enhanced cooperation at all levels, in particular at regional and country level; and
- financial cooperation in ILO's operational activities where there is added value, relevant impact, common interest and adequate capacity.

B. SCOPE

1. The geographical scope of the Partnership is limited to those countries classified as 'developing' according to the OECD-DAC list of aid recipients.³
2. The ILO and the Commission will seek to work closely together on matters of mutual interest related to Development at global, regional and country levels.

C. AREAS OF COOPERATION

1. Cooperation at regional and country level under the Partnership will consist of programmes and projects aimed at promoting, within the field of Development cooperation:
 - Core Labour Standards, with a special focus on child labour and education.
 - Corporate Social Responsibility and Core Labour Standards.
 - Social Dialogue.
 - Poverty Reduction and Employment.
 - Migration and Development.
2. Relevant Gender Equality issues will be mainstreamed within the five areas.
3. The Partnership will be an evolving framework. Possible new issues could include, for instance, those related to social protection.
4. The five areas initially taken into consideration for the Partnership form a "multi-track package" in which the initiatives have necessarily different stages of implementation. The ongoing dialogue between the two institutions will allow specific strategies to be defined.

D. ARRANGEMENTS

The ILO and the Commission agree to implement the Partnership under the dialogue framework established by the Exchange of Letters dated 14 May 2001. Within this framework the following arrangements will apply:

1. Within the context of the Partnership the policy dialogue between the Commission and ILO will be further developed through regular bilateral meetings, where discussions will take place on policy matters of common

³ DAC List of Aid Recipients as at 1 January 2003

interest to the two parties. Senior level meetings will be held once a year between the Director-General responsible for Development in the Commission, or a representative nominated by him, and relevant officials of other Commission departments with an interest in development issues, on the one hand, and the person responsible in the ILO, or their nominated representatives, on the other, in order to review the progress of work and to discuss policy, technical and operational issues related to furthering the objectives of the Partnership.

2. The focal point for the Partnership will be the appropriate services responsible for Development Cooperation in the Commission, on the one hand, and the Development Cooperation Department of the ILO within the Office of the Executive Director for Regions and Technical Cooperation, on the other. The focal point shall ensure coordination with their respective services.
3. Regular and ad hoc meetings may be held between officials of the two parties, with notification to, and as far as possible the participation of, liaison officials, covering practical matters of cooperation, in particular the implementation of projects, participation in committees, groups and working parties and the preparation of documents.
4. The Commission and the ILO will reciprocally invite each other to meetings and working groups relevant to this Partnership.
5. The parties undertake to report on the progress of the Partnership in the field of Development to the High Level Meeting established in the Exchange of Letters.

E. FINANCIAL FRAMEWORK

1. Financial assistance from the Commission in activities undertaken by the ILO, unless otherwise agreed in exceptional circumstances, will be in accordance with the Financial and Administrative Framework Agreement between the European Communities and the United Nations, which entered into force on 29 April 2003 and to which the ILO acceded on 8 July 2003. In particular, disbursements may be made on the basis of the achievement of agreed results.
2. Any financial support should be additional to the ILO's regular budget, permitting the acceleration of the delivery of results, or widening the scope and/or the geographical extension of the programme concerned.
3. The specific elements of financial cooperation between the Commission and ILO in the field of Development are still to be established. The development of such support should be linked to the programming of geographical budget lines.
4. Within the Partnership, the parties will also consider possibilities of enhanced, more predictable, multi-year financial cooperation in area(s) agreed under the Partnership.

F. DURATION

The Partnership enters into force on the date of the signature of this Memorandum and is for an indefinite period. The content of the Partnership is to be reviewed every three years within the overall arrangements laid down in section D of this Memorandum.

Done at Brussels,

15 -07- 2004

Geneva,

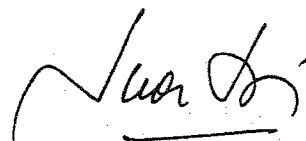
16 JUL 2004

For the Commission of the European
Communities

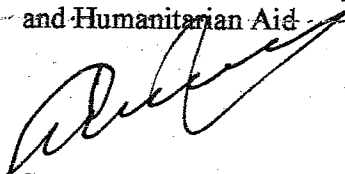
For the International Labour Organisation



Poul NIELSON
Commissioner for Development
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Juan SOMAVIA
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