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# ▶ Renewed social justice for a human-centred recovery

Report of the Director-General



Report of the Director-General

# ▶ **Renewed social justice for a human-centred recovery**

17th Asia and the Pacific Regional Meeting  
Singapore, 6–9 December 2022

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## ▶ Contents

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	<b>Page</b>
Acronyms .....	7
Part I. Renewed social justice for a human-centred recovery.....	9
1. Introduction .....	9
2. COVID-19 crisis and decent work.....	11
2.1. Employment and labour market impacts of the COVID-19 crisis.....	11
2.2. Structural barriers to decent work and inclusive growth .....	24
3. Regional priorities for activating a human-centred recovery.....	34
3.1. Institutional framework to support transitions to formality and decent work.....	35
3.2. Strong foundations for social and employment protection and resilience .....	37
3.3. Revitalizing productivity growth and skills for more and better jobs .....	40
4. Moving ahead .....	42
Part II. Progress in implementing the Bali Declaration and the COVID-19 pandemic response.....	45
1. Introduction .....	45
2. Social dialogue at the core of the ILO mandate .....	46
2.1. Overview – progress and challenges.....	46
2.2. Social dialogue at centre of COVID response.....	48
2.3. Laying foundations: Tripartite social dialogue.....	49
2.4. Bipartite dialogue in focus .....	50
2.5. DWCPs as a platform for tripartite dialogue .....	51
2.6. Developing the capacities of social partners.....	53
3. People .....	57
3.1. Strengthening the capacities of all people to benefit from the opportunities of a changing world of work.....	57
3.2. The effective realization of gender equality in opportunities and treatment.....	57
3.3. Effective measures to support people through work–life transitions.....	60
3.4. Supporting employers and workers through the digital transformation of work .....	63
3.5. Lifelong learning and skills for all .....	65
3.6. Building resilience and promoting decent work in the context of fragility, conflicts and disasters .....	67
3.7. Strengthening social protection.....	68

	<b>Page</b>
4. Institutions .....	70
4.1. Respect for the fundamental rights of workers and ratification of Conventions .....	70
4.2. Strengthening labour market institutions .....	76
4.3. An adequate minimum wage, statutory or negotiated .....	79
4.4. Promoting safety and health for all .....	80
5. Economy and decent work for all .....	81
5.1. Developing and influencing macroeconomic policies .....	81
5.2. Sustainable economic growth, sustainable enterprises, innovation, and the informal economy .....	84
Annex 1: Overview of DWCPs, UNSDCFs and UNDAFs in the Asia and the Pacific and the Arab States regions .....	89
Annex 2: Ratifications of ILO Conventions by countries in the Asia and the Pacific and the Arab States regions, 2017–July 2022.....	91

## List of figures

Figure 1. Loss of working hours relative to fourth quarter of 2019 (%).....	13
Figure 2. Changes in employment relative to 2019, by age group (%) .....	19
Figure 3. Total COVID-19 fiscal policy response package (% of GDP).....	22
Figure 4. Distribution of social protection responses to the COVID-19 pandemic, by type of measure (%).....	23
Figure 5. Employment and inactivity trends by region and subregion, 2019–21 .....	25
Figure 6. Total number of ratifications of fundamental Conventions in the Asia and the Pacific and the Arab States regions .....	71
Figure 7. Ratifications of ILO Conventions by type and year, 2012–22 (through July).....	72
Figure 8. Occurrence of labour-related restrictive clauses in trade agreements, by region, 1994–2021 .....	73

## List of tables

Table 1. Global, regional and subregional annual GDP growth, 2018 to 2022 and selected periods (percentages).....	11
Table 2. Index of employment change by sector, 2020 and 2021 (2019 = 100).....	17
Table 3. Bali Declaration policy priorities: section mapping .....	45

## List of boxes

Box 1.	Using social dialogue to find solutions in Asia’s garment sector .....	49
Box 2.	Gender disparities in social dialogue processes .....	50
Box 3.	Bipartite social dialogue in Indonesia’s palm oil sector advances decent work .....	51
Box 4.	Extending social dialogue into wider regional forums .....	53
Box 5.	Transforming employer and business membership organizations into data-driven organizations .....	53
Box 6.	Initiatives of employers’ organizations to promote change in specific policy areas .....	55
Box 7.	Initiatives by workers’ organizations to promote change in specific policy areas.....	56
Box 8.	Regional frameworks underpin national action on gender equality .....	60
Box 9.	Putting the rights of migrant workers at the centre of the Pacific climate response .....	63
Box 10.	Reorientation to online learning on STEM-related skills brings benefits to women workers in Indonesia, the Philippines and Thailand .....	64
Box 11.	Building resilience and promoting recovery through decent work .....	68
Box 12.	Renewed vision for future of social protection in the Arab States .....	69
Box 13.	From normative work to tangible changes in Qatar’s labour reforms .....	74
Box 14.	National measures taken to tackle child labour and forced labour .....	76
Box 15.	Workers’ organizations engage in labour law and related legislative and policy reform .....	77
Box 16.	Greening jobs and skills: Responding to the challenges of climate change .....	82
Box 17.	ILO regional publications provide the evidence base for decent work policies.....	82
Box 18.	Improved statistics in support of labour market policy and measures.....	83
Box 19.	High-level evaluation highlights the importance of ILO’s sustainable enterprises work .....	85
Box 20.	The MNE Declaration provides a foundation for improving international labour standards in global supply chains .....	87
Box 21.	Promoting international labour standards in global supply chains in China .....	88

## ▶ Acronyms

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ABND	assessment-based national dialogue
ADB	Asian Development Bank
ADBI	Asian Development Bank Institute
ACFTU	All-China Federation of Trade Unions
ASEAN	Association of Southeast Asian Nations
BDPP	Bali Declaration Policy Priorities
CBA	collective bargaining agreement
CEACR	Committee of Experts on the Application of Conventions and Recommendations
CSR	corporate social responsibility
DWCP	decent work country programmes
EBMO	employer and business membership organizations
EESE	enabling environment for sustainable enterprise
EPIC	Equal Pay International Coalition
GCC	Gulf Cooperation Council
IBC	Issues-Based Coalition
ILO	International Labour Organization
IMF	International Monetary Fund
IOE	International Organisation of Employers
IRENA	International Renewable Energy Agency
ITC	International Trade Centre
ITUC	International Trade Union Confederation
LFSs	labour force surveys
MSMEs	micro, small and medium-sized enterprises
NEET	not in employment, education or training

OSH	occupational safety and health
RBC	responsible business conduct
RPL	recognition of prior learning
SCOPE	Standing Conference of Public Enterprises
SCORE	Sustainable Competitive and Responsible Enterprises programme
SDGs	Sustainable Development Goals
SSC	Sector Skills Council
SMEs	small and medium-sized enterprises
STEM	science, technology, engineering and mathematics
TVET	technical and vocational education and training
UNDAF	United Nations Development Assistance Framework
UNICEF	United Nations Children's Fund
UNSDCFs	United Nations Sustainable Development Cooperation Frameworks
WISE	Work Improvements in Small Enterprises



## ► Part I. Renewed social justice for a human-centred recovery

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### 1. Introduction

1. The 17th Asia and the Pacific Regional Meeting brings together governments, workers' organizations and employers' organizations in two dynamic and diverse regions: Asia and the Pacific and the Arab States. The two regions include 48 Member States, covering all income levels, from Eastern Asia, South-Eastern Asia, Southern Asia, the Pacific Island States and the Arab States.<sup>1</sup> The two regions will be considered separately in this report, including in all references to statistics, or if considered collectively will be referred to as the Asia and the Pacific and Arab States region.
2. In the six years since the 16th Asia and the Pacific Regional Meeting held in December 2016, the world has been turned upside down by a global pandemic and multiple economic, social and environmental crises. As economies and labour markets in all regions struggle to get back on track after experiencing the most significant setbacks since the Second World War, the nature of conversations to be held at the 17th Asia and the Pacific Regional Meeting will inevitably turn to the human-centred recovery from the coronavirus disease (COVID-19) pandemic; specifically, how countries are striving to overcome existing structural barriers and orient recovery towards one that will be inclusive, sustainable and resilient.
3. This first Meeting since the adoption of the Global Call to Action for a Human-centred Recovery from the COVID-19 crisis that is inclusive, sustainable and resilient at the 109th International Labour Conference in June 2021 is an opportunity to reflect on the status of mobilization in pursuit of the human-centred recovery. It is also an opportunity to ask some hard-hitting questions on what specific approaches are needed at national, regional and multilateral levels to get to where we want to be to support recovery, resilience and inclusiveness in the world of work, now and in the future.
4. There is great diversity in the socio-economic context of countries represented at this Meeting, which challenges our capacity to speak in generalities on labour market trends and prospects in this report. Diversity prevails between the two regions and across subregions, income levels, national geographies and demographic contexts, as well as between the sexes and in other ways. While it is the nature of regional reports to speak in generalities around common themes, readers are invited to bear in mind the heterogeneity of national contexts as they consider appropriate national and multilateral policy approaches toward recovery.
5. Heterogeneity aside, there is commonality between the regions and across economies in the harsh impacts felt by workers, enterprises and households as a result of the pandemic. There is also commonality in that structural deficiencies within the two regions have limited the achievement of decent work and inclusive growth, both prior to and during the pandemic. Employment rates remain high in most subregions and unemployment rates remain low, but formal job creation has lagged, resulting in high rates of informal employment, a prevalence of

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<sup>1</sup> Including the Occupied Palestinian Territory.

struggling micro, small and medium-sized enterprises (MSMEs), widespread labour migration and continuing working poverty.<sup>2</sup>

6. Such indicators of decent work deficiencies have worsened during the COVID-19 crisis. The vulnerability of workers to poverty and of enterprises to disruption and dissolution in the face of economic shocks, political crises and natural disasters remains all too real. Such vulnerabilities stem in part from the absence of social protection in the regions, weak employment protection and insufficient social dialogue, all of which were identified as priority areas of action in the Bali Declaration adopted at the 16th Asia and the Pacific Regional Meeting.<sup>3</sup> Regional growth models that are based heavily on global supply chains and external investments that exacerbate the risk to economic shocks have not helped.
7. Most countries are still reeling from the impact of the COVID-19 pandemic and economic crisis and are increasingly confronted by additional pressures that stem from emerging geopolitical conflicts, including the Russian Federation's aggression against Ukraine and environmental uncertainties. In this context of global instability, the 17th Asia and the Pacific Regional Meeting provides an opportunity to examine the pre-existing and protracted challenges in the world of work that both exacerbate the exposure of economies to crises and increase the severity of impacts on enterprises and workers in the two regions. In this context, I am pleased to present a report that examines the economic and social impact of the COVID-19 pandemic and focuses attention on what will be needed to guide a human-centred approach to recovery.
8. The Meeting will discuss and deliver guidance on how the International Labour Organization (ILO) can better support workers, enterprises and households in the two regions to adapt to the new challenges and opportunities in the world of work and bring about positive environmental, economic and social impacts. It provides a forum in which to assert the values of social justice, with decent work at its heart, that are embedded in the ILO's constitutional mandate and founding principles. It also provides space to guide the operationalization of such values, setting out the regional priorities for an ambitious social justice programme that aspires to meet the needs of those groups that face the greatest decent work and social justice deficits.
9. The programme of action must build on our joint commitments as enshrined in the Bali Declaration, the ILO Centenary Declaration for the Future of Work, the Global Call to Action for a Human-centred Recovery and the ILO Declaration on Social Justice for a Fair Globalization. It must also lend itself to the achievement of the 2030 Agenda for Sustainable Development, in particular Sustainable Development Goal (SDG) 8, "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all", as well as other SDG targets that are relevant to the realization of decent work.<sup>4</sup>
10. The remainder of the report reviews the key developments since the previous Meeting; the actions taken to implement the Bali Declaration; the important issues currently facing Member States; and the areas in which social dialogue-based responses can be generated by ILO constituents to activate a human-centred recovery.

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<sup>2</sup> ILO, *Asia-Pacific Employment and Social Outlook 2020*, 2020; see also ILO, *"Asia-Pacific Employment and Social Outlook 2022"*, forthcoming.

<sup>3</sup> [The Bali Declaration](#) was adopted at the 16th Asia and the Pacific Regional Meeting on 9 December 2016 as the region's call to action for governments and employers' and workers' organizations to do more to promote inclusive growth, social justice and decent work.

<sup>4</sup> Alignment with UN, *Our Common Agenda: Report of the Secretary-General*, 2021, is also expected.

## 2. COVID-19 crisis and decent work

### 2.1. Employment and labour market impacts of the COVID-19 crisis

#### Regional economic growth takes a hit with the COVID-19 crisis

11. The economies of the Asia and the Pacific and the Arab States regions were hit hard by the COVID-19 pandemic. The Asia and the Pacific region experienced negative economic growth of 1.3 per cent in 2020 – the most severe contraction in nearly half a century (table 1). According to the Asian Development Bank (ADB), developing Asia experienced its first period of negative growth since the 1960s.<sup>5</sup> While economic growth rebounded to 6.3 per cent in 2021, regional gross domestic product (GDP) continues to remain significantly below its pre-crisis growth path. The Arab States region saw economic growth of -6.5 per cent in 2020, recovering only to a modest 2.5 per cent in 2021.
12. Among the Asia and the Pacific subregions, Southern Asia faced the strongest economic contraction in 2020 (-4.7 per cent) and also the strongest rebound in economic growth in 2021 (7.8 per cent). Taking 2020 and 2021 together, South-Eastern Asia was the subregion whose economies suffered most from the pandemic, with a significant contraction in 2020 (-3.5 per cent) and an economic growth rate in 2021 (2.9 per cent) that was still significantly below the rates seen before the pandemic. The Pacific Islands experienced a negative economic growth of -2.3 per cent in 2020, largely driven by Australia and New Zealand but also reflecting smaller island countries with a strong GDP dependency on tourism. Eastern Asia was the only subregion whose economy continued to grow at least marginally even in 2020 (0.7 per cent), with relative strong economic growth in 2021 as well (6.7 per cent).
13. Throughout the pandemic, governments have faced a double challenge in their responses: (a) to contain the spread of the virus through mobility restrictions, including border and workplace closures; and (b) to respond to the resulting social and economic disruptions that have adversely affected businesses and the livelihoods and well-being of women and men workers and their families. The national lockdowns and closures of international borders imposed by many countries, especially during the first months of the pandemic, weighed heavily on domestic and foreign consumer demand, investment and tourism, all the elements that had pushed the Asian economy to its top-ranked position in recent years. Even as more geographically targeted and sector-specific measures have gradually become the norm, travel restrictions are still in place in many countries, with adverse impacts on the economy.

► **Table 1. Global, regional and subregional annual GDP growth, 2018 to 2022 and selected periods (percentages)**

Region	2012–15	2016–19	2020–21	2018	2019	2020	2021	2022(p)
World	3.5	3.4	1.5	3.6	2.9	-3.1	6.1	3.6
<i>Asia and the Pacific</i>	5.3	5.1	2.5	5.1	4.1	-1.3	6.3	4.8
Eastern Asia	5.5	5.0	3.7	5.1	4.4	0.7	6.7	3.9
South-Eastern Asia	5.1	5.1	-0.3	5.2	4.6	-3.5	2.9	5.1
Pacific Islands	2.9	2.6	1.1	2.8	2.1	-2.3	4.6	3.9

<sup>5</sup> ADB, *Asian Development Outlook 2020 Update: Wellness in Worrying Times*, September 2020.

Region	2012–15	2016–19	2020–21	2018	2019	2020	2021	2022(p)
Southern Asia	5.6	5.7	1.5	5.2	3.0	-4.7	7.8	7.1
Arab States	3.3	1.4	-2.0	1.8	1.4	-6.5	2.5	6.3

Note: p = projected.

Source: ILO calculations based on IMF, *World Economic Outlook* (April 2022).

14. As the Arab States region was already subject to difficult economic circumstances prior to the COVID-19 crisis, the lockdown measures and disruption of trade and foreign investments compounded those pre-existing negative impacts. Key job-rich sectors were severely hit, primarily affecting economies that rely heavily on tourism, hospitality and services. Countries that had been in conflict for several years were left with limited to no means or resources to address the health, economic or labour market repercussions of the crisis. Overall, pre-existing challenges, including weak public institutions and limited fiscal space, were amplified by the pandemic, setting back economic and growth prospects in the Arab States region, with the exception of the Gulf Cooperation Council (GCC) countries.
15. Persistent uncertainty, continuing instability and production bottlenecks contributing to inflation and price hikes in certain sectors characterize the current global economic climate (as of mid-2022).<sup>6</sup> Recovery is occurring at an uneven pace, with widening gaps between the more and less developed economies, at least in part also driven by uneven vaccination rates. The Asia and the Pacific region is expected to grow by 4.8 per cent in 2022, which exceeds the 3.6 per cent growth projected for the world. Economic growth in the Arab States is projected to reach 6.3 per cent in 2022.
16. Yet even as the COVID-19 crisis eases in most countries and borders reopen, pre-existing crises have continued and new crises have unfolded in recent months, compounding the already fragile circumstances of many countries or areas. These crises include political changes (Afghanistan, Myanmar), conflicts (Occupied Palestinian Territory, Syrian Arab Republic, Yemen), natural disasters (the Philippines) and debt and financial crises (Lebanon, Sri Lanka), with severe impacts on the labour market.<sup>7</sup> The Russian aggression against Ukraine has led to major new disruptions to energy and food supply chains as well as rising inflation, with impacts that are filtering down to the Asia and the Pacific and the Arab States regions, adversely impacting the prospects for labour market recovery.

### Working hours, income and job security and enterprise sustainability are victims of the COVID-19 crisis

17. According to the ILO Monitor, the number of working hours in the Asia and the Pacific region declined in 2020 by an estimated 7.9 per cent (equivalent to the working time of approximately 140.2 million full-time jobs, assuming a 48-hour working week), compared to the pre-crisis situation in the fourth quarter of 2019 (figure 1).<sup>8</sup> In 2021, 3.6 per cent of all working hours were lost (equivalent to 65.1 million full-time jobs). In the Arab States, the estimated loss of working

<sup>6</sup> ILO, *World Employment and Social Outlook: Trends 2022*, 2022.

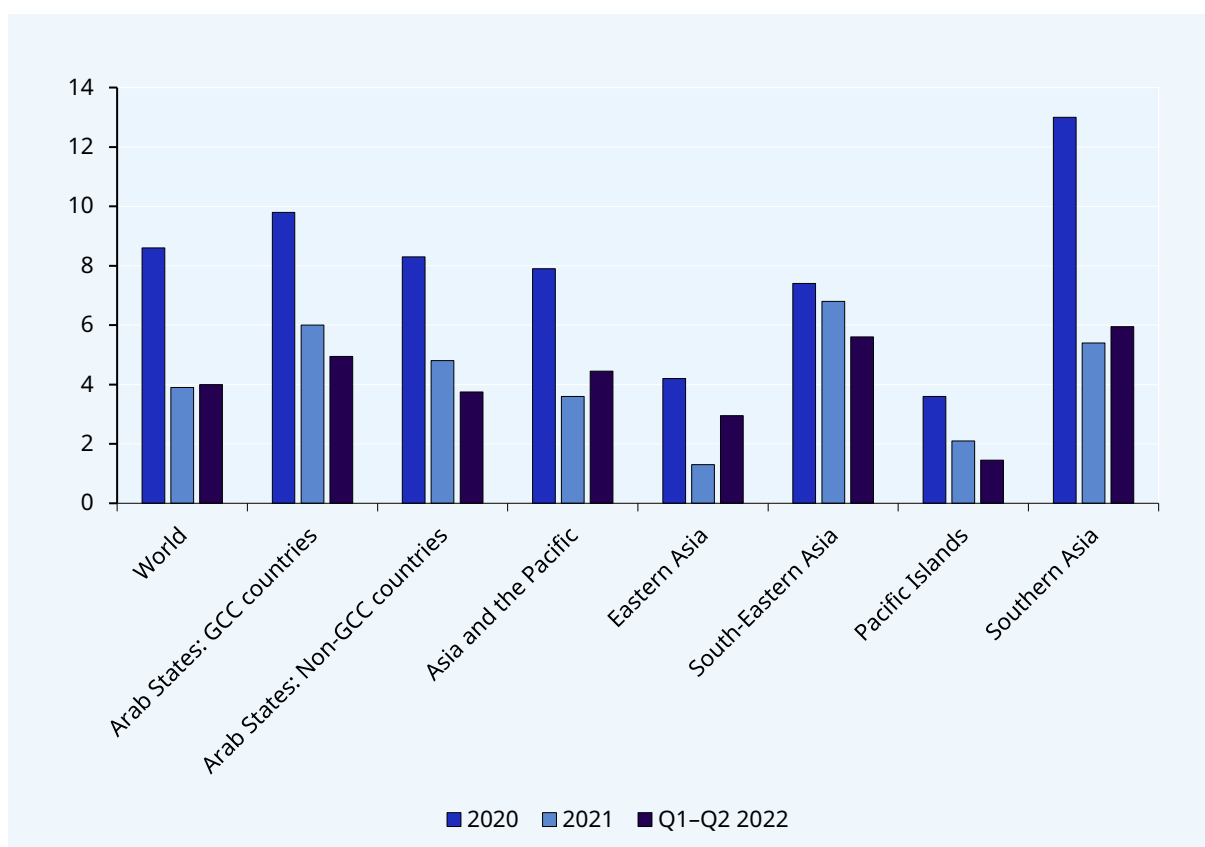
<sup>7</sup> ILO, "Employment in Myanmar in 2021: A Rapid Assessment", January 2022; ILO, "Employment Prospects in Afghanistan: A Rapid Impact Assessment", January 2022.

<sup>8</sup> ILO, "ILO Monitor: COVID-19 and the World of Work – Ninth Edition", May 2022.

hours was 9.1 per cent (4.6 million full-time jobs) in 2020 and 5.4 per cent (2.8 million full-time jobs) in 2021.

18. By subregions of Asia and the Pacific, the greatest loss of working hours in 2020 was experienced in Southern Asia (13 per cent), followed by South-Eastern Asia (7.4 per cent), Eastern Asia (4.2 per cent) and the Pacific Islands (3.6 per cent). That pattern shifted in 2021, when subsequent COVID-19 pandemic waves and lockdown impacts caused South-Eastern Asia to experience the greatest loss of working hours in the region (6.8 per cent), followed by Southern Asia (5.4 per cent). In the Pacific Islands (2.1 per cent) and Eastern Asia (1.3 per cent), working hours in 2021 remained below pre-crisis levels. For the Arab States region, the loss of working hours was higher in GCC countries than in non-GCC countries in both 2020 (9.8 per cent and 8.3 per cent, respectively) and 2021 (6 per cent and 4.8 per cent, respectively).

► **Figure 1. Loss of working hours relative to fourth quarter of 2019 (%)**



Note: Adjusted for population aged 15–64; negative values imply that working hours were gained relative to the fourth quarter of 2019; figures for the first two quarters of 2022 represent an average of quarterly estimates; for methodological details, see ILO, “ILO Monitor: COVID-19 and the World of Work – Ninth Edition”, May 2022.

Source: ILO, ILOSTAT modelled estimates.

19. In the first two quarters of 2022, working hours are estimated to have remained below pre-crisis levels globally as well as in the Asia and the Pacific and the Arab States regions, in both of which working hour losses in the first half of 2022 amounted to an estimated 4.5 per cent of the end-2019 level.
20. At the level of countries or areas, mean weekly hours worked per employed person in 2020 were 2.2 hours less in the Islamic Republic of Iran, 2.9 hours less in Mongolia, 4.2 hours less in the Occupied Palestinian Territory, 6.1 hours less in the Philippines and 2 hours less in Thailand. The

drop in working hours during the pandemic was primarily driven by underemployment but also influenced by the stoppage of overtime hours, with implications for low-wage workers who often rely on overtime premium payments as part of their income.<sup>9</sup> The share of workers working more than 49 hours decreased in Australia, Indonesia, Japan, Mongolia, the Occupied Palestinian Territory, the Philippines, the Republic of Korea, Thailand and Viet Nam.

21. Telework – the use of information and communication technologies for work outside the employer’s premises – has been a key strategy adopted by many employers to maintain operational continuity, limit the spread of COVID-19 infection and keep workers employed. The ability to work remotely during the pandemic certainly preserved millions of jobs, enabled business continuity and improved productivity. At the onset of the pandemic, one report indicated that telework was used by 40 per cent of the workforce in Malaysia, the Philippines and the Republic of Korea during the first wave of the COVID-19 pandemic.<sup>10</sup> Another report indicated that approximately 200 million workers in China were working remotely by the end of the lunar New Year holiday in 2020.<sup>11</sup> The teleworking rate reached 28 per cent in Japan in May 2020 and about 47 per cent in Australia in 2020, with even higher rates for women and workers with better qualifications.<sup>12</sup>
22. There are some negative ramifications of telework, including the blurring of boundaries between work and personal life and the possibility of working excessive working hours. A study by the Japanese Trade Union Confederation found that 52 per cent of teleworkers reported working longer hours than before the crisis. Moreover, telework arrangements are driving new concerns about occupational safety and health (OSH) to ensure safe and healthy working environments in relation to not only physical but also mental well-being.<sup>13</sup> Many workers, predominantly women, have also faced new challenges trying to manage their children’s at-home schooling while fulfilling their own professional responsibilities.
23. Workers in the Asia and the Pacific region have expressed through various polls their appreciation for the flexibility of telework over the course of the pandemic, in particular the time gained by avoiding the daily commute.<sup>14</sup> There is an evident expectation that working arrangements should adapt to a “new normal” in a post-pandemic setting, with increased flexibility to work remotely or in hybrid work arrangements. Evidence is already emerging that the easing of the pandemic has not yet significantly reduced the advertising of teleworking in new job postings, hinting that the increased prevalence of teleworking is a trend that is here to stay.<sup>15</sup>
24. While telework has benefited some workers, it is not an option for all, including many of those employed in client-facing sectors such as accommodation and food services, transportation and

<sup>9</sup> The aggregate data masks differences that could appear at the occupational and sectoral levels; one may assume, for instance, that certain medical personnel may have increased working hours during the pandemic, whereas the working hours of taxi drivers were substantially reduced.

<sup>10</sup> Raul Dancel, “Coronavirus: Asia Not Yet Ready to Work from Home”, *The Straits Times*, 14 June 2020.

<sup>11</sup> Raphael Bick et al., “A Blueprint for Remote Working: Lessons from China”, *McKinsey Digital*, 23 March 2020.

<sup>12</sup> OECD, *Teleworking in the COVID-19 Pandemic: Trends and Prospects*, 2021.

<sup>13</sup> World Health Organization (WHO) and ILO, *Healthy and Safe Telework: Technical Brief*, 2021.

<sup>14</sup> For instance, EY, “Majority of Surveyed Southeast Asia (SEA) Employees Prefer Not to Return to Pre-COVID-19 Ways of Working”, press release, 13 July 2021.

<sup>15</sup> Pawel Adrjan et al., *Will It Stay or Will It Go? Analysing Developments in Telework during COVID-19 Using Online Job Postings Data*, OECD Productivity Working Papers, No. 30, 2021. Australia, Japan and New Zealand are the only countries in the Asia and the Pacific region included in the analysis, while Mexico is the only country among the 20 countries analysed that qualifies as a developing country. See also APEC, *Managing the Long-Term Economic Effects of the Flexible Work Arrangements: APEC Practices and Recommendations*, May 2021.

retail, and workers engaged part-time or on temporary contracts. Workers in MSMEs are also less likely to be in jobs that are amenable to remote working.<sup>16</sup> The consequences are that persons in these jobs – typically younger and with lower educational qualifications than workers in other sectors – face greater occupational risks of exposure to the virus and are also most affected by the loss of working hours driven by the pandemic.

25. The loss of working hours was also driven by employment losses. The Asia and the Pacific region saw its employment-to-population ratio decline from 57.7 per cent to 55.3 per cent between 2019 and 2020, with only a small uptick to 55.8 per cent in 2021. In the Arab States, this ratio decreased from 47.1 per cent in 2019 to 45.7 cent in 2020, remaining at that level also in 2021.
26. In the Asia and the Pacific region, employment declined by 58 million between 2019 and 2020, even though the overall working-age population increased by 37 million for demographic reasons. Workers who lost their jobs either went into unemployment or moved outside the labour force. Unemployment increased by 19 million, while economic inactivity increased by 76 million, reinforcing the message that analysing the impact of the crisis on unemployment alone is misleading.<sup>17</sup> For the Arab States, employment declined by about 340,000 between 2019 and 2020, despite population growth of about 2.6 million, while economic inactivity increased more than unemployment, with an increase of persons outside the labour force of 2.2 million versus an increase in unemployment of 780,000.
27. The loss of working hours was accompanied by significant losses of labour income. The ILO Monitor estimated that labour income declined 3 per cent in the Asia and the Pacific region in 2020, relative to the pre-pandemic level in the fourth quarter of 2019,<sup>18</sup> while it declined 4.7 per cent in the Arab States. Labour income is estimated to have rebounded in Asia and the Pacific in 2021, growing by 2.6 per cent, although it contracted by 4.2 per cent in the Arab States.
28. Poverty in general, as well as working poverty, increased for the first time after having trended downwards for decades in the Asia and the Pacific region as well as in the Arab States. In the absence of effective institutionalized support, households relied on limited savings to meet basic needs or went into debt. According to ILO estimates, the number of working women and men living in extreme poverty (below US\$1.90 a day) increased by 2.1 million people in Asia and the Pacific in 2020, bringing the total to 64.5 million (3.5 per cent of total employment). The number of employed persons living in extreme or moderate poverty (below US\$3.20 a day) increased by 3.7 million to reach 304 million (15.8 per cent of total employment) as a result of the COVID-19 crisis.<sup>19</sup> The crisis also led to a strong increase in working poverty in the Arab States; the number of workers living in extreme poverty increased significantly by 640,000 in 2020 to reach a total of 4.7 million (8.8 per cent of total employment). Also, the number of workers living in extreme or moderate poverty increased by 770,000 to 8.4 million (15.8 per cent of total employment), owing to the COVID-19 pandemic as well as ongoing civil conflicts.
29. Enterprises in the Asia and the Pacific region and the Arab States region have been in extreme distress during the crisis. MSMEs employ the majority of the workforce in the Asia and the Pacific region. The self-employed and enterprises with less than 50 employees account for more than 50 per cent of employment in Eastern Asia, South-Eastern Asia and the Pacific Islands. In Southern

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<sup>16</sup> Mariya Brussevich, Era Dabla-Norris and Salma Khalid, [Who Will Bear the Brunt of Lockdown Policies? Evidence from Tele-Workability Measures across Countries](#), IMF Working Paper WP/20/88, 2020.

<sup>17</sup> ILO, [“COVID-19, Labour Market Slack and What It Means for Recovery”](#), 2021.

<sup>18</sup> ILO, [“ILO Monitor: COVID-19 and the World of Work – Ninth Edition”](#).

<sup>19</sup> ILO, [World Employment and Social Outlook: Trends 2022](#).

Asia, the share is as high as 90 per cent.<sup>20</sup> MSMEs were particularly vulnerable since they were more likely to have fewer assets and more limited cash reserves, as well as lower levels of productivity. In both regions, a large proportion of MSMEs operate in the informal economy, in which they lack access to the government and other financial support needed for business continuity in times of depressed economic activity.

30. There is clear evidence that MSMEs have been bearing the brunt of the crisis, as working-hour losses have in most countries been greater in smaller enterprises.<sup>21</sup> In the Islamic Republic of Iran, Mongolia and Viet Nam, working-hour losses in 2020 were greatest in enterprises with 1 to 4 employees, at 10.3 per cent, 9.0 per cent and 4.7 per cent, respectively, and exceeded working-hour losses in enterprises with 5 or more employees. In the Occupied Palestinian Territory, working-hour losses were greatest in enterprises with 5 to 49 employees (19.1 per cent), closely followed by enterprises with 1 to 4 employees (14.3 per cent). Only in Thailand (among countries or areas with available data) were working-hour losses in enterprises with 1 to 4 employees smaller compared to other size categories.<sup>22</sup>
31. While enterprises have suffered, the number of registered bankruptcies in 2020 and 2021 among the seven advanced Asia and the Pacific economies with available data – Australia, Hong Kong (China), Japan, New Zealand, Republic of Korea, Singapore and Taiwan (China) – were either at similar levels or below the 2019 figure.<sup>23</sup> This suggests that registered enterprises in these advanced economies seem to have been able to withstand lost activity – thanks in part to subsidies, loans or other enterprise support measures offered by the state. Nonetheless, numerous enterprise surveys from developing countries in the region reported that large shares of enterprises were nearing the end of their cash reserves, thus signalling problems to come.<sup>24</sup> Moreover, informal enterprises in all countries are likely to have seen higher closure rates. An enterprise survey conducted by the International Trade Centre (ITC) between April and June 2020 revealed that informal enterprises were 25 per cent more likely than formal enterprises to say that the pandemic was pushing them towards bankruptcy.<sup>25</sup>
32. The sector in which the enterprise or own-account worker operates affects employment survival rates in the current crisis and recovery process. In the first year of the crisis (2019 to 2020), employment in the Asia and the Pacific region saw the greatest percentage loss (-14 per cent or 86 per cent of the 2019 employment level) in the sector that includes workers in private households (private households with employed person), a category that includes domestic workers, security guards and private drivers (table 2). The sector saw no recovery in 2021 (remaining at 86 per cent of the 2019 employment level), although many other sectors showed some degree of recovery in that year.
33. In the Asia and the Pacific region, the other sectors experiencing acute employment losses were mining, manufacturing, wholesale trade, transport, telecommunication, and arts and entertainment. In the Arab States region, the sectors most affected by employment losses in 2020 were utilities, construction, accommodation and food-serving activities, telecommunications, real estate activities, and arts and entertainment. The manufacturing sector in this region, in contrast

<sup>20</sup> ILO, *Small Matters: Global Evidence on the Contribution to Employment by the Self-Employed, Micro-Enterprises and SMEs*, 2019.

<sup>21</sup> ILO, *ILO Monitor: COVID-19 and the World of Work – Eighth Edition*, October 2021.

<sup>22</sup> ILO calculations based on ILO harmonized microdata.

<sup>23</sup> Data available at [tradingeconomics.com](https://tradingeconomics.com).

<sup>24</sup> See, for example, "Survey Says 57% SMEs Have No Cash Reserve to Recover from COVID-19", *The Wire*, 10 August 2020.

<sup>25</sup> ITC, *SME Competitiveness Outlook 2020: COVID-19 – The Great Lockdown and Its Impact on Small Business*, 2020.



to its weaker performance in the Asia and the Pacific region, actually increased its workforce by 3 per cent in 2020. <sup>26</sup>

► **Table 2. Index of employment change by sector, 2020 and 2021 (2019 = 100)**

	Asia and the Pacific		Arab States	
	2020	2021	2020	2021
Agriculture	98	98	98	97
Mining	91	95	103	105
Manufacturing	97	99	103	100
Utilities (electricity, gas, etc.)	96	106	97	100
Construction	96	104	93	94
Repair and wholesale/retail trade of motor vehicles	99	102	95	98
Wholesale trade (except motor vehicles)	94	97	97	99
Retail trade (except motor vehicles)	99	101	100	102
Transport	94	94	96	98
Warehousing	100	105	97	100
Postal and courier activities	97	98	97	98
Accommodation and food service activities	95	96	88	91
Publishing, audiovisual and broadcasting activities	96	97	103	105
Telecommunications	94	94	94	94
IT and other information services	103	109	110	118
Financial activities	97	98	116	114
Real estate activities	97	101	86	93
Other business sector services	97	99	99	100
Public administration and defence; compulsory social security	98	97	103	103
Education	97	97	103	100
Health and social work activities	100	103	108	112
Arts, entertainment, recreation and other service activities	94	95	93	98

Source: ILO modelled estimates of employment by sector, June 2022, unpublished.

- 34.** Manufacturing production remained depressed in the Asia and the Pacific region in 2021 given the below-average global consumption patterns in some parts of the world and the persistent supply chain bottlenecks. The harsh drop in global consumption had negative impacts on millions of jobs in manufacturing supply chains, including jobs related to garment and motor vehicle production. <sup>27</sup> The continuation of China’s COVID-19 lockdown policy has extended the disruptions of global supply chains into 2022, especially in the electronics and automobile sectors. The continuing uncertainties in China and sharp increases in freight costs could push diversification within global supply chains towards non-Chinese suppliers, including manufacturing enterprises in South-Eastern and Southern Asia.

<sup>26</sup> For the sectoral dimensions of the COVID-19 pandemic impact, see ILO, “Asia–Pacific Employment and Social Outlook 2022”, forthcoming. With a strong focus on sectoral data, it will advocate for an increased policy focus on improving conditions of work in the populous sectors in which work continues to be concentrated in the Asia and the Pacific region – for example in agriculture, retail and construction.

<sup>27</sup> ILO, “COVID-19, Vaccinations and Consumer Demand: How Jobs Are Affected through Global Supply Chains”, June 2021.

35. There are two additional sectors that merit extra attention given their importance to many countries in the two regions under review: garment manufacturing and tourism. Garment supply chains were harshly disrupted by the fall in global consumer demand and the delayed import of raw materials, which was devastating to some Southern and South-Eastern Asia economies that depend heavily on the export of garments and the millions of workers, especially women workers, who earn their living in that sector.<sup>28</sup> Employment in textile manufacturing in the Asia and the Pacific region declined by 9 per cent in 2020 and in 2021 still remained at 91 per cent of pre-pandemic levels. In the Arab States, employment in that sector grew by 4 per cent between 2019 and 2020.
36. As a major source of revenue and jobs in many countries in the two regions, especially in many Pacific Islands, the collapse of the tourism sector caused by the pandemic is another important transmission factor of the economic costs of the crisis. Enterprises in the tourism sector, such as hotels and airlines, still find themselves running far below capacity as countries slowly reopen their borders. The reduction in average working hours in tourism-related sectors in 2020 ranged from 4 per cent in Viet Nam to 38 per cent in the Philippines. The loss of working hours was two to seven times greater for tourism-related than for non-tourism-related workers.<sup>29</sup>
37. With regard to the Arab States region, it is also important to note the particular impact of the COVID-19 pandemic on the GCC oil-exporting countries. Stalled economic activity affected global demand for oil, resulting in reduced revenues and increased pressure on public finances. The issue of diversification away from the oil sector and towards high value-added industries in the private sector has again risen to the forefront of the policy debate in GCC countries.

### Vulnerabilities of certain population groups are further exposed

38. The crisis is affecting some subgroups of the population particularly hard, such as migrants, young people, women, workers in the informal economy, persons with disabilities and indigenous peoples. A human-centred recovery will require paying concerted attention to the more vulnerable segments of society. During the COVID-19 crisis, **migrants** were often among the first to be laid off. Many migrant workers experienced non-payment and underpayment of wages and other entitlements, such as end-of-service benefits, and their circumstances were aggravated by travel restrictions, particularly in the early stages of the pandemic.<sup>30</sup> At the same time, migrants were sometimes excluded from the social protection schemes and emergency measures put in place by governments.<sup>31</sup> Migrant workers in some cases dealt with higher risk exposure due to outbreaks in communal accommodations and dormitories. Furthermore, the pandemic has increased stigma, xenophobia and discrimination and migrants have been accused of contributing to the spread of the disease.<sup>32</sup>
39. Similarly, **refugees and asylum-seekers** in the Arab States region have faced compounded challenges, as outbreaks of COVID-19 spread easily through overcrowded camps and settlements and further constrained humanitarian assistance.<sup>33</sup> In some instances, legislation has prevented

<sup>28</sup> ILO, "The Supply Chain Ripple Effect"; and ILO and IFC, "Better Work Jordan: COVID-19: Garment Worker Perspectives", May 2020.

<sup>29</sup> ILO, "COVID-19 and Employment in the Tourism Sector in the Asia-Pacific Region", November 2021.

<sup>30</sup> For further discussion, see ILO, "COVID-19 Pandemic: Wage Protection of Migrant Workers in the Arab States", 2021; and ADBI, OECD and ILO, *Labor Migration in Asia: COVID-19 Impacts, Challenges, and Policy Responses*, 2022.

<sup>31</sup> ILO, "Protecting Migrant Workers during the COVID-19 Pandemic: Recommendations for Policy-makers and Constituents", 2020.

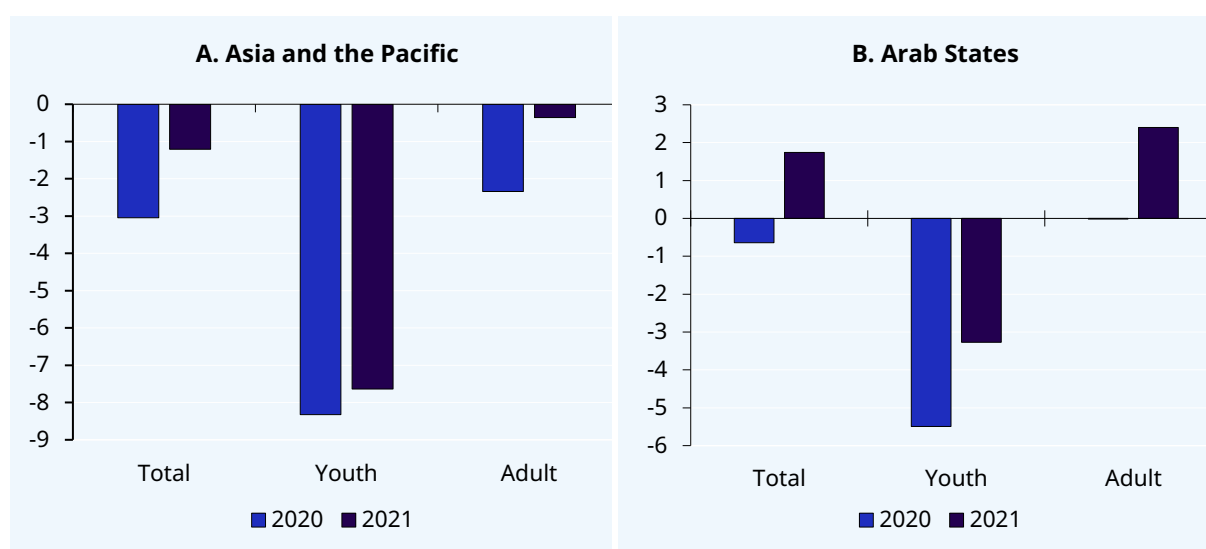
<sup>32</sup> ESCWA, UNHCR and ILO, *Impact of COVID-19 on Migrants and Refugees in the Arab Region: Technical Paper*, 2020.

<sup>33</sup> ILO, "Protecting the Rights at Work of Refugees and Other Forcibly Displaced Persons during the COVID-19 Pandemic", 2020.

refugees from accessing necessary health services, while many refugees whose administrative situation is irregular do not have health insurance or the financial resources to access health services.<sup>34</sup> Refugee populations have faced greater hardships in earning a livelihood owing to the pandemic and increased risks to their OSH conditions, resulting in significant mental health and psychosocial consequences.

40. **Young people** have been disproportionately affected by the pandemic, because of their exposure to disrupted education and training, employment and income losses, and particular difficulties in finding a job during an economic recession.<sup>35</sup> During the pandemic, employment losses were consistently higher among young people than among adults. While employment in 2020 declined by 8.3 per cent among young workers in the Asia and the Pacific region, it declined by only 2.3 per cent among adult workers (figure 2). The same pattern holds in the Arab States region, in which young workers suffered employment losses of 5.5 per cent in 2020 while adult employment remained constant. The difference in employment growth between young and adult workers persisted in 2021.

► **Figure 2. Changes in employment relative to 2019, by age group (%)**



Note: Youth are defined as persons aged 15 to 24 years and adults as persons aged 25 years and above.

Source: ILO, modelled estimates for November 2021, based on ILOSTAT.

41. The crisis-specific challenges faced by **women** are many and threaten to overturn years of progress towards improved labour market outcomes and reduced inequalities. In some economies, women workers are over-represented in some of the sectors that were particularly hard hit by the crisis, such as manufacturing and accommodations. Moreover, the unequal distribution of increased unpaid care demands related to closures of schools has affected women disproportionately.<sup>36</sup> As a result, women suffered higher employment losses during the peak of the crisis than men, both globally and in the Asia and the Pacific region. In 2020, female employment declined by 3.3 per cent for women, compared to 2.9 per cent for men. Also in 2021, female employment remained 1.9 per cent lower than before the pandemic, compared to a decline of 0.8 per cent for male employment. In the Arab States region, female employment was

<sup>34</sup> ESCWA, UNHCR and ILO.

<sup>35</sup> ILO and ADB, *Tackling the COVID-19 Youth Employment Crisis in Asia and the Pacific*, 2020.

<sup>36</sup> ILO, "ILO Monitor: COVID-19 and the World of Work – Fifth Edition", June 2020.

hit harder than male employment in nearly all countries, amplifying the pre-existing gender gaps that are particularly prevalent in this region. Yet with strong female employment growth in Saudi Arabia dominating regional aggregates, female employment in the Arab States was 3.4 per cent higher in 2021 than in 2019, compared to a 1.5 per cent increase in male employment.<sup>37</sup> The increase in female employment in the country came as a result of “Saudization” strategies that aimed to replace foreign workers with women in a number of sectors and occupations.

42. Violence and harassment at work, including gender-based violence and harassment, existed before the COVID-19 pandemic, but it has caused a surge in the incidence of such behaviour. Notably, countless more cases remain hidden or unreported due to various factors that are both new (confinement due to lockdown) and old (stigma related to violence and harassment, especially gender-based violence). Many cases of violence and harassment have been reported against front-line health workers. Also, as many workers shifted to remote telework, the risk of online violence and harassment increased. Furthermore, COVID-19 lockdown periods have brought an increase in calls seeking help from those suffering from domestic or intimate partner violence.<sup>38</sup> Women are disproportionately affected by gender-based violence, both at work and at home. The ratification and implementation of the Violence and Harassment Convention, 2019 (No. 190), which establishes new global standards aimed at ending violence and harassment in the world of work, can help address these trends. However, in the Asia and the Pacific and Arab States regions, Fiji currently remains the only country that has ratified this Convention.
43. Two in three workers (68 per cent) operate in the informal economy in the Asia and the Pacific region. In the Arab States region, the figure is slightly lower (57 per cent). **Informal workers and enterprises** have a tendency to fall through the cracks of crisis policy response measures, which has played a part in the reversal of poverty alleviation in developing countries in the two regions since the onset of the crisis. The ILO estimates that in the absence of income support measures, the earnings of informal workers in the two regions declined by 22 per cent in the first month of the crisis.<sup>39</sup> Informal workers experienced increased levels of poverty and vulnerability and faced serious occupational health and safety risks. With their lack of access to social protection and healthcare, many had no choice but to risk their health by keeping themselves in employment.
44. **Persons with disabilities** are an important source of production in many countries.<sup>40</sup> Nevertheless, their vulnerability has been severely exposed during the pandemic. Persons with disabilities are more likely to have health conditions that increase their risk of contracting COVID-19.<sup>41</sup> Moreover, they have generally been less able to ensure physical distancing, faced barriers in accessing relevant information, and in many cases experienced a worsening of their pre-existing social isolation and greater exposure to violence and harassment.<sup>42</sup>
45. Similarly, evidence from Bangladesh, Cambodia, Nepal and the Philippines underscores the distinct consequences of the COVID-19 pandemic for **indigenous peoples**.<sup>43</sup> Pre-existing gaps

<sup>37</sup> In Saudi Arabia, female employment in 2020 grew by an estimated 23 per cent, while male employment remained constant relative to the year before.

<sup>38</sup> Jaya Sharma, “In Nepal, a Helpline Serves as a Lifeline for Survivors during COVID-19 Lockdown”, *World Bank Blogs* (blog), 31 July 2020.

<sup>39</sup> ILO, “Impact of Lockdown Measures on the Informal Economy: A Summary”, 2020.

<sup>40</sup> The share of persons with disabilities in the labour force (in countries or areas with available data) ranged from less than 1 per cent in Indonesia, the Lao People’s Democratic Republic, the Occupied Palestinian Territory and Samoa to more than 5 per cent in Maldives and Vanuatu. Source: ILO, ILOSTAT database.

<sup>41</sup> WHO, “Disability Considerations during the COVID-19 Outbreak”, March 2020.

<sup>42</sup> ILO, “COVID-19 and the World of Work: Ensuring the Inclusion of Persons with Disabilities at all Stages of the Response”, 2020.

<sup>43</sup> ILO, *The Impact of COVID-19 on Indigenous Communities: Insights from the Indigenous Navigator*, 2020.

and barriers in access to social protection, healthcare and education are spurring disproportional impacts of the pandemic on indigenous persons. Indigenous communities have also faced an increase in food insecurity during the crisis, associated with a loss of income and livelihoods and a lack of access to land and natural resources.

46. In some parts of the two regions, climate change and natural disasters have further compounded the adverse impacts of the pandemic, with devastating effects on vulnerable populations and labour markets. Prominent examples are typhoon Odette in the Philippines and the eruption of an underwater volcano near the Pacific Island State of Tonga, exposing the vulnerability of the region to these events. Political unrest, conflicts and wars, inflation, and financial and economic distress in a number of countries of both regions have also added to the challenges brought about by the COVID-19 pandemic, resulting in increased vulnerabilities, especially among those already at greater disadvantage.

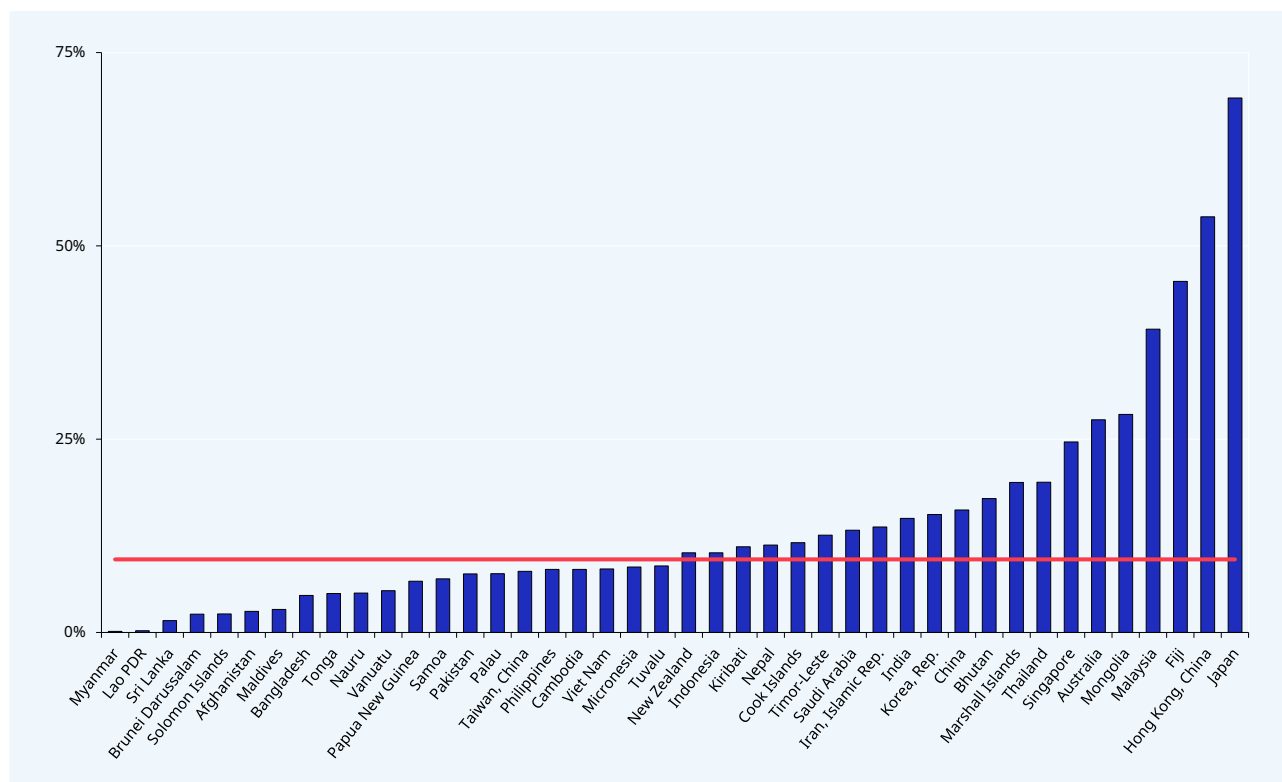
### Supporting enterprises, workers and incomes through tough times

47. Countries throughout the two regions introduced a series of national policy responses in the attempt to bolster their economies; support the viability of enterprises while retaining workers; and protect citizens through the crisis and recovery periods. National fiscal policy responses to the COVID-19 pandemic aimed to help sustain household consumption, especially for the most vulnerable families, and to boost domestic demand and economic activity, which are critical for supporting jobs and enterprises. Yet the weaknesses of labour market institutions in many countries of the two regions have hampered the delivery and the effectiveness of policy responses and magnified existing gaps. For example, among these deficits are the scope of social protection systems to provide assistance to workers in the informal economy and the capacity of public employment services to cope with a surge in demand.
48. It is no easy matter to garner lessons learned from the vast array of COVID-19 pandemic policy responses and to measure their effectiveness at supporting enterprises and workers through hard times, especially given the differences in levels of expenditure. Nonetheless, there are some insights that can be gained from a simple review of available policy inventories.
49. Of the 42 economies in the two regions with comparable data, the median fiscal policy expenditure in response to the COVID-19 crisis amounted to 9.4 per cent of GDP (figure 3). In the high-income economies of Hong Kong (China) and Japan, the response totaled 49.7 per cent and 69.1 per cent, respectively. Conversely, less than 1 per cent of GDP had been committed in Lao People's Democratic Republic and Myanmar. In both those developing countries, the COVID-19 pandemic response was supported largely through international assistance. In the Arab States region, the oil-rich GCC countries had more financial resources available to support businesses and workers and roll out mass-vaccination programmes.<sup>44</sup> These countries are likely to recover faster than non-GCC States, in which the pandemic has compounded the pre-existing challenges facing the already weak and fragile economies of the region.

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<sup>44</sup> According to ESCWA, fiscal expenditure on social assistance, loan and tax benefits, social insurance, labour markets, health-related support, financial policy support and general policy support has amounted to a median of 2.3 per cent of 2020 GDP for the 11 countries or areas of the Arab States region (excluding the Occupied Palestinian Territory). At the upper end, this includes policy support of 13.8 per cent in Qatar and 6 per cent in Bahrain. Due to differences in data collection and methodology, these amounts are not strictly comparable with estimates presented in figure 3. See ESCWA, "COVID-19 Stimulus Tracker".

► **Figure 3. Total COVID-19 fiscal policy response package (% of GDP)**



Note: Red line indicates the median fiscal policy expenditure. Total policy response package includes fiscal expenditure announcements for (a) liquidity support; (b) credit creation; (c) direct long-term lending; (d) equity support; (e) health and income support; (f) expenditure without breakdown; and (g) other economic measures. GDP is for 2019, except for the Cook Islands (2020).

Source: ILO estimates based on ADB, "COVID-19 Policy Database", and IMF, "World Economic Outlook Database", October 2021.

- 50.** It is not only the scale of fiscal stimulus that differs across economies but also the composition of fiscal policy packages, which have included liquidity support, facilitating credit, direct long-term lending, equity support, and government investment in health and income support. For the 37 economies in the Asia and the Pacific region and the Arab States region with comparable data, the median allocation to income support for businesses, households and individuals as a share of the total fiscal response was 28.3 per cent.<sup>45</sup> Notably, five countries committed about 75 per cent or more of GDP to supporting incomes. These five countries – Afghanistan (before the recent change of administration), Bhutan, the Cook Islands, Palau and Vanuatu – are small mostly developing economies or have a narrow economic base.
- 51.** Social protection – including efforts aimed at protecting jobs and sustaining incomes – has played a vital role during the pandemic. In the Arab States region, 11 countries announced a total of 46 social protection measures as part of the COVID-19 pandemic policy response (as of February 2022). More than one quarter of these measures were focused on income and jobs protection and about one fifth provided support for housing and basic services (figure 4).<sup>46</sup> By comparison, 40 countries in the Asia and the Pacific region included social protection as a part of their policy response to the pandemic. In total, countries in Asia and the Pacific announced 377 social protection measures, with the largest allocations going to income and jobs protection (16.9 per

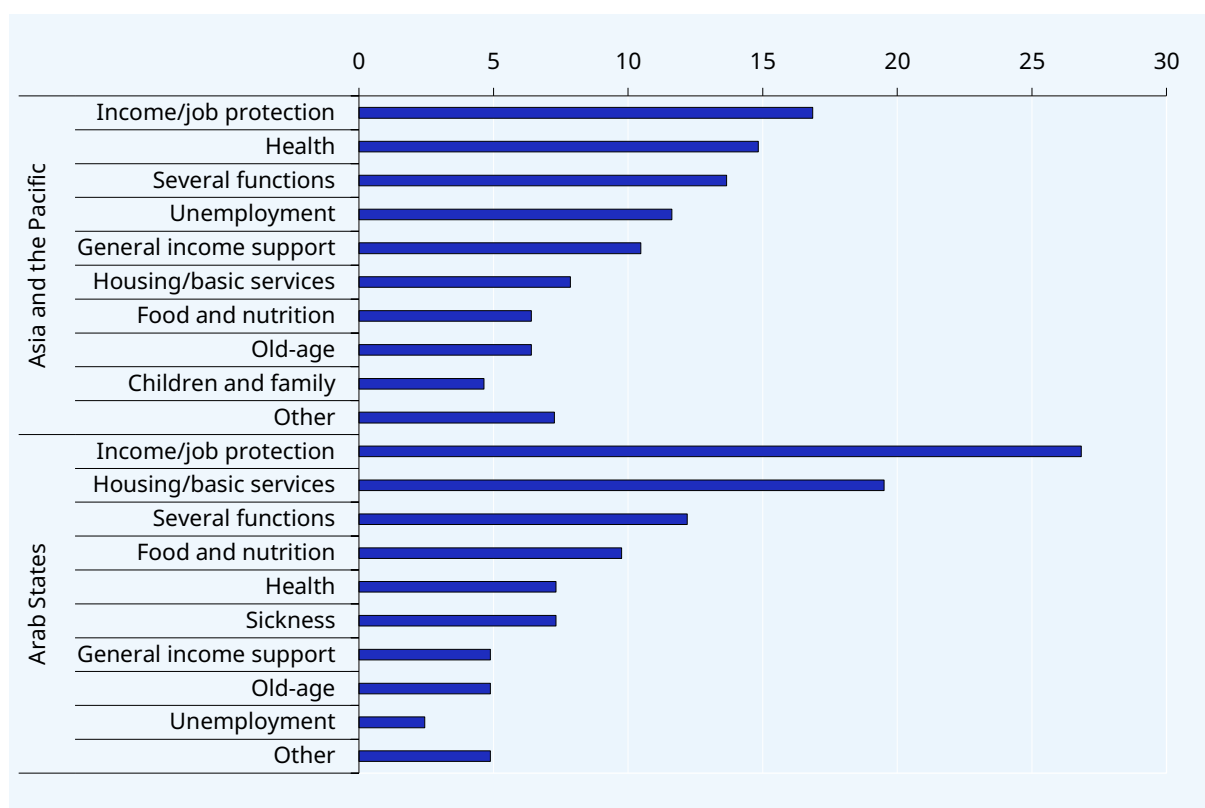
<sup>45</sup> ILO estimates based on ADB, "ADB COVID-19 Policy Database".

<sup>46</sup> For further discussion on the social protection measures adopted in response to the pandemic in the Arab States, see UN, "Social Protection Responses to the COVID-19 Crisis in the MENA/Arab States Region", July 2020.

cent) and health (14.8 per cent). Nevertheless, the pandemic exposed the fragility and weaknesses of many social protection schemes, even for private sector employees, due to issues related to governance and distribution of benefits. In addition, the hardships experienced during the crisis by important segments of the workforce – domestic workers, for instance – laid bare the real economic and humanitarian costs of the continuing coverage gaps.

52. During the crisis, temporary wage subsidy schemes became a key instrument in efforts to protect income and jobs.<sup>47</sup> Policymakers across the region introduced new (or redesigned existing) wage subsidy schemes with the aim of retaining jobs, sustaining consumption and maintaining the critical employer-employee relationship. In some Asia and the Pacific countries, massive investments were made in these programmes. For example, Australia, New Zealand and Singapore allocated an estimated 12.3 per cent, 5.6 per cent and 4.6 per cent of GDP, respectively, to implement their respective wage subsidy policies in 2020.<sup>48</sup> The design of wage subsidy policies in some countries had another important objective – targeting assistance to the most vulnerable segments of the labour market. Countries such as Bangladesh, Cambodia, Indonesia and Samoa limited their wage subsidy support to hard-hit sectors, including garment manufacturing and tourism, which employ significant numbers of women workers. In Australia, Brunei Darussalam, Japan, Malaysia, Maldives, the Republic of Korea, the Philippines and Thailand, an emphasis on supporting MSMEs was an explicit component of the policy design.

► **Figure 4. Distribution of social protection responses to the COVID-19 pandemic, by type of measure (%)**



Source: ILO, "Social Protection Monitor Database".

<sup>47</sup> ILO, "Temporary Wage Subsidies", fact sheet, May 2020.

<sup>48</sup> ILO, "COVID-19 and Employment Protection Policies: A Quantitative Analysis of the Asia-Pacific Region", 2021.

## 2.2. Structural barriers to decent work and inclusive growth

### Shortcomings remain in all pillars of decent work and inclusive growth

53. This section presents a trend analysis of where the two regions under review stand on establishing key building blocks for well-functioning labour markets and ultimately for inclusive growth with positive decent work results. As far as possible within the limitations of available data, the assessment makes use of SDG indicators from the post-2016 period as a quantitative companion to the Bali Declaration implementation evaluation presented in Part II of this report.<sup>49</sup>
54. The foundations for decent work and inclusive growth and the just transition remain weak in the Asia and the Pacific and the Arab States regions. Such shortcomings make the pursuit of a human-centred recovery from the COVID-19 crisis all the more challenging. The crisis has shown the clear advantages that advanced economies had in mobilizing and more effectively applying resources to soften the blow of the crisis on enterprises, workers and households. By contrast, fiscal constraints, in addition to gaps in vaccine access and distribution capacity, have weighed down the labour market recovery in many developing and emerging economies.
55. But it is not just fiscal capacity that has led to differing recovery timelines in advanced versus developing economies. The human-centred recovery in labour markets hinges on having in place well-functioning labour market institutions, including labour laws and labour policies that can be enforced and implemented by adequately funded public service providers. Among such institutions are social dialogue mechanisms that allow the voices, views and concerns of constituents to be represented in the policy content and policymaking processes. Social dialogue is not a cure-all for the two regions' structural labour market challenges, but it remains fundamental for promoting inclusion and providing an opportunity for the voices of stakeholders to be represented in the process of informed decision-making. Progress towards a human-centred recovery also hinges on having employment-friendly macroeconomic, sectoral and industrial policies in place that support enterprise recovery and job creation.
56. Low- and middle-income economies in the two regions continue to face structural barriers that limit the capacities of labour market institutions and hinder decent job creation and inclusive growth. The result is that still a large proportion of jobs are linked to poor working conditions, do not generate stable incomes, and are unable to lift workers and their families out of poverty. Despite the laudable objective of the 2030 Agenda and national investments made in developing SDG frameworks and implementation strategies, many people in the regions are still being left behind, crisis or no crisis, including people with disabilities, indigenous peoples and persons living with HIV/AIDS.

### Employment creation and enterprise development

57. Among the SDG indicators, only indicator 8.5.2 on the unemployment rate provides some indication of the level of **job creation**.<sup>50</sup> Employment rates in the Asia and the Pacific region are

<sup>49</sup> All SDG indicators discussed in this section, with the exception of indicators 1.a.2, 4.3.1 and 5.5.2, are ILO custodial indicators and therefore assessable for available countries on the ILOSTAT database at <https://ilostat.ilo.org/data/>. Data on non-ILO custodial indicators are available at the UN's SDG Global Database, at <https://unstats.un.org/sdgs/unsdg>.

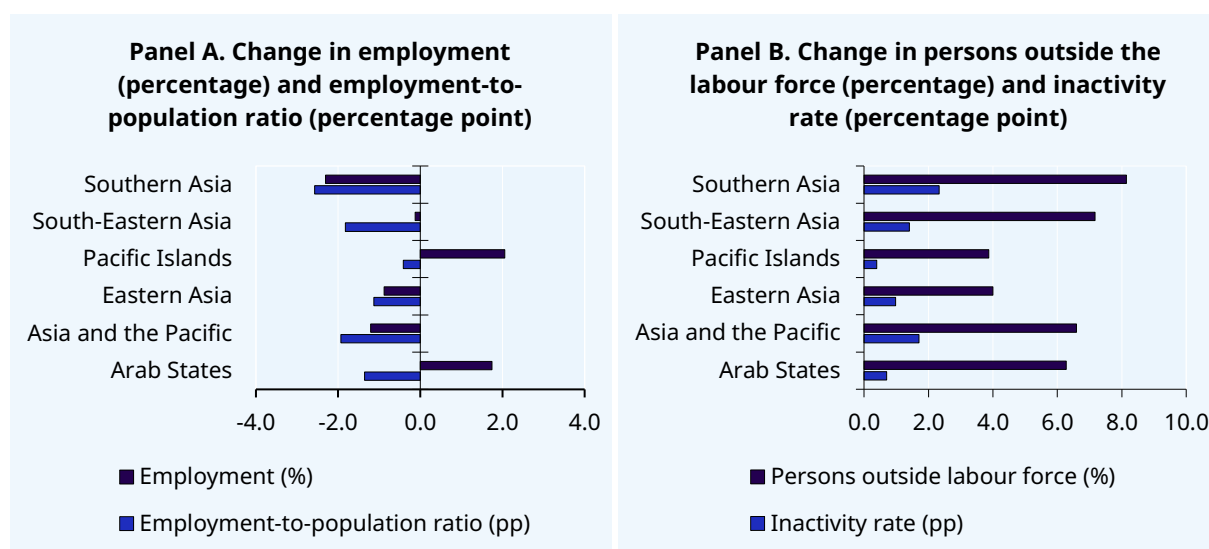
<sup>50</sup> The unemployment rate is presumed to capture a deficiency in job creation and to a certain extent it does. However, the non-working population also extends to persons outside the labour force, including persons who are also available for work but not currently looking. A much more direct indication – although also not a perfect indication – of job creation is employment and the employment-to-population ratio. Moreover, in developing economies in which working poverty is pervasive and unemployment insurance systems are weak, the unemployment rate may be an insufficient indicator of labour market conditions.



among the world's highest and unemployment rates among the world's lowest. In the Arab States region, however, limited access to employment for women drives down employment rates and results in unemployment rates above the global average. The crisis pushed many people into unemployment, although many millions more continued to work shorter hours or moved into inactivity (see section 2.1). The unemployment rates in 2022 are projected at 4.6 per cent and 9.2 per cent in the Asia and the Pacific and the Arab States regions, respectively. The rates increased not only compared to 2019 but also compared to the two years prior to 2019.

- 58.** Employment creation has taken a clear hit since the pandemic outbreak in 2020. Only in the Arab States and the Pacific Islands did employment numbers rebound sufficiently to surpass 2019 numbers by 2021, with a gain of 1.7 per cent (934,000 workers). For the Asia and the Pacific region as a whole, the number of persons employed remained 1.2 per cent below pre-crisis numbers in 2021, a loss of 23 million workers. By 2022, both the regions and all the subregions except Eastern Asia are expected to see employment numbers recover from the peak of the crisis. But unfortunately, that is not the end of the story. Employment may be growing, but if employment growth does not keep pace with population growth then the problem will persist. The employment-to-population ratio of both the regions and all the subregions remained below pre-crisis levels in 2021, a clear sign that employment creation had not yet recovered sufficiently (figure 5, panel A). Employment-to-population ratios are also expected to remain below their 2019 rates in 2022.
- 59.** Demographics play a role here. In the Arab States, for instance, average annual population growth remains close to 2 per cent in most countries.<sup>51</sup> Employment growth cannot keep pace. In Asia and the Pacific, population growth remains high (about 2 per cent) only in some South Asian countries (Afghanistan, Nepal, Pakistan) and Pacific Island countries (Kiribati, Papua New Guinea, Solomon Islands and Vanuatu). At the other extreme are the countries in which population growth is already negative (Japan, Lebanon and the Republic of Korea) or is expected to contract in the next 10 to 20 years (China and Thailand). Labour shortages pose a genuine threat to growth prospects in these countries.

► **Figure 5. Employment and inactivity trends by region and subregion, 2019–21**



Source: ILO modelled estimates, November 2021, based on ILOSTAT.

<sup>51</sup> UN, "World Population Prospects 2022".

60. One of the most severe consequences of the COVID-19 crisis is the rapidly growing number of persons outside the labour force. With limited employment creation and with lockdown disruptions leading to increased care responsibilities within households, the number of persons outside the labour force (also known as the economically inactive) population grew by 6.6 per cent (86 million) in the Asia and the Pacific region and 6.3 per cent (3.5 million) in the Arab States region between 2019 and 2021 (figure 5, panel B). The economic inactivity rates increased more for men than for women in both regions and all subregions except Eastern Asia (not shown), but male rates were measured against significantly lower starting points. In 2021, the female economic inactivity rate in the Asia and the Pacific region was 56.6 per cent, more than double the rate for men (26.6 per cent). In the Arab States region, the female economic inactivity rate was more than three times the male rate, at 80.9 per cent for women versus 24.5 per cent for men. The wide gender disparity reflects the uneven burden of unpaid domestic care work shouldered by women, gender stereotypes, discrimination and other factors. Any increase to the already significantly higher shares of inactive women thus represents a painful loss in women's labour market progress and a regression from the objectives of gender equality and women's empowerment.
61. On all SDG measurements related to **gender equality**, countries remain far from parity. Women continue to shoulder a disproportionate share of unpaid domestic and care work responsibilities (SDG indicator 5.4.1). In China, Fiji, Japan, the Lao People's Democratic Republic, Mongolia and the Republic of Korea – the few countries with available data – women spent from 13 to 19 per cent of their time on unpaid domestic chores and care work, more than triple the time spent by men in Fiji, Japan and the Republic of Korea. Similarly, in India and Pakistan the duration of daily unpaid care work for women was about ten times the duration of such work for men.<sup>52</sup> In addition, on average more than two thirds of working-age women (10 million) in the Cook Islands, the Lao People's Democratic Republic, Mongolia, Nepal and Tonga were doing unpaid work as their sole activity, while the corresponding ratio for men was only 41 per cent (or 5 million).<sup>53</sup>
62. The share of women in managerial positions (SDG indicator 5.5.2) remains low. In the Asia and the Pacific region (average of 31 economies) and the Arab States region (average of 6 economies), women held slightly more than one quarter of all managerial positions. Gender pay gaps varied across countries. Among the 16 countries with data in 2019, the median hourly female wage (SDG indicator 8.5.1) lagged behind that of men in 12 countries. In the remaining 4 countries with higher median hourly wages for women overall – Jordan, Lebanon, the Philippines and Thailand – the gender pay gap remained skewed towards men in certain sectors and occupations.
63. SDG indicator 8.6.1 on the proportion of youth not in employment, education or training (NEET) is not normally considered an indicator of gender equality but given the stark differences in NEET rates of young women and young men in many economies of the regions, especially in Southern Asia and the Arab States, the indicator is a clear reminder that the inequality of opportunities along gender lines starts early and carries over into adulthood. In addition, gender disadvantages worsen during periods of crisis; among the 14 economies in the two regions with 2020 data, all except 3 economies showed a higher increase in the rate of female youth NEETs during the crisis compared to the rate of male youth NEETs.
64. With **labour productivity** gains closely linked to enterprise development and economic growth, as well as decent work for workers, it should not be surprising that labour productivity growth rates in the two regions (SDG indicator 8.2.1) have slowed in recent years. From a longer-term view, labour productivity in the period 2010–19 relative to the period 2001–09 increased at a

<sup>52</sup> ILO, *Care Work and Care Jobs for the Future of Decent Work*, 2018.

<sup>53</sup> ILO, "Millions of Hours Spent Daily on Unpaid Work: Evidence from Asia and the Pacific", ILOSTAT blog (blog), 2020.

slower rate in more economies (33) than those in which it increased at a faster rate (18). Yet even given the positive gains in labour productivity realized in most economies, such increases were rarely reflected in rising labour income shares (SDG indicator 10.4.1). The continued reliance on less productive, low-wage jobs to drive growth is a factor in the unimpressive productivity results.

65. Between 2020 and 2021, in the throes of the COVID-19 crisis, estimated labour productivity rates increased in most economies (36 of 51 economies based on estimated data). At the regional level, the average labour productivity growth rate in the Asia and the Pacific region is projected to have doubled from 1.7 per cent in 2020 to 3.8 per cent in 2021. In the Arab States region, there was an improvement, although rates remained negative, increasing from -5.4 per cent in 2020 to -0.2 per cent in 2021. The positive impact on labour productivity rates during the pandemic may seem counterintuitive when so many enterprises were seen to be struggling. But when employment decreases more than output, as was the case in most economies in the first year of the pandemic, the labour productivity level increases. Such aggregate figures do, however, mask what happens below the surface. Emerging evidence suggests that there was a significant compositional effect behind the productivity surge in 2020, so that low-productivity enterprises and lower-paid workers bore the brunt of production and employment losses compared to high-productivity enterprises and workers.<sup>54</sup> Productivity effects during the pandemic also varied significantly across economic sectors.<sup>55</sup> To facilitate a human-centred recovery will necessitate a focus on creating more productive jobs, especially in hard-hit sectors, and on investing in the emerging care, green and digital economies.
66. The productivity challenge is also complicated by widespread informality. **Informal employment** typically entails lower productivity and remuneration, with limited access to social and legal protections. In the developing economies of both the Asia and the Pacific and the Arab States regions, the proportion of informal employment in total employment (SDG indicator 8.3.1) remains elevated overall. In Bangladesh, Cambodia, India, Indonesia, Myanmar, Nepal and Pakistan for example, about 80 to 90 per cent of employment is informal. Similarly, informal employment accounts for about half or more of total employment in Jordan, Lebanon, the Occupied Palestinian Territory and Yemen. Some countries or areas also recorded a rise in the share of informal employment during the COVID-19 crisis, reflecting in part increases in self-employment, including in the growing platform economy.
67. International trade has long served as the backbone of economic growth in the Asia and the Pacific region and increasingly in the Arab States region as well. Most economies in the two regions have been using international integration as a means of generating higher income and employment opportunities. Integration in global supply chains has contributed to job creation, skills and technology upgrading, better wages and poverty reduction in numerous countries and sectors in the region. At the same time, it is recognized that there have been cases of decent work deficits in global supply chains, such as in the areas of OSH, wages, working time and skills gaps. To date, the potential benefits possible for many developing and emerging economies through integration in global supply chains have not been fully realized due to the lack of effective national institutions, systems and processes for applying and enforcing national legislation and labour standards. The ultimate effect is that integration in global supply chains is not accompanied by wide domestic distribution of the gains of growth.
68. With integration comes increased exposure to shocks that originate elsewhere. Even before the COVID-19 crisis hit, there was evidence of the fragility and vulnerability of **manufacturing-led**

<sup>54</sup> See ILO, "ILO Monitor: COVID-19 and the World of Work – Ninth Edition".

<sup>55</sup> ILO, "Labour Productivity Trends in Asia and the Pacific Highlight Uneven COVID-19 Impacts", 18 October 2021.

**growth** (SDG indicator 9.2.1). Trade tensions, policy uncertainty, efficiency factors, automation and natural disasters were pushing certain enterprises to move towards the consolidation of supply chains nearer consumers or nearer locations where product design and technologies were being developed. The COVID-19 pandemic amplified these vulnerabilities, as international trade was widely disrupted. Even where production was not halted, disruption in international transport networks affected intermediary means for the transport of inputs and goods. Although merchandise trade in the Asia and the Pacific region has recovered to a large extent, uncertainties related to the future of the pandemic and possible disruptions remain. Trade in services also continues to remain considerably below pre-crisis levels.

- 69.** The COVID-19 crisis is therefore leading some countries to reassess the risks and benefits associated with international integration and to investigate means of risk dispersion through the diversification of the bundle of commodities and services being traded by a given country. The strategic responses towards reorienting growth will differ in developing countries that are richer, export-oriented and more integrated in global supply chains relative to countries that are poorer, import-dependent and less integrated. The former group of countries, including many countries in South-Eastern Asia, can strive to adopt policies that deepen subregional trade ties, shortening global supply chains and reorienting production towards the domestic market, as part of a diversification strategy to make their economies more resilient and self-reliant in the future. The GCC countries of the Arab States that also depend largely on the export of oil and gas have increased – and should continue to increase – their efforts to diversify their economies in order to limit their dependence on these highly volatile commodities, especially in view of the global shift towards clean energy and green economies. However, in both the GCC and other economies of the Arab States, the lack of a robust manufacturing sector that can absorb semi-skilled workers and the absence of a vibrant private sector compound the challenges of economic diversification.
- 70. Education and skills development** provide further important inputs to enterprise growth. Only 12 countries in the Asia and the Pacific region and 1 country or area in the Arab States region have at least one reported data observation since 2016 for SDG indicator 4.3.1 on the participation rate in formal and non-formal education and training. The gap between advanced and developing economies is striking. In New Zealand and Singapore, the reported participation rates in formal and non-formal education were 57 and 67 per cent, respectively. Among developing economies with available data, only Maldives (8.6 per cent) and the Occupied Palestinian Territory (2.1 per cent) reported participation rates above 1 per cent. Going beyond national data, numerous surveys and reports confirm the gross disruption experienced in education and training systems because of the pandemic and containment measures.<sup>56</sup> Moving to online learning has exacerbated pre-existing inequalities, leaving behind young students, people with disabilities and other marginalized groups who have limited access to digital technologies in their struggle to improve their learning and improve their job prospects for the future. This has further widened skills gaps and complicated the school-to-work transition.
- 71.** Government investment in essential education services varied across the Asia and the Pacific and the Arab States regions (data available for 30 economies for SDG indicator 1.a.2).<sup>57</sup> Some economies allocate about 20 per cent or more of annual government expenditure to education (Hong Kong (China), Indonesia, Islamic Republic of Iran and Malaysia), while others spend less than 10 per cent (Bahrain, Bangladesh, Cambodia, Japan, Jordan, Papua New Guinea, Qatar and Timor-Leste). Moreover, expenditure on technical and vocational education and training (TVET)

<sup>56</sup> ILO and ADB.

<sup>57</sup> Official UN data are not yet available for government spending on essential services for health and social protection.

typically represents a small fracture of the total education budget. The majority of countries with sufficient data to assess trends since 2016 revealed a decline in education investment. With fiscal capacities facing new strains in the current crisis, the fear is that investment in robust education and training systems could take a further hit despite the repeated recognition of skills development as a critical element of success in the future of work.<sup>58</sup> This is therefore an area in which multilateral organizations and increased public–private partnerships could step in to fill funding gaps.<sup>59</sup>

## Rights at work

- 72.** The pandemic has underlined the vital importance of respect for international labour standards as a floor for the protection of the rights of workers and employers in times of crisis, while also exposing “the blind spots of pre-existing legal and policy frameworks”.<sup>60</sup> The pandemic policy response illustrated the importance of promoting legal and institutional frameworks based on international labour standards – when workers and employers can freely and meaningfully participate in the making of decisions that affect them, outcomes are better and more sustainable. In many countries, the pandemic led to a renewed appreciation of the importance of OSH in keeping workers, employers and the public at large safe and healthy. Many governments rightly focused their attention on COVID-19 prevention and mitigation in the workplace as well as job retention. However, such actions have occasionally come at the expense of minimum working standards (for instance, sidelining wages and working time regulations) or to the detriment of fundamental principles and rights at work (facilitating anti-union discrimination, for example). As noted by the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR), economic turmoil is not a justifiable pretext for compromising decent working conditions – or for governments to avoid monitoring and enforcing such minimum standards.
- 73.** According to the most recent regional estimates in 2020, there remained an estimated 48.7 million children aged 5–17 years engaged in **child labour** (SDG indicator 8.7.1) in the Asia and the Pacific region and 2.4 million in the Arab States region.<sup>61</sup> While this represented a relative improvement in the Asia and the Pacific region since 2016, the number of child labourers increased in the Arab States.<sup>62</sup> Given the reduction in hours of work since 2020, the lost livelihoods and the increased poverty at the household level,<sup>63</sup> as well as school closures, millions of additional children have been at risk of being pushed to work at an early age or under hazardous conditions. Also, those already in child labour may need to work more hours or to work under worse conditions. Given the circumstances of the crisis, the attainment in the two regions under review of SDG target 8.7

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<sup>58</sup> See, for instance, ASEAN, *ASEAN Declaration on Human Resources Development for the Changing World of Works and Its Roadmap*, 2020.

<sup>59</sup> For further discussion on financing options in relation to lifelong learning, see ILO, “*Financing and Incentives for Skills Development: Making Lifelong Learning a Reality?*”, June 2021.

<sup>60</sup> ILO, *Application of International Labour Standards 2021: Addendum to the 2020 Report of the Committee of Experts on the Application of Conventions and Recommendations*, ILC.109/III/Add. (A), 2021, para. 47.

<sup>61</sup> ILO and UNICEF, *Child Labour: Global Estimates 2020 – Trends and the Road Forward*, 2021.

<sup>62</sup> At the same time, two in three of the world’s victims of modern slavery were located in the Asia and the Pacific region, equivalent to 29.3 million people in 2020. While the greatest numbers of persons in modern slavery were located in the Asia and the Pacific region, the prevalence of modern slavery was highest in the Arab States, at 10.1 per thousand (compared to 6.8 per thousand in Asia and the Pacific). ILO, Walk Free Foundation and IOM, *2021 Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*, 2022.

<sup>63</sup> With poverty comes child labour, as households use every available means to survive. Some studies show that a one percentage point rise in poverty leads to at least a 0.7 per cent increase in child labour.

– the elimination of all forms of child labour by 2025 – looks unlikely without urgent attention and action.

- 74.** Regarding safety and health at work, limited implementation capacity, the weak enforcement of rights and standards and the lack of a preventive OSH culture continue to result in the occurrence of too many **occupational accidents** (SDG indicator 8.8.1) and work-related diseases. Fatal occupational injuries affected at least 3 workers per 100,000 in Hong Kong (China), Macau (China), Mongolia, Myanmar, the Philippines, Qatar, the Republic of Korea and Thailand in the period 2016–20.<sup>64</sup> Among recent industrial accidents affecting hundreds of people in the two regions under review were factory fires and explosions in Bangladesh (2021 and 2022) and India (2020 and 2021); a dam collapse in the Lao People’s Democratic Republic (2018); and a coal-mine collapse in China (2021).<sup>65</sup> Migrant workers are often among those facing heightened safety and health risks, especially in the GCC countries of the Arab States, in which migrant workers are mostly employed in jobs that provide poor working conditions that are often deemed unacceptable for non-migrant nationals.
- 75.** The majority of work-related deaths are attributed to work-related diseases, especially respiratory and cardiovascular diseases. A recent global study found that a disproportionately large number of work-related deaths occur in workers in South-East Asia and the Pacific.<sup>66</sup> The identification of risk factors, including long working hours, as well as agreement on the application of labour standards and guidelines to reduce or eliminate them through changes in organization and systems, could bring improvements. Yet, few countries are able to provide universal coverage of OSH services.
- 76.** Low wages are an important cause of working poverty. Although data on **average hourly earnings** (SDG indicator 8.5.1) are rather limited for countries in the regions, existing data point to the continuing predominance of low-paid employment. Among 16 economies with available data, the mean nominal hourly earnings of employees remained from US\$1 to US\$2 in Cambodia, Indonesia, Mongolia, the Philippines, Sri Lanka and Viet Nam in 2019. Mean earnings in Myanmar and Pakistan were below US\$1 per hour per employee. Conversely, nominal mean hourly earnings were higher (US\$2 to US\$6) in Jordan, Kiribati, Malaysia, Maldives, the Marshall Islands and Thailand, and as high as US\$18.20 in the Republic of Korea.<sup>67</sup> National wage disparities are one factor that can attract foreign direct investment in low-wage countries for the growth of labour-intensive manufacturing. Among the ways of keeping costs down are paying low wages to workers, subcontracting work and mandating flexible working hours. Statutory minimum wages are now common in certain global supply chain sectors like the garment sector, but compliance issues abound.<sup>68</sup> Many low-paid workers use overtime to offset low wages, which raises OSH issues.

<sup>64</sup> Data limitations for the indicator are important: countries without capacity to collect OSH-related statistics are often those most at risk of experiencing injuries and deaths.

<sup>65</sup> “52 Dead in Bangladesh Factory Fire as Workers Locked Inside”, *AP News*, 9 July 2021; “Laos Dam Collapse: Many Feared Dead as Floods Hit Villages”, *BBC News*, 24 July 2018; “12 Killed in Gujarat after Blast in Factory Leads to Textile Godown Collapse”, *The Indian Express*, 5 November 2020; “Death Toll Rises to 7 in Chemical Factory Blast in Gujarat’s Panchmahal District”, *The Times of India*, 18 December 2021; “China Mine Rescue: Nine Found Dead during Rescue in Shandong Province”, *BBC News*, 25 January 2021.

<sup>66</sup> WHO and ILO, *Joint Estimates of the Work-Related Burden of Disease and Injury, 2000-2016: Global Monitoring Report*, 2021.

<sup>67</sup> Conversely, in the Republic of Korea in 2020, average hourly earnings were significantly lower for low-skilled workers: US\$10.80 among employees in elementary occupations, US\$12.70 for skilled agricultural and fishery workers and US\$13.70 for service and sales workers. See ILO, ILOSTAT database.

<sup>68</sup> Matt Cowgill and Phu Huynh, “Weak Minimum Wage Compliance in Asia’s Garment Industry”, Asia-Pacific Garment and Footwear Sector Research Note Issue 5 (ILO, August 2016).

77. There are additional consequences of keeping wages low, including rising income inequality, slower productivity, lower government revenues and limited economic growth. Early evidence from the COVID-19 crisis supported the downward trends placed on wages.<sup>69</sup> As wage growth in some countries became increasingly concentrated among the highest wage-earners during the crisis and wage gaps expanded along age, education and informality lines, inequality within countries worsened during the peak of the crisis.<sup>70</sup> Also, low wages among migrant workers in the GCC countries of the Arab States limited the effectiveness of labour market nationalization policies, with private sector employers refraining from employing nationals, who have much higher reservation wages. The exclusion of migrant workers from minimum wage legislation in many countries<sup>71</sup> has encouraged their exploitation, which in turn has impacted the employment of nationals and hindered diversification efforts.
78. Many countries in the region have established or strengthened **minimum wages** in attempts to curb unduly low pay. Yet the economic difficulties faced by enterprises during the crisis could increase resistance to minimum wage adjustments and thereby interrupt regular adjustment processes. Some countries that undergo regular minimum wage adjustment processes temporarily suspended procedures in 2020 (for example, Cambodia and Myanmar), while others proposed in 2021 not to adjust minimum wages to spur business recovery (for example, Viet Nam).<sup>72</sup> At the subnational level, in the Punjab region of India the local government reversed its order and froze minimum wages in 2020.<sup>73</sup> If agreed to in a tripartite setting<sup>74</sup> and in response to the difficulties with regard to business continuity faced by many enterprises, the delays to minimum wage adjustments may be seen as a reasonable crisis response, particularly when temporary wage subsidies are not accessible. But this presumes that countries have benefited from other national protection measures to cushion the circumstances of low-wage workers through the crisis. The Government of Cambodia, for instance, cushioned the blow to garment workers with cash transfers. Still, social protection systems continue to be underfunded and constrained by significant coverage gaps throughout the two regions under review.
79. Many countries resumed their minimum wage reviews in 2021 and have since implemented increases, which is especially important as inflationary pressures increase throughout the regions. There remain, however, numerous instances throughout the two regions in which wage-setting mechanisms are not adequately fixed in a tripartite setting, which risks upsetting the balance between economic viability and protection.

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<sup>69</sup> ILO, *Global Wage Report 2020-21: Wages and Minimum Wages in the Time of COVID-19*, 2020.

<sup>70</sup> ILO, "COVID-19 and Rising Wage Inequality: Trends and Challenges in Thailand and Viet Nam", January 2021.

<sup>71</sup> The notable exceptions include Qatar, which has recently enacted non-discriminatory minimum wage legislation that applies to migrants and nationals and was based on technical analysis undertaken by the ILO. In addition, there is a minimum wage in Bahrain for all workers in the public sector and in Kuwait for private sector workers. By comparison, in Jordan different minimum wage rates are applied for migrants and nationals. For further discussion, see: ILO, "Minimum Wages and Wage Protection in the Arab States: Ensuring a Just System for National and Migrant Workers", 2019.

<sup>72</sup> ILO, *Global Wage Report 2020-21*; Kim Loan, "MOLISA Proposes No Adjustments to Regional Minimum Wage in 2021", *Socialist Republic of Viet Nam Government News*, 4 March 2021.

<sup>73</sup> ILO, *Global Wage Report 2020-21*.

<sup>74</sup> This does not seem to be the case in some countries. In Viet Nam, for example, the Viet Nam General Confederation of Labour refused to participate in a vote at the National Wage Council to postpone an increase to the regional minimum wages until 2021. The union proposed a delay in the negotiations until more information about the pandemic was available, but that proposal was rejected. See ILO, "The Supply Chain Ripple Effect".

## Social dialogue

- 80.** The main goal of social dialogue is to promote consensus-building and democratic involvement among the main stakeholders in the world of work during times of economic and social uncertainties, such as in the current context, in which the mechanisms of social dialogue are all the more important for supporting the reconciliation of competing interests and building trust in crisis-mitigation policies. In many countries in the Asia and the Pacific and the Arab States regions, the conditions for effective and successful social dialogue are still not in place. Employers and workers still face obstacles that prevent them from exercising their rights to associate freely and engage in social dialogue and collective bargaining. In some countries, the institutions for social dialogue exist through non-standing bodies that do not function effectively.
- 81.** While data availability for countries in the region on SDG indicator 8.8.2 related to compliance with **freedom of association** and **collective bargaining** remains limited,<sup>75</sup> one can consider here trends in the ratification of the ILO fundamental Conventions.<sup>76</sup> Such ratifications remain low overall. Only 17 of 48 Asia and the Pacific and Arab States countries have ratified all eight fundamental Conventions, while progress towards the application of the fundamental principles and rights at work remain slow, as described further in Part II of this report.<sup>77</sup>
- 82.** The supervisory bodies have identified in several Member States in the Asia and the Pacific region and in a number of countries of the Arab States region serious and persistent problems of application of fundamental standards, in particular with regard to freedom of association, as well as in the context of labour migration and forced labour.<sup>78</sup> Difficulties in the exercise of freedom of association are further reflected in low trade union density in some developing Asian countries (ranging from 2 per cent to 10 per cent on average).

## Social protection

- 83.** Since 2016, most countries with available data demonstrate an upward trend in the proportion of the population covered by at least one social protection benefit (SDG indicator 1.3.1). However, social protection coverage reached less than half of the population in the Asia and the Pacific (44.1 per cent) and the Arab States (40 per cent) regions in 2020, while low- and middle-income countries remain far behind high-income countries in terms of coverage.<sup>79</sup> This low coverage is strongly related to the significant underinvestment in social protection and the large shares of the informal sector that remain outside social protection systems. Existing systems are mostly adapted to the characteristics of workers in salaried and stable employment and therefore

<sup>75</sup> SDG indicator 8.8.2 reads: “Level of national compliance with labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status”.

<sup>76</sup> At the 110th International Labour Conference held in June 2022, a resolution was adopted to add the principle of a safe and healthy working environment to the ILO’s fundamental principles and rights at work. The two new Conventions that were accordingly added to the existing eight core Conventions are the Occupational Safety and Health Convention, 1981 (No. 155) and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187).

<sup>77</sup> Bangladesh was the latest country to ratify all eight ILO fundamental Conventions, upon its ratification of the Minimum Age Convention, 1973 (No. 138) in March 2022. As of early 2022, 23 economies in the two regions under review had ratified the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No.87), while 29 economies had ratified the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), with the Republic of Korea as the last ratifier of both Conventions in 2021. The ratification rates of the two Conventions remains well below those of other regions. See Part II, section 4.1.1, of the present report.

<sup>78</sup> ILO, *Report of the Committee of Experts on the Application of Conventions and Recommendations: General Report and Observations concerning Particular Countries*, ILC.110/III(A), 2022.

<sup>79</sup> By comparison, the regional average for Europe and Central Asia was 83.9 per cent; see ILO, *World Social Protection Report 2020-22*, 2021, and [regional companion reports](#).



struggle to accommodate labour markets in the regions that are dominated by vulnerable employment, consisting of own-account workers and contributing family workers who operate predominantly in informal sector units.<sup>80</sup> Even within the group of workers with an employer-employee relation, in developing economies there is a predominance of working arrangements that are characterized by high levels of job insecurity. Among these are the millions of workers on temporary contracts, including casual/daily workers. The result is that in most countries of the two regions under review, only a minority of workers are contributing to a social protection scheme.

- 84.** The impacts of the pandemic have exposed coverage inadequacies and invoked unprecedented policy action to extend support to vulnerable population groups, including women and men in precarious forms of employment and in the informal economy. The challenge will be to maintain the momentum and find the financial means and institutional capacity to extend coverage to all population groups on a permanent basis in the post-COVID-19 pandemic environment.

### Climate change and the just transition

- 85.** Both the Asia and the Pacific and the Arab States regions are experiencing extreme weather events at an increasing pace, including more frequent and intense droughts and floods. Building climate resilience in advance can save more money, lives and jobs than addressing these challenges after disasters have struck.<sup>81</sup> However, few countries are adequately investing in climate mitigation or promoting the energy transition to renewables. According to the most recent data of the International Renewable Energy Agency (IRENA), there were 12 million renewable energy jobs in 2020, 39 per cent of which were in China.<sup>82</sup> The numbers grow year by year but are still small in comparison to the 122 million jobs (43 million in renewable energy) that could be generated if all countries were to meet their energy transition objectives under the Paris Agreement aim to limit the global temperature rise to 1.5°C.
- 86.** As climate challenges increase, strategic action is needed to deliver a “just transition towards environmentally sustainable economies and societies for all”.<sup>83</sup> This may include regulations and incentives and public investment strategies and will certainly include the activation of labour market and social protection policies to support workers through the transition (see also section 3.1 below).<sup>84</sup>

### Fiscal disadvantages pose obvious handicaps on capacity to counteract labour market disruption

- 87.** Most governments in the two regions under review have increased fiscal expenditures to support enterprises and workers and safeguard livelihoods during the COVID-19 crisis. Fiscal stimulus has often been provided on an unprecedented scale, causing large government deficits and increasing debt-to-GDP ratios. Given the uncertainty about the magnitude and duration of fiscal

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<sup>80</sup> Many existing social protection systems also face challenges related to governance, the delivery of benefits and being responsive to the needs of members. In the case of migrant workers, they are generally excluded from coverage under most social protection schemes, unless specific agreements have been made in memorandums of understanding between sending and destination countries.

<sup>81</sup> IPCC, “Climate Change 2022: Impacts, Adaptation and Vulnerability”, Working Group II contribution to the IPCC Sixth Assessment Report, 2022.

<sup>82</sup> IRENA and ILO, *Renewable Energy and Jobs: Annual Review 2021*, 2021.

<sup>83</sup> ILO, *Guidelines for a just transition towards environmentally sustainable economies and societies for all*, 2015.

<sup>84</sup> ILO, *A Just Energy Transition in Southeast Asia: The Impacts of Coal Phase-out on Jobs*, 2022.

support as the crisis continues and the more recent additional challenge of inflation, there is a significant risk of fiscal instability, particularly for low-income countries with limited fiscal space.

88. Low-income and lower-middle-income countries have had a clear disadvantage with regard to the use of fiscal stimulus to offset some of effects of the COVID-19 crisis. The ILO Regional Office found that the total fiscal stimulus for the Asia and the Pacific region was insufficient to offset approximately 60 per cent of the total working hours lost (measured in full-time equivalents of employment) during the first three quarters of 2020.<sup>85</sup> In Eastern Asia, the equivalent fiscal stimulus gap represented about one third of working-hour losses, while in South-Eastern Asia and the Pacific, it represented about half the working-hour losses. The fiscal gap was the widest in Southern Asia, where decreases in working hours (16.2 per cent) were countered by just 2.3 per cent of equivalent fiscal stimulus value, leaving a fiscal stimulus gap of 86 per cent. In the Arab States, fiscal stimulus announcements amounted to approximately 25 per cent of lost working-hour equivalents, also showing a sizeable fiscal gap that was driven to a large extent by very limited fiscal space in non-GCC states.
89. Fiscal stimulus gaps are an important element behind what is being termed a “two-speed recovery” between advanced and developing economies. Filling this stimulus gap calls for the urgent mobilization of official development assistance, deeper multilateral cooperation and greater international solidarity in support of the national prioritization of public financing towards medical/health service and infrastructure in order to accommodate accelerated vaccination roll-outs and improved outcomes in jobs and income support.

### 3. Regional priorities for activating a human-centred recovery

90. In 2016, through the adoption of the Bali Declaration, constituents identified the areas of work considered to be of priority to the two regions under review. The experience of the COVID-19 crisis in the meantime has shifted certain world-of-work issues towards the top of ensuing lists for the accelerated action envisioned in the Global Call to Action for a Human-centred Recovery from the COVID-19 crisis that is inclusive, sustainable and resilient. For instance, the crisis has increased awareness of the importance of social protection systems and enterprise support; the necessity of extending labour protections to all categories of workers and economic units; the importance of building strong labour market institutions; the critical role of workers’ safety and health in business continuity; and the power of multilateral and local solidarity in provisioning essential services, including vaccines and other preventive measures, and fostering resilience.
91. Learning lessons from the crisis response and balancing priorities in the policy areas needed to generate a human-centred recovery that has lasting effects for decent work and inclusive growth for all people in the two regions under review are obvious challenges. Establishing regional priorities for ILO actions to give effect to the human-centred recovery is hampered by the heterogeneity of the economies in the two regions. In the remainder of this section, the report proposes three broad starting points for shared commitments among constituents, with the ultimate aim of giving shape to resilient labour markets and economic growth that can be truly inclusive in the face of increasingly unstable global political, economic and environmental circumstances. In turn, the broad themes for further discussion include (a) building the institutional framework to support transitions to formality and decent work; (b) strengthening foundations for protection and resilience; and (c) revitalizing productivity growth and skills for more and better jobs.

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<sup>85</sup> For more details and measurement methodology, see ILO, *Asia-Pacific Employment and Social Outlook 2020*.

### 3.1. Institutional framework to support transitions to formality and decent work

92. Facilitating transitions is an important theme of the Centenary Declaration, with an emphasis on putting into place effective measures to support people through the transitions they will face throughout their working lives as productive members of societies. This includes establishing labour market and social protection policies to support job transitions (movements between occupations and/or sectors) and people's transitions between labour market states (entries and exits). The latter type of transition includes young people making their first entry to the world of work; older workers detaching from the labour market and entering retirement; and others who detach from the labour market for a period of time to rejoin at a later date. Mothers are among those who may temporarily detach from the labour market, as are persons affected by natural disasters or conflicts. Another important transition requiring particular attention in the two regions under review is the transition from the informal to the formal economy.
93. Never has the vulnerability of the informal economy been as accentuated as in the current pandemic. The absence of emergency-assistance social protection, firm registration and employment relationships associated with the informal economy has meant the absence of readily identifiable channels for extending wage and income support to the majority of workers and economic units in the Asia and the Pacific and the Arab States regions. The lack of access to institutional resources, inadequate IT infrastructure and reliance on face-to-face transactions among informal units, poor water and sanitation, and the risk of harassment all combine to exacerbate the situation.
94. Some countries in the two regions were quick to adapt existing social protection programmes and cash transfer facilities to extend benefits to informal workers and firms. Reducing the vulnerabilities of informal workers and enterprises in the longer term is now an issue of heightened importance, with the aim of recovering as inclusive economies and resilient societies. Now is the time to look at formalization, not as a law-and-order issue or an opportunity to earn government revenues but as investment in economic growth and inclusive development. Yet most countries in the two regions lack explicit strategies for accelerating the transition from the informal to the formal economy. The integrated approach to formalization – as guided by the Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204) – places formalization objectives within a broad array of policy areas, including those related to job growth, social protection, regulatory frameworks, enterprise development, skills development, and compliance and enforcement.
95. A critical part of accelerating the transition to formality is support for rural economic development and the promotion of decent work in rural areas. In the Asia and the Pacific and the Arab States regions, the rural economy employs about 1 billion women and men (or half of all workers) in both farming and off-farm activities.<sup>86</sup> However, far too many of these rural workers are underemployed and underpaid, with limited access to social and legal protections, so that they collectively contribute to rural poverty. It is in rural areas that the majority of child labour is found, with rates three times higher than those in urban areas. To overcome geographic inequalities and promote decent work in rural areas, heightened investments are required for the construction of physical and digital infrastructure and for strengthening the capacities of provincial institutions to deliver quality public services to support the rural workforce and provide the robust financial

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<sup>86</sup> ILO, ILOSTAT database.

services that are critical for the sustainability and growth of rural enterprises.<sup>87</sup> The further development of the social and solidarity economy also holds promise for fostering inclusive and sustainable economic growth, employment and decent work for all, and reducing inequalities.<sup>88</sup>

96. There is diversity in the demographic context of the Asia and the Pacific and the Arab States regions, which can impact the prioritization of targeted labour market transition support measures. Some economies remain primarily youthful, including many in the Arab States, the Pacific Island States and South Asia, while other economies – in East Asia and South-East Asia, for instance – have progressed already to aged status.<sup>89</sup> For youthful societies, labour market challenges may relate to the economy's capacity to create jobs and absorb large cohorts of young entrants. The challenges of rapidly ageing societies relate to pressures on healthcare and long-term care systems, labour shortages and pension gaps. Supporting all people through future-of-work transitions requires strong labour market institutions and social protection systems that accompany people through their many forays into and out of the labour market.
97. Another key area aligned to the theme of transitions is labour migration. Experiences in the two regions under review over the course of the pandemic have demonstrated that migrant workers, while they played an essential role in keeping the economy functioning in a number of countries, were among the most vulnerable groups during the COVID-19 pandemic for a variety of reasons. Labour law reforms continue to fall short of protecting the rights of migrant workers. In the future, there is a need to address structural weaknesses at the institutional level and strengthen policy and legal frameworks, while giving due attention to improving housing and protecting the wages of migrant workers, achieving their equal treatment with nationals and extending social protection to them. Other priorities include enhancing the mobility of migrants within the labour market, including through skills development and recognition; increasing the voice of migrant workers; legally recognizing domestic work as work; ensuring fair recruitment; promoting the sustainable socio-economic reintegration of returnees; and strengthening bilateral, regional and international cooperation.
98. In order to ensure better and just transitions for workers and enterprises, including in the informal economy, proactive and targeted labour market programmes and strengthened employment services are required. In the aftermath of the COVID-19 pandemic, targeted labour market programmes and broader access to responsive employment services are critical for preparing workers, jobseekers and employers for the economic recovery. Inclusive and gender-sensitive approaches can accelerate the recovery and encourage the labour market participation of those who face obstacles in their transitions to decent work.
99. Promoting an inclusive transition into the labour market is also critical in the context of the crises that result from conflicts and natural disasters, including for internally displaced persons and refugees. As guided by the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205), it is essential to establish a multi-pronged and integrated strategy – formulated through social dialogue – that prioritizes stabilizing livelihoods and income

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<sup>87</sup> In this vein, the Decent Wages and Living Income Coalition was announced in September 2021, to be led by the International Fund for Agricultural Development with the ILO and supported by CARE, to boost the decent work returns for small-scale food producers and their families.

<sup>88</sup> ILO, [Resolution concerning decent work and the social and solidarity economy](#), International Labour Conference, 110th Session, 2022.

<sup>89</sup> Aged means that the share of the population aged 65+ is 14 per cent or more. Japan was deemed already hyper-aged, with more than 20 per cent of its population in the elderly category, as of 2006. By 2025, Hong Kong (China) and the Republic of Korea are projected to also have a hyper-aged population. Similarly, Singapore is projected to enter this group of hyper-aged societies by 2030 and Thailand shortly thereafter. See UN, "World Population Prospects 2022".

through immediate social protection and employment, while promoting skills and safeguarding rights. To this end, a more development-oriented approach is needed that engages humanitarian, peace and development actors towards strengthening public systems, the provision of basic social services and access to decent work. Such efforts would facilitate transitions to peace, prevent future crises, accelerate recovery and build resilience.

### 3.2. Strong foundations for social and employment protection and resilience

100. Workers, enterprises and households thrive when they feel secure in their health, income and prospects for the future. When individuals and firms are supported through stability-enhancing policies and programmes, they have the confidence and predictability required to invest in their own futures. The foundations for labour markets to thrive are the policies and programmes that ensure sufficient stability of income and consumption to allow economic advancement even when confronted with volatility.<sup>90</sup> In developing economies, the majority of workers and MSMEs still lack access to work-based social protection and employment protections, while households typically still bear the full risks of economic participation. Social protection schemes financed from general revenue are also largely insufficient to provide minimum floors of protection across the life cycle. Doing more to boost economic stability for all individuals and firms in the regions through larger and more efficient investments in labour market institutions remains a top priority for the human-centred recovery.
101. The COVID-19 pandemic, like crises before it, has underscored the value for countries of having well-designed, coordinated social protection systems to draw upon for rapid outreach to persons in times of hardship. The heightened demand for the services embedded in social protection systems during the COVID-19 crisis has invoked a “now or never” sense of urgency for countries to go beyond emergency or transitory measures in order to make effective social protection an integral component of their human-centred recovery pathways. To this end, it is critical to better articulate contributory and non-contributory social protection instruments and deepening investment towards establishing comprehensive, universal, gender-sensitive and sustainable social protection systems that provide adequate benefits to the entire population throughout life and work transitions.
102. Yet upscaling investment in social protection requires appropriate financial resources, especially with the September 2021 launch of the Global Accelerator on Jobs and Social Protection for Just Transition of the UN Secretary-General.<sup>91</sup> The Global Accelerator sets the ambition of creating at least 400 million new jobs, including in the green, digital and care economies (discussed below), and extending social protection floors to the 50 per cent of people who are deprived of them. In the two regions under review, which spend well below the global average on social protection, mobilizing the required financial resources will require the continuation or the launch of deep public finance reforms, the mobilization of multilateral support and an examination and spread of good practices in extending social protection to all workers and their families, including migrant workers and workers in precarious forms of work. Bringing more enterprises and workers into the realm of the formal economy is another vital element of expanding fiscal space through broadening the tax base.

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<sup>90</sup> *fhi360, The Atlas of Innovation for Economic Stability*, 2018.

<sup>91</sup> UN, “Secretary-General’s Policy Brief: Investing in Jobs and Social Protection for Poverty Eradication and a Sustainable Recovery”, 2021.

- 103.** International labour standards contain specific guidance for safeguarding decent work in the context of crisis response, including guidance that remains relevant in the framework of the COVID-19 pandemic. One of the most recent standards, Recommendation No. 205, which was adopted by an overwhelming majority of all constituents, emphasizes that crisis responses need to ensure respect for all human rights and the rule of law, including respect for fundamental principles and rights at work and for international labour standards.
- 104.** OSH standards (including violence and harassment), working time, weekly rest and annual leave regulations, as well as wage policies, are some of the areas of international labour standards that took on added importance over the course of the COVID-19 pandemic.<sup>92</sup> The crisis highlighted the fact that the importance of the right to health has not been given sufficient prominence in the policy discourse and brought renewed recognition of the importance of international labour OSH standards, a message that influenced the adoption of occupational health and safety among the ILO's fundamental principles and rights at work at the June 2022 International Labour Conference.<sup>93</sup>
- 105.** Furthermore, the economic and social stress of the crisis were high and tensions arose at times around the application of certain labour standards. Some governments and social partners agreed on temporary measures to relax certain legislated obligations in ways that enabled businesses to implement flexible work arrangements.<sup>94</sup> Respecting key provisions of international labour standards has been vital to ensuring that workers, employers and governments could maintain decent work while adjusting to the socio-economic consequences of the COVID-19 pandemic.<sup>95</sup> In the future, the formulation of inclusive and sustainable recovery measures must be inextricably attached to the application of international labour standards, while making every effort to prevent the deterioration of working conditions.
- 106.** For economies to thrive, government support is also required at the enterprise level, including assistance in the form of temporary wage subsidies. When the pandemic and resulting lockdowns threatened to push enterprises into bankruptcy and millions of workers into unemployment, at least 40 countries across the globe adopted "temporary wage subsidies" as part of a range of policy measures to counteract the effects of the crisis.<sup>96</sup> Wage subsidies helped enterprises retain their skilled workers, supported the recovery of production when lockdowns ended and provided workers with at least part of their usual wages, even if some workers had to take wage cuts. For low-paid workers, adequate minimum wages – set by governments or negotiated through collective bargaining – helped prevent wages from spiraling down to unduly low levels, providing a buffer against poverty.
- 107.** Supporting business continuity has been a key pillar of most governments' COVID-19 pandemic relief packages (see Part II, sections 2.2, 3.6 and 5.2) and before that, a central element of recovery programmes in any country affected by natural disasters or conflicts. Where funds are limited, governments have been encouraged to target such interventions to support MSMEs in hard-hit sectors, including female-owned enterprises and those in the informal sector. Maintaining

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<sup>92</sup> A global survey revealed that six out of ten EBMOs considered developing capacities on safety and health as being a top priority. ILO and IOE, *A Global Survey of Employer and Business Membership Organizations: Inside Impacts and Responses to COVID-19*, 2020.

<sup>93</sup> See footnote 74.

<sup>94</sup> ILO, *A Quick Reference Guide to Common COVID-19 Policy Responses*, 2020.

<sup>95</sup> As emphasized by the CEACR, the crisis did not suspend obligations under ratified international labour standards, including the obligation to ensure that any derogations are exercised within clearly defined limits of legality, necessity, proportionality and non-discrimination; see ILO, *Application of International Labour Standards 2021: Addendum to the 2020 Report of the Committee of Experts on the Application of Conventions and Recommendations*, ILC.109/III/Add. (A), para. 49.

<sup>96</sup> ILO, *Global Wage Report 2020-21*.

support through to the stage of recovery of economic growth while promoting enterprise sustainability and resilience to withstand future shocks requires some evidence-gathering to determine which measures have proved to be the most effective at supporting business continuity and worker retention and regularizing support measures together with the private sector and through multilateral cooperation.

- 108.** In crisis settings, collaboration and social dialogue – based on respect for freedom of association and the effective recognition of the right to collective bargaining – between governments and employers’ and workers’ organizations can enable accelerated socio-economic recovery. Some countries in the region, especially those with robust social dialogue structures or initiatives already in place, successfully used social dialogue processes to shape the responses to the COVID-19 crisis. During the initial wave of the pandemic (mid-March to mid-June 2020), about 67 per cent of Asia and the Pacific countries and 43 per cent of Arab States countries used social dialogue in the policy response.<sup>97</sup>
- 109.** Social dialogue outcomes in the countries or areas of the two regions under review have focused heavily on protecting employment and wages (for example, in the Occupied Palestinian Territory, the Republic of Korea, Singapore and Sri Lanka); adapting workplace arrangements (Australia); establishing OSH procedures in enterprises (the Lao People’s Democratic Republic); extending social protection (Australia and Japan); sustaining enterprises (Republic of Korea); and promoting skills development in the recovery phase (Singapore and Viet Nam).<sup>98</sup> Moreover, tripartite negotiated strategies for coping with workers’ salaries have been useful at the sectoral level, including in the heavily impacted garment sectors of Bangladesh, Myanmar and Sri Lanka.<sup>99</sup> Despite these achievements, nevertheless, social dialogue outcomes were constrained in some countries, not only by the reluctance of governments to engage in social dialogue for policy responses but also by the capacity of social partners to engage in the process.<sup>100</sup> Other constraints include the distrust between parties and limitations with regard to specifically targeting the informal economy, migrant workers and the self-employed.
- 110.** Both employers’ and workers’ organizations have taken extraordinary measures in support of constituencies during the crisis. Workers’ organizations maximized their efforts to safeguard the health and safety of workers; provided humanitarian assistance to stranded migrant workers; negotiated bipartite agreements on continuity of pay and benefits; and engaged with other actors such as international brands to mitigate the impact of the COVID-19 pandemic on global supply chains. Employers’ organizations actively engaged with members and non-members alike to improve the safety of the workplace and activate business continuity measures, while also revisiting their value propositions and adapting their service portfolios. Yet neither social partner is without their challenges, struggling to grow membership while expanding their services and their roles in policy advocacy and social dialogue. The greater the value placed on social dialogue to facilitate consensus-based policies, the more likely that economic recovery can be framed around labour market governance based on international labour standards to counteract conflicts that can hinder the recovery process. Strengthening the capacity of social partners to effectively contribute to social dialogue and investing in the institutions of social dialogue and collective

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<sup>97</sup> ILO, *Peak-Level Social Dialogue as a Governance Tool during the COVID-19 Pandemic: Global and Regional Trends and Policy Issues*, October 2020.

<sup>98</sup> ILO, *Social Dialogue One Year after the Outbreak of the COVID-19 Pandemic: Spotlight on Outcomes*, June 2021; ILO, *A Quick Reference Guide to Common COVID-19 Policy Responses*.

<sup>99</sup> ILO, “The Supply Chain Ripple Effect”.

<sup>100</sup> Michele Ford and Kristy Ward, “South-East Asian Unions Respond to the Pressure of COVID-19”, *International Journal of Labour Research* 10, Issue 1–2 (2021): 82–89; ILO, *Peak-Level Social Dialogue as a Governance Tool during the COVID-19 Pandemic*.

bargaining are integral to the push for stronger foundations for security and resilience in the regions.

### 3.3. Revitalizing productivity growth and skills for more and better jobs

- 111.** A resolute focus on accelerating productivity growth and creating more productive jobs is key to a resilient, human-centred recovery from the COVID-19 crisis. Enhanced productivity could spur both higher business profitability and better working conditions and wages, if the gains are equitably shared. In turn, this would increase living standards and help reverse the negative trends in working poverty that were witnessed during the crisis. In the post-pandemic period, productivity will remain the foundation of the pursuit of competitiveness in the global economy in the two regions under review.
- 112.** Revitalizing productivity growth must start with supporting the most vulnerable enterprises, namely the MSMEs that have suffered disproportionately during the crisis. Such measures to enhance the sustainability and productivity of MSMEs should consider not only the immediate concerns of easing business operations under continuous pandemic-related constraints and uncertainty but also medium- and long-term reforms.<sup>101</sup> These structural improvements to the business environment for MSMEs include easing the regulations for starting and growing a business; harnessing digital technology to simplify business registration and expand e-commerce; facilitating access to finance; promoting tax reforms that encourage formalization; and finding new opportunities for MSMEs in global supply chains.
- 113.** Robust investments in infrastructure development can also drive higher productivity. The COVID-19 pandemic has underscored the importance of strong healthcare infrastructure, as well as manufacturing and logistics systems that can efficiently produce and distribute vaccines and medical equipment. Countries that were well positioned in this regard before the crisis fared better in minimizing the disruptions to economic and business activity. Beyond the crisis and in the long term, the development of high-quality roads, ports, transportation networks, logistic systems and digital infrastructure would enable businesses – both MSMEs and larger firms – to expand access to domestic and international markets and create more productive jobs. After conflict and natural disasters, employment-intensive infrastructure investments can help local economies quickly restart productive activities.
- 114.** Another key strategy to increase productivity should be a renewed emphasis on structural economic transformation. Improvements in education and training and the gradual shifting of millions of workers out of low-productivity agriculture into export-oriented manufacturing and higher value-added services was integral to productivity growth and economic success before the crisis in the two regions under review. The pandemic and other transformations shaping our world present new opportunities to further this process of restructuring the economy and fostering emerging sectors that can lift productivity and generate millions of jobs.
- 115.** The care economy could be one of these key sectors that generates productive jobs while also delivering on the transformative agenda for gender equality called for by the ILO's tripartite constituents. Worldwide, 647 million working-age women and men are out of the labour force due to family care responsibilities.<sup>102</sup> Unpaid care work and the lack of accessible, affordable and professional care services and leave policies constitute the main barriers to women's participation

<sup>101</sup> ILO, "Enabling Environment for Sustainable Enterprises and the Post-COVID-19 Rapid Response", 2020.

<sup>102</sup> UN, "Secretary-General's Policy Brief"; based on the methodology applied in ILO, *Care Work and Care Jobs for the Future of Decent Work*, about 442 million of the world's women who were outside the labour market due to care responsibilities in 2018 were in the Asia and the Pacific region and 29 million of them were in the Arab States region.



in the labour market, representing an enormous untapped potential to stimulate business innovation and productivity. During the pandemic, school closures and limited mobility resulted in a surge in unpaid care work – often taken up by women – that drove too many women to leave the labour force and worsened gender imbalances in the world of work.

- 116.** The crisis also highlighted the fragility of our care systems, including healthcare, childcare and long-term care. Both paid and volunteer workers in these care sectors, the majority of whom are women, were on the front lines and risked their own health to serve persons in need. Yet, their contributions remain seriously undervalued and their work underpaid. Investing in the care economy by promoting care leave and decent work for care workers and a fairer sharing of care responsibilities at home would spur productivity by bringing the talents of more women into the workplace and nurturing a healthier and more productive workforce over the long-term. It would also contribute to achieving gender equality at work and meeting the SDG targets.
- 117.** Another sector with much promise is the green economy. The transition to renewable energy and a circular economy could create millions of decent jobs across the region and help reduce poverty and inequality (see also paragraphs 85 and 86).<sup>103</sup> Promoting decent work in green sectors and expanding green infrastructure could be especially beneficial for rural economies. Given that supporting the energy transition will mean job losses in the fossil fuel industry, it is critical for the transition to be managed with supportive human resources policies that respect labour standards. The just transition can be managed through tripartite consultations and consensus-building through a meaningful social dialogue process.
- 118.** The COVID-19 pandemic has magnified how technology is transforming society and the world of work and enabling new business innovations. New digital applications have supported contact-tracing, vaccine registrations and delivery of social benefits. Communication and collaborative technologies have facilitated teleworking from remote locations and helped maintain a degree of business productivity and continuity during lockdowns, with potentially long-lasting changes in our working environments. There has been an accelerated shift of economic activities to online platforms that have created new e-commerce opportunities for countless entrepreneurs and businesses. While recognizing the potential that digital transformations can bring to production and the provision of private and public services, it is critical to take a human-centred approach to technological development, including through revised regulatory frameworks. Only then can we ensure that the recovery is resilient and the future of work is inclusive of all.
- 119.** The confluence of these disruptions and changes in the world of work has elevated the importance of upgrading skills systems in order to prepare workers to be ready and agile in the face of future of work transitions. Future skills demands by employers will increasingly necessitate a deeper understanding and application of OSH protocols and strong digital and core skills to work collaboratively and proficiently with new technologies, as well as technical competencies for the care and green economies. While the pandemic has elevated the importance of upskilling and reskilling, robust training systems remain underdeveloped in many countries in the two regions under review. The crisis also laid bare the persistent inequality of education and training systems linked to the digital divide, so that at least one third of students were left without access to remote learning during the initial COVID-19 wave.<sup>104</sup> Inequalities are related not only to digital infrastructure but also to learners' readiness and ability to engage in online and digital learning.

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<sup>103</sup> ILO, *Skills for a Greener Future: A Global View*, 2019; IRENA and ILO,

<sup>104</sup> The share of students who could not be reached by digital and broadcast remote learning was 19.6 per cent in East Asia and the Pacific, 37.6 per cent in South Asia and 40.2 per cent in the Middle East and North Africa (UNICEF regions); see UNICEF, "COVID-19: Are Children Able to Continue Learning during School Closures?", August 2020.

- 120.** To meet this immense challenge, skills and lifelong learning ecosystems must be an integral part of economic, social and labour market policies, while also tackling gender skills gaps. Deeper engagement between training institutions and employers (including through sector skills councils) is critical for better anticipating future skills demands, enhancing the quality of labour market intelligence, ensuring that training is responsive and relevant, and enhancing workplace learning, including through quality apprenticeships.<sup>105</sup> Moreover, modernizing training systems through digital technologies presents an important opportunity to meet the growing demand for online, lifelong learning and to reach vulnerable populations in more isolated localities. To support young jobseekers, as well as older workers transitioning through different career stages, measures to upskill and reskill the workforce must be complemented by investments in public employment services that can lessen skills gaps and help employers meet their skills needs.
- 121.** Revitalizing productivity growth and skills development can lead to more and better jobs when underpinned by social dialogue and tripartism. Strengthening labour market institutions is a vital element of supporting productivity growth, while facilitating the transitions of workers and enterprises towards productive opportunities in growth sectors such as the digital, green and care sectors.

## 4. Moving ahead

- 122.** As the first opportunity to come together since the onset of the COVID-19 pandemic, the 17th Asia and the Pacific Regional Meeting offers an important opportunity for governments, employers and workers to define specific regional priorities of action within the frameworks of the Centenary Declaration and the Global Call to Action for a Human-centred Recovery from the COVID-19 crisis, and in line with the Director-General's vision.
- 123.** The COVID-19 crisis has brought even more suffering for the most vulnerable population groups and exposed the inadequacies of past growth models and development policies and weaknesses in the employment, health and social protection systems of the two regions under review. It added further health and income precarity to those already facing the worst effects of the two regions' environmental and social inequalities.
- 124.** Escalating crises impacting the two regions serve as a wake-up call to global policymakers to pay greater attention to the plight of the world's vulnerable communities. In this context, the ILO's leadership in guiding a human-centred recovery that is inclusive, sustainable and resilient, as demanded by our tripartite constituents in the 2021 Global Call to Action, takes on added importance. To meet the obligations of the Global Call to Action and also the targets of the 2030 Agenda, the ILO must work in partnership with the UN community at the country level to promote job-rich growth, sustainable enterprises, universal social protection, social dialogue and rights at work as indispensable outcomes of national recovery strategies.<sup>106</sup> The Global Accelerator for Jobs and Social Protection announced by UN Secretary-General Antonio Guterres in September 2021, to be supported by the ILO and the wider UN community, espouses these policy priorities.
- 125.** The emphasis on partnerships is key. In promoting social justice the ILO must work within the multilateral system, including through the innovative Social Justice Coalition that brings together constituents, UN agencies, international financial institutions, development partners, private

<sup>105</sup> At the 110th Session of the International Labour Conference held in June 2022, a first discussion was held on the adoption of a new standard on quality apprenticeships; the discussion will continue at the next Session of the Conference. See ILO, *A Framework for Quality Apprenticeships*, ILC.110/IV/1, 2022, and *A Framework for Quality Apprenticeships*, ILC.110/IV/(2)(Rev.), 2022.

<sup>106</sup> UN, "Secretary-General's Policy Brief".

foundations, enterprises, academia and other stakeholders to develop specific initiatives that will assist Member States to address decent work deficits, enhance social justice and win the struggle against inequalities, exclusion and marginalization.

126. The ILO Global Forum for a Human-centred Recovery from the COVID-19 Crisis was convened in February 2022 with this sentiment in mind and resulted in numerous commitments within the multilateral system to work together in solidarity with the aim to build back better.<sup>107</sup> These commitments must now be transformed into results that benefit enterprises and workers on the ground.
127. The multitude of current crises severely constrains national capacity to make the investments required for a human-centred recovery. It is therefore of critical importance to increase the capacity for domestic financing of social protection, and to promote economic sectors with a high potential for decent job creation.<sup>108</sup> Fortunately, policy advice is emerging on how to do so, including through a re-examination of tax policies in the context of a new social contract and through improved international cooperation.<sup>109</sup>
128. In times marked by economic, social and environmental crises, governments and social partners must not miss the opportunity to join forces and channel investments towards a human-centred recovery, while gradually removing the longer-term structural barriers to decent work and inclusive growth. Regional priorities in response to the Centenary Declaration and the Global Call to Action are suggested in section 3 of this report, to be further refined and amended as an outcome of the Meeting itself.
129. In the future, it is to be hoped that we can make decisive progress on anchoring the overarching goal of social justice in the regional priorities set at this Meeting, supporting constituents at the local level through the Office's programming framework and the expanded outreach and resources of the Global Social Justice Coalition. To tackle the root causes of inequalities and socio-economic insecurities that plague people, communities and societies in the two regions under review, the ILO must orient its advocacy and action towards making progress on universal social protection, youth employment, gender equality, just transitions towards digital and environmentally sustainable economies, formalization, fair labour migration, building labour market resilience in fragile settings and decent work in supply chains. To achieve this critical agenda in the Asia and the Pacific and the Arab States regions, the ILO must pay particular attention to:
  - strengthening good governance, with a priority focus on improving the ratifications and application of international labour standards, tripartism and social dialogue;
  - supporting constituents on the formulation and implementation of strong and effective gender-responsive policies and institutions of work that are oriented towards a human-centred recovery; and
  - focusing on policy coherence and the alignment of financing towards significantly increased investments in social justice in Member States, including through the achievement of decent job-rich growth, universal social protection, respect for rights at work, and inclusive social dialogue.

<sup>107</sup> ILO, "ILO Global Forum Concludes with Renewed Commitments to a Recovery that Puts People First", 25 February 2022.

<sup>108</sup> The [Ministerial Forum Declaration: The Future of Social Protection in the Arab Region: Building a Vision for a post-COVID-19 Reality](#), adopted on 30 November 2021, calls for strengthening social protection systems through improved financing, enhanced coverage, building resilience and shock-responsiveness, and better governance and coordination.

<sup>109</sup> Richard Samans, *Financing Human-Centred COVID-19 Recovery and Decisive Climate Action Worldwide: International Cooperation's Twenty-First Century Moment of Truth*, ILO Working Paper 40, 2021; Minouche Shafik, *What We Owe Each Other: A New Social Contract*, (Bodley Head, 2021); Mira Bierbaum and Valerie Schmitt, *Investing More in Universal Social Protection. Filling the Financing Gap through Domestic Resource Mobilization and International Support and Coordination*, ILO Working Paper 44, 2022.

## ► Part II. Progress in implementing the Bali Declaration and the COVID-19 pandemic response

### 1. Introduction

- 130.** It was agreed at the 16th Asia and the Pacific Regional Meeting that the ILO would report to the ILO Governing Body every two years on progress made in supporting constituents in the priority areas of the Bali Declaration. A mid-term implementation report (2017–18) was produced and submitted to the Governing Body in November 2019. This part of the Director-General's report builds on the earlier reported results to summarize results during the period 2019–21, a period that therefore encompasses the ongoing COVID-19 pandemic.<sup>110</sup>
- 131.** The structure of the progress report is framed around the text of the Centenary Declaration and the Global Call to Action for a Human-centred Recovery that is inclusive, sustainable and resilient, two instruments adopted to guide the work of the ILO following the adoption of the Bali Declaration. With its “human-centred approach to the future of work”, the Centenary Declaration calls on Member States to increase investment in people’s capabilities, the institutions of work and decent and sustainable work. The Global Call to Action, which was adopted in reaction to the turmoil generated by the COVID-19 pandemic, prioritizes enhanced international and regional cooperation, global solidarity and policy coherence to advance recovery processes.
- 132.** Following an overview of the critical social dialogue dimensions of Bali Declaration implementation in the following section of Part II, the remaining sections are structured around the three pillars of the Centenary Declaration: strengthening the capacities of all people to benefit from the opportunities of a changing world of work (People (section 30)); strengthening the institutions of work to ensure adequate protection of all workers (Institutions (section 4)); and promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (Economy and decent work for all (section 5)). The Bali Declaration priorities have been positioned under these broad headings. Table 3 indicates where each of the 13 Bali Declaration policy priorities (BDPPs) is discussed in the report.

► **Table 3. Bali Declaration policy priorities: section mapping**

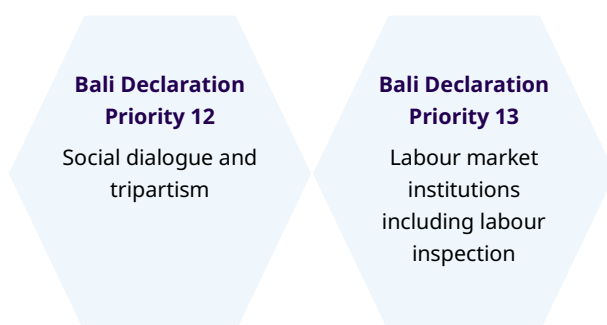
BDPP number	Topic	Section
1	Fundamental principles and rights at work and ratifications	4.1, 4.2
2a	Macroeconomic policy frameworks	5.1
2b	Sustainable enterprises	5.2
2c	Skills development	3.5
2d	Disadvantaged categories of workers	3.3
2e	“Diverse” forms of employment	3.4
2f	Transition from the informal to the formal economy	5.2
3	Impact of technological innovation on employers and workers	3.4, 5.2
4	Elimination of child labour and forced labour	4.1
5	Reversing widening inequalities	3.1-3.4, 3.7, 4.1-4.3, 5.2

<sup>110</sup> The reporting period for the Bali Declaration process therefore encompasses three biennial programme budget cycles: 2016–2017, 2018–2019 and 2020–2021.

BDPP number	Topic	Section
6	Building resilience	3.6
7	Closing gender gaps	3.1
8	Labour migration policies	3.3
9	Global supply chains	5.2
10	Investment, trade and multinational enterprise operations	5.2
11	Extending social protection	3.7
12	Strengthening social dialogue and tripartism	2
13	Strengthening labour market institutions, including labour inspection	2, 4.2

**133.** The primary instruments through which the Bali Declaration has been implemented at country level are the decent work country programmes (DWCPs) developed and agreed between ILO national tripartite constituents in Member States across the two regions.<sup>111</sup> DWCP review reports, including a high-level evaluation and synthesis reports), served as an important input to the implementation details discussed in this section. Other sources of information include the Bali Declaration mid-term implementation report 2017–18,<sup>112</sup> programme and budget implementation reports for the 2018–19 and 2020–21 bienniums and independent evaluation reports.<sup>113</sup>

## 2. Social dialogue at the core of the ILO mandate



### 2.1. Overview – progress and challenges

**134.** Social dialogue, including collective bargaining, is at the core of the ILO mandate and plays a key role in building sustainable, equitable and inclusive societies in which the benefits of growth are distributed across the whole population. The period since the adoption of the Bali Declaration has seen many positive developments with respect to the development and application of social dialogue and tripartism within Asia and the Pacific and the Arab States, despite the multiple challenges posed by the COVID-19 pandemic. Results captured over the period under review indicate that Member States generally recognized the importance of social dialogue in labour-

<sup>111</sup> Annex 1 identifies where DWCPs are in place and being implemented in the two regions under review.

<sup>112</sup> ILO, *Mid-Term Review of the Implementation of the Bali Declaration Adopted by the 16th Asia and the Pacific Regional Meeting (Bali, 6–9 December 2016)*, GB.337/INS/12/7, 2019.

<sup>113</sup> The volume of information generated during the preparation of the present report cannot be adequately summarized in a single document. There are additional outlets for communicating the ILO's impact under the Bali Declaration, such as the interactive digital narrative product "InfoStories" and the updated [Decent Work Results Dashboard](#). These platforms provide detailed information by outcome, region and country through a range of videos, stories and testimonials.

related policymaking and in regulating labour relations, but that the national arrangements and practice of social dialogue differ widely in practice.

- 135.** Across the two regions, a general trend can be discerned which indicates that countries with well-established tripartite and bipartite mechanisms, processes and practices have tended to perform better overall in countering the pandemic impacts on their economies and workforce. This result underlines the importance of social dialogue as a mechanism for agile responsiveness to shared challenges and building much-needed resilience into the labour markets of the two regions under review.
- 136.** Nonetheless, a number of critical issues related to the effectiveness of social dialogue at country level require ongoing attention, especially as national focuses increasingly shift towards shaping an economic and social recovery from the pandemic that is fully inclusive, sustainable and resilient. Key among these issues are:
- (a) the impacts of political conflict and social unrest in a number of countries across the two regions;
  - (b) challenges to democratic governance and limitations to the independence of social partners in some countries;
  - (c) weak tripartite and bipartite social dialogue mechanisms and processes in many countries, including in the area of collective bargaining;
  - (d) variable levels of recognition of the value added by social dialogue in policymaking and of the rights of workers' organizations (in particular) to be an equal dialogue partner;
  - (e) low levels of influence, representation and leadership of women in social dialogue mechanisms and processes;
  - (f) large informal sectors in many countries that are most often unrepresented in social dialogue;
  - (g) under-capacitated or outdated national labour dispute resolution systems;
  - (h) low capacities of many social partners to engage effectively; and
  - (i) the fact that freedom of association – a critical enabling condition for representative social dialogue – has yet to be fully embraced across the two regions.
- 137.** Such challenges to well-functioning social dialogue were reflected in an ILO survey of constituents in selected Association of Southeast Asian Nations (ASEAN) countries on tripartite and bipartite social dialogue mechanisms conducted in 2020. The survey revealed that while the importance of social dialogue was generally recognized in the countries concerned, many hurdles and areas for improvement remain to be addressed. Also, the International Trade Union Confederation (ITUC) *Global Rights Index 2020* reported on trends of trade union rights being undermined by weak social dialogue mechanisms and enforcement of domestic and international standards in the pre-COVID pandemic period.
- 138.** The COVID-19 pandemic has intensified such trends in many countries. In some countries, the national tripartite dialogue forum was not able to convene, even virtually, for extended periods during the pandemic. Such trends reinforce the need to enhance tripartite dialogue as a core component of the recovery phase, with a key focus on developing constituent capacities for effective engagement in this context.

## 2.2. Social dialogue at centre of COVID response

**139.** Despite the challenges described above, the ILO nonetheless observed that governments in most countries or areas opened consultations with constituents early in their COVID-19 pandemic responses in order to identify policies and interventions to reach businesses and workers.

**140.** The following summary highlights other selected results in response to the pandemic that were achieved through tripartite and bipartite dialogue at different levels:

- Tripartite agreements across the two regions under review influenced policies, measures and roles to protect incomes and businesses during lockdowns. In many countries, this involved commitments by employers to retain workers, while unions negotiated shorter working hours and an interim reduction in wages. In Singapore, for example, tripartite partners worked closely to issue various advisories on measures to guide businesses and employees. These were largely based on the principle of sharing responsibility between governments, employers and workers. Financial and institutional support was provided to the implementation of tripartite decisions by schemes like the Skills Future movement, the Adapt and Grow initiative, wage subsidies and other forms of financial support.
- In the Republic of Korea, an early agreement was reached in March 2020 by the tripartite Healthcare Sector Committee to protect healthcare workers through safety measures, improving job security and ensuring treatment of healthcare workers. In Sri Lanka, a tripartite COVID-19 response task force was set up as a subset of the National Labour Advisory Council led by the Minister of Labour, providing a platform for making significant headway on negotiating wage payments. In the Occupied Palestinian Territory, a tripartite agreement was signed in March 2020 to protect working hours, reduce salaries where necessary and establish a tripartite committee to follow up and resolve issues.
- Bipartite agreements, initiatives and measures undertaken by employers' and workers' organizations also played a key role in the pandemic response. In countries across the two regions, these addressed issues at the enterprise level related to adjustments of wages and allowances, working time, extension of paid leave, telework arrangements, workforce rationalization, severance pay issues and safe return-to-work policies. Enterprise-level cooperation was enhanced in many countries through the establishment of bipartite COVID-19 task forces to facilitate structured returns to work and ensure workers' safety through the provision of personal protection equipment and related OSH training (for instance, in Bangladesh, Cambodia, India, Indonesia, Lebanon, Qatar and Sri Lanka).
- In Timor-Leste, the Konfederasaun Sindikatu Timor-Leste and the Chamber of Commerce and Industry made a joint declaration on the protection of dignity at work and the inclusive working environment in the context of the pandemic response. The declaration is now part of the ongoing dialogue for reforms in the labour dispute resolution system. The Employers Confederation of Thailand and four workers' organizations formed a working group for regular bipartite social dialogue on addressing the challenges posed by the COVID-19 pandemic to businesses and workers. This included cooperation arrangements for improving productivity and dealing with grievances and dispute resolution at the enterprise level. In the Philippines, a bipartite leaders' forum of employers' and workers' organizations successfully proposed that the Government suspend an increase in PHILHEALTH premium contributions, especially for the MSMEs. It also called for a review of the representation system in tripartite bodies set up in the areas of health and social security in order to ensure the genuine representation of workers and employers in these institutions.

### ► Box 1. Using social dialogue to find solutions in Asia's garment sector

Social dialogue was an important element from an early stage in developing a joint pandemic response in the garment sector of the Asia and the Pacific region, especially in countries in which existing dialogue structures or initiatives were already in place. In **Sri Lanka**, the Government formed a tripartite task force that agreed to pay workers' salaries from March through June 2020 at 50 per cent of the basic wage. In **Bangladesh**, the Bangladesh Garment Manufacturers and Exporters Association and the IndustriALL Bangladesh Council agreed a memorandum of understanding in order to avoid lay-offs and pay apparel worker salaries for April 2020. In other countries, national-level social dialogue led to broad declarations of cooperation. In **Indonesia**, the ILO's Better Work programme facilitated a dialogue among garment and footwear sector employers and unions, resulting in a joint commitment to support the recovery of the country's garment and footwear sector. The commitment promoted compliance with OSH guidelines and social dialogue in addressing disputes. Some international brands joined the efforts to address the impacts of the pandemic and endorsed the Global Call for Action in the garment sector issued in April 2020 by the ILO, the International Organisation of Employers (IOE) and the ITUC.

Source: ILO, "The Supply Chain Ripple Effect: How COVID-19 Is Affecting Garment Workers and Factories in Asia and the Pacific", 2020.

## 2.3. Laying foundations: Tripartite social dialogue

141. The generally agile response to the pandemic on the part of the Office and tripartite constituents was made possible in part due to social dialogue strengthening efforts, both prior to and during the COVID-19 crisis. New national and sector-level tripartite social dialogue mechanisms and processes were established in the following countries or areas: Afghanistan, Bahrain, Bangladesh, Indonesia, Kuwait, Lebanon, Mongolia, Nepal, the Occupied Palestinian Territory, Oman, Qatar, Saudi Arabia, the Syrian Arab Republic and Viet Nam. The establishment of a new high-level national tripartite committee was also agreed in the Lao People's Democratic Republic, for completion in 2022 as a priority under the DWCP. In Bangladesh, a tripartite consultative council was established in the ready-made garment sector, with plans to develop similar bodies in other sectors in line with the Bangladesh Labour Act. In Pakistan, tripartite consultations significantly intensified in the framework of the federal tripartite consultative committee during the period 2018–21.
142. Tripartite interactions were also strengthened at regional levels. An ILO/ITC South-South workshop held in Beirut in 2019 on mainstreaming SDGs in the Arab States region brought together tripartite constituents from six countries or areas (Iraq, Jordan, Lebanon, Kuwait, the Occupied Palestinian Territory and Oman). In a peer-to-peer exchange, participants discussed their experiences with monitoring the implementation of SDGs, participation in the preparation of voluntary national reviews and integrating decent work-related SDGs and targets in national policy planning processes. The Eighth Tripartite Regional Seminar on Industrial Relations in the ASEAN Region, which was held in November 2017, brought together constituents from the ten ASEAN countries. A national "spin-off" event arising from this regional meeting was held in Indonesia in 2018.
143. Improvements that were achieved in social dialogue institutions, processes and capacities during the period under review were underpinned by progress in a number of other intrinsically related areas, including labour and related legislation (for example social security laws), as well as dispute-resolution and grievance-handling mechanisms. Developments in these areas are elaborated in section 4.



## ► Box 2. Gender disparities in social dialogue processes

Despite evidence that women benefit from increased participation in collective bargaining processes, women remain under-represented in national social dialogue institutions. Data for 2018 showed that female membership in national social dialogue institutions ranged from 20 to 35 per cent. Such gaps reflect the gender disparities at all levels in core stakeholder groups and across sectors, including the garments, textiles and footwear sector in which women predominate. The ILO report *A Quantum Leap for Gender Equality* identifies a number of barriers that constrain women's participation in social dialogue processes. Among these are the time demands of unpaid care responsibilities and male-dominated institutional cultures that discourage women from participating more actively and taking up leading roles.

Source: ILO, *A Quantum Leap for Gender Equality: For a Better Future of Work for All*, 2019; ILO, *Moving the Needle: Gender Equality and Decent Work in the Garment Sector in Asia*, 2021.

## 2.4. Bipartite dialogue in focus

- 144.** As a decentralized approach that brings problem-solving closer to the source, bipartite social dialogue contributes to the building of cooperation and trust between managers, workers and their representatives.<sup>114</sup> This has been shown to be an important contributor to competitive businesses and improved working conditions and has progressed in a number of countries in Asia prior to and during the pandemic, including Bangladesh, Cambodia, India, Indonesia, Nepal, Philippines, Sri Lanka, Thailand, Timor-Leste and Viet Nam. In the cases of India and Sri Lanka, substantial work at subnational levels focused on tripartite and bipartite social dialogue, as well as labour dispute resolution. Bipartite social dialogue was a key focus of ILO support for employers' and workers' organizations in Cambodia, Indonesia and Viet Nam to implement the Global Call for Action in the garment sector at the national level.
- 145.** ILO initiatives at the enterprise level have been reinforced regionally through engagement with the ASEAN Confederation of Employers to encourage a shift in industrial relations from a conflictual model to an approach based on dialogue and cooperation. Regional engagement has also become important in bipartite relations between ASEAN employers' and workers' organizations with respect to promoting workforce skills development.
- 146.** The mid-term report of the Bali Declaration found, however, that in many countries of the two regions under review, a lack of bipartite social dialogue and workplace grievance-handling mechanisms remained an issue for industrial relations, contributing to industrial disputes and backing up judiciary systems. In both regions, the expansion of social dialogue and the recognition of the rights to freedom of association and collective bargaining remain major challenges, while social dialogue institutions play only a limited role in the governance of the labour market. In some countries, such as India, Indonesia, Malaysia and the Philippines, labour law reform initiatives saw increased confrontation and undermined the spirit of bipartism.

<sup>114</sup> Three main types of bipartite dialogue are the key focus of the ILO's engagement through DWCPs in the Asia and the Pacific and the Arab States regions. The first type of dialogue is collective bargaining at the enterprise level, with ILO engagement, including capacity development support through its Better Work flagship programme in the ready-made garment sectors of Bangladesh, Cambodia, Indonesia, Jordan, Pakistan and Viet Nam. The second type of dialogue concerns workplace cooperation and other forms of workplace dialogue. The third type of dialogue concerns grievance-handling and mechanisms for conciliation and arbitration. In addition, bipartite dialogue is an important dimension of negotiations concerning codes of conduct in the world of work (for example, in Cambodia, where the recruitment agencies ACRA and MAC received training on codes of conduct in areas such as ethical recruitment). A newly emerging area of bipartite dialogue concerns skills development priorities, policies, legal frameworks, standards, systems and capacities.

- 147.** Recent years have seen renewed efforts to address these gaps (Bangladesh, Indonesia, Nepal, Philippines, Qatar, Thailand, Timor-Leste, Viet Nam). In Indonesia, employers' and workers' organizations in the garment and footwear sector signed a joint commitment to use dialogue and cooperation to address labour relations challenges. In the Philippines, work is under way to select pilot enterprises to develop a bipartite grievance-handling approach in the sardines and garment sectors. Work is also under way to rejuvenate social dialogue consultative mechanisms in export promotion zones. In Nepal, a social dialogue mechanism has been piloted in one province to support the implementation of the labour act. The pilot is based on the development of distance-learning modules on grievance-handling, collective bargaining and workplace cooperation. In Qatar, a central labour management committee, which includes elected workers' representatives and representatives of the Qatar Foundation's main contractors at the management level, provides a key platform for the discussion of the Government's COVID-19 crisis guidance.
- 148.** In Indonesia, for example, efforts to encourage social dialogue in the palm oil sector led to collective bargaining being initiated in 15 companies, including a focus on improving OSH and applying equality and non-discrimination clauses. Employers' and workers' representatives in Jordan signed in 2019 the fourth collective bargaining agreement (CBA) in the garment sector, with facilitation from the ILO's Better Work programme. The new CBA includes several new milestones, including the provision of an annual wage increase for garment workers and a commitment to end all forms of violence and harassment in the workplace and promote mental health and well-being.

► **Box 3. Bipartite social dialogue in Indonesia's palm oil sector advances decent work**

The development of bipartite social dialogue in the Indonesian palm oil sector demonstrates the difference that effective cooperation between employers' and workers' organizations can make. As a result of bipartite consultative dialogues on the impact of the COVID-19 pandemic on decent work and workers' rights in the palm oil sector in 2020, the sectoral employers' association and the palm oil trade union network reached multifaceted agreements, including on strict adherence to government COVID-19 protocols to ensure safe and continued operations of plantations without lay-offs.

The COVID-19 pandemic response built on ongoing dialogue and cooperation between business associations and trade unions in Indonesia, including through the implementation of a national action plan to promote decent work in rural palm oil plantations. Results to date have included (a) the establishment of a trade union network in the palm oil sector; (b) setting-up a bipartite social dialogue forum for employers' and workers' organizations in the sector; and (c) the development of tools for workplace compliance and OSH improvements. These have been developed and piloted in one province, covering 19 palm oil plantation companies and two villages.

## 2.5. DWCPs as a platform for tripartite dialogue

- 149.** As well as being the primary instrument for the implementation of the Bali Declaration at the national level, DWCPs and their related tripartite governance structures are an important platform and incubator in their own right for social dialogue and cooperation within wider national, subnational and sector frameworks.<sup>115</sup> A review of DWCP tripartite governance mechanisms in the Asia and the Pacific region found that they provide an important space for building trust, shared knowledge, working relationships and wider networks. As well as enhancing DWCP governance, these factors can also have a wider influence through the engagement of members

<sup>115</sup> See Annex 1 for a full listing of all DWCPs and their status in the Asia and the Pacific and the Arab States regions.

of DWCP tripartite governance mechanisms in wider national and sector social dialogue processes.<sup>116</sup>

- 150.** DWCPs are developed through tripartite social dialogue, in close alignment with the broader UN Sustainable Development Cooperation Frameworks (UNSDCFs) that are replacing the previous UN Development Assistance Framework (UNDAF) arrangements at the country level.<sup>117</sup> The ILO High-Level Evaluation of DWCPs conducted in 2021 for selected countries in South Asia awarded a high rating for relevance, particularly with respect to the alignment of DWCPs with tripartite constituents' needs and priorities.<sup>118</sup>
- 151.** In this context, ensuring that ILO social partners are actively engaged in UNSDCF formulation to help ensure a strong decent work profile and focus on the broader work of the UN is imperative. In a number of countries or areas (Bahrain, Bangladesh, India, Indonesia, Iraq, Jordan, Kuwait, the Lao People's Democratic Republic, Lebanon, Mongolia, the Occupied Palestinian Territory, the Philippines, Saudi Arabia, the Syrian Arab Republic, Thailand, Viet Nam and Yemen), the ILO has supported the involvement of social partners in consultations on UNSDCF development, although a lot more remains to be done in this respect. The Bangladesh Employers Federation organized a consultation on strategies for engagement with a view to employers being an influential actor in the wider UN context. In the Philippines, proposals by workers' organizations were taken up with the UN Resident Coordinator's Office and the UN Country Team and discussions were held on their inclusion in joint work planning under the UNSDCF as part of a regularized consultative process. National trade unions from the public, private and informal economy also provided inputs to the Philippines' voluntary national review of the 2030 Agenda.
- 152.** Social dialogue modalities, experience and value added under the auspices of DWCPs have been extended not only into UN planning but also into UN activity at the national level. In Pakistan and the Philippines, for example, the ILO's leadership role in key outcome areas of the UNSDCF has facilitated regular participation by social partners in the planning and delivery of decent work aspects of the UN agenda as a whole. Strengthening the engagement of ILO tripartite partners in broader UN processes has required active advocacy by country offices to promote the concept of tripartism as a critical vehicle for bringing together governments (particularly labour ministries) and employers' and workers' organizations as distinct and fundamental stakeholders in socio-economic development.
- 153.** One strategy of ILO country offices in this regard has been to invite UN resident coordinators to take part in DWCP meetings, such as steering committee meetings or events held by constituents to enhance mutual understanding of their positions in contributing to national development agendas (for example, in Nepal and the Philippines). The ILO, the ITUC global office and the ITUC regional office in Singapore have been collaborating on ways to promote dialogue between UN resident coordinators at country level and with national trade unions.

<sup>116</sup> ILO, "Review of DWCP Tripartite Governance Mechanisms in Asia-Pacific", unpublished.

<sup>117</sup> The status of UNSDCFs is also covered in Annex 1.

<sup>118</sup> ILO, *High-Level Independent Evaluation of the ILO's Decent Work Programme in Bangladesh, Nepal, Sri Lanka and Pakistan, 2018-21*, 2021; this report was discussed at the 343rd Session of the Governing Body held in November 2021.

#### ► **Box 4. Extending social dialogue into wider regional forums**

The ILO's social dialogue approach has also been influential in intergovernmental forums outside the UN. In the Arab States region, the ILO facilitated the engagement of constituents from all 12 Member States of that region in consultations on sustainable development, at which they were able to advocate mainstreaming decent work in both regional and country-level SDG reports (see para. 142).

In South-East Asia, the ILO-ASEAN Work Programme 2016–2020\* provided a key platform for the wider engagement of ILO constituency. The ILO supports the active participation of constituent representatives in work activities at the ASEAN level. An example was the first ASEAN Green Jobs Forum, which was held in October 2020 and brought together tripartite constituents across ASEAN Member States to accelerate collaboration and cooperation in (a) initiating and achieving the actions under the 2018 ASEAN Declaration on Promoting Green Jobs for Equity and Inclusive Growth of ASEAN Community, and (b) promoting policy coherence across relevant frameworks towards a coordinated approach.

\* The Regional Office for Asia and the Pacific is currently developing a stocktaking report on the ILO–ASEAN collaboration 2016–2020. The partnership encompasses ASEAN Senior Labour Officials Meetings as well as a number of other ASEAN-level mechanisms, such as the ASEAN Occupational Safety and Health Network, the Working Group on Progressive Labour Practices to Enhance Competitiveness of ASEAN, and the tripartite-plus ASEAN Forum on Migrant Labour.

## 2.6. Developing the capacities of social partners

**154.** Critical to implementation of the decent work agenda and the strengthening of social dialogue in all countries are the respective capacities of employers' and workers' organizations. The ILO High-Level Evaluation of DWCPs conducted in 2021 for selected countries in South Asia provides useful insights in this respect.<sup>119</sup> It observed that while constituents and other partners generally took a positive view of ILO capacity-building activities for national government counterparts, they felt that the capacities of social partners, subnational government entities and labour market institutions required more attention, especially to strengthen their capacity to design and implement laws and policies through social dialogue mechanisms.

### 2.6.1. Employers' organizations

**155.** Employers' organizations rose to the challenges of the COVID-19 pandemic and actively engaged with the private sector to provide safe workplaces and business continuity measures (see section 2.2). At the same time, the pandemic was an important catalyst for revisiting and revising the value proposition of employers' organizations in order to retain members, attract new members and respond to their needs in a new context.

#### ► **Box 5. Transforming employer and business membership organizations into data-driven organizations**

In 2020, the ILO's Bureau for Employers' Activities (ILO-ACT/EMP) launched an initiative in Asia and the Pacific on the theme "Data as a strategic asset for the organizational development and capacity-building of employer and business membership organizations (EBMOs)" To date, 19 EBMOs have directly received support as part of this initiative, which aims to deepen insights and build capacity to: (a) identify strategic opportunities to provide data-driven value for their members in the changing world of business through policy work and services; (b) achieve operational efficiencies through implementing more data-driven business practices in key EBMO business units; and (c) develop guidance notes, reference material and

<sup>119</sup> ILO, *High-Level Independent Evaluation of the ILO's Programme of Work in Bangladesh, Nepal, Sri Lanka and Pakistan*.

practical tools to support EBMOs to innovate as organizations, through data-based structural design and human resource development initiatives.

The initiative has also supported various activities in the region to assist EBMOs in assessing and pursuing opportunities for the digitalization of their operations. The ILO launched a dedicated Pacific eCampus for private sector organizations, servicing some 11 organizations in the region, and eCampus learning platforms were also established by the Employers' Confederation of Thailand, the Employers Confederation of the Philippines, the Viet Nam Chamber of Commerce and Industry, and the Cambodia Federation of Employers and Business Associations. The Employers' Federation of Ceylon in Sri Lanka established a job placement portal.

**156.** The programme and budget indicators for 2018–19 and 2020–22 cover the following core areas for strengthening the capacities of employers' organizations across the two regions: (a) improved governance and management practices; (b) the development of strategies to widen representation and/or enhance service provision; and (c) the production of analyses of the changing business environment, supporting advocacy to influence policy. The following are some examples of achievements made in these three core areas in the countries or areas of the two regions, with ILO support.

- Several employers' organizations successfully expanded services, both to better meet the needs of their members and as part of strategies to increase their membership. The Employers' Federation of Pakistan established four provincial offices to facilitate membership growth and expand services to MSMEs and informal economic units. In India, the Standing Conference on Public Enterprises conducted a study on the impact of working from home on women executives and managers in public enterprises and used the findings to formulate guidelines that are intended to increase membership.
- A total of 24 health and hygiene ambassadors were trained from eight employers' organizations in South Asia to visit and examine workplaces and offer advice. The expanded role in this area was in direct response to an IOE/ILO global survey on the impact of the COVID-19 pandemic on employers' organizations, which revealed that six out of ten organizations considered developing capacities on safety and health as a top priority for expanded services under a revised business model.<sup>120</sup>
- The Federation of Nepalese Chambers of Commerce and Industry developed an enterprise competitive assessment tool to assess the competitiveness of MSMEs. This was followed up by a training of trainers programme for its associate members, including the Federation of Women Entrepreneurs of Nepal, which further rolled out the training to many of their women entrepreneurs.
- In Viet Nam, a guidebook on industrial relations and human resource management under the new labour code was produced by the Viet Nam Chamber of Commerce and Industry. The guidebook has been supported by a training of trainers programme and legal advisory services.
- National and regional membership training initiatives were conducted by various employers' bodies across the two regions under review in such areas as resilience and natural disasters; a just transition to sustainable economies; skills shortages and mobility; data management and analysis; and the future of work.
- The ILO supported internal capacity assessments of partner employers' organizations in Iraq, the Occupied Palestinian Territory, the Syrian Arab Republic and Yemen, including reviews of human and financial resources, institutional set-ups, internal structures and functions, with a

<sup>120</sup> ILO and IOE.

view to informing institutional reforms and supporting the development of strategic plans reflecting countries' priorities and the needs of members.

► **Box 6. Initiatives of employers' organizations to promote change in specific policy areas**

The Employers' Confederation of Thailand launched a comprehensive analysis to underpin policy proposals for labour law revision in order to respond to the challenges resulting from **technological transformation** and the COVID-19 pandemic.

The Lao People's Democratic Republic's National Chamber of Commerce and Industry revised its operating principles, functions and mandate to strengthen its role as a representative employers' organization in the area of **labour and social policy**. This is in line with its new six-pillar strategic plan for the period 2021–25 and the Prime Minister's Decree No. 237 of 18 May 2020 on the organization and operation of the Chamber.

The Employers' Federation of Ceylon in Sri Lanka conducted a study on the issues that undermine the benefits of **social security schemes** for workers. The study indicated that current social security schemes are capable of granting better benefits to workers through more inclusive governance structures that involve representatives of employers' and workers' organizations.

The Indonesian Employers Association carried out a comprehensive assessment of needs and challenges to develop **soft skills** as well as policy proposals for the implementation of Industry 4.0 strategies.

The Fiji Commerce and Employers Federation created and launched a dedicated Research and Advocacy unit in July 2018, which has enhanced its capacity to collect, analyse and work with **macroeconomic data**, in addition to the quantitative and qualitative data traditionally collected through membership surveys.

The Oman Chamber of Commerce and Industry conducted an assessment of the impact of 2021 **nationalization measures** on business performance and employment and presented a set of policy recommendations to the relevant national authorities. As a result of those advocacy efforts, the Government decided to reduce by 85 per cent the work permit fees for foreign workers.

## 2.6.2. Workers' organizations

- 157.** In the 2018–19 and 2020–21 bienniums, workers' organizations across the Asia and the Pacific and the Arab States regions increased their capacity and influence at different levels, including in the context of the COVID-19 pandemic response and recovery planning. Significant results were achieved, in particular in the organization and extension of services to workers in the informal economy, domestic workers and migrant workers, as well as in the advocacy of policy development to advance the interests of workers in line with international labour standards.
- 158.** The programme and budget indicators for the two bienniums cover the following core areas for strengthening the capacities of workers' organizations across the two regions under review: (a) organizational strength and innovative strategies to attract new groups of workers and/or improve services; (b) the capacity to influence policy agendas; (c) the production of proposals to be considered in social dialogue mechanisms for policymaking; and (d) the use of international labour standards to promote freedom of association, collective bargaining and social justice. In the time period covered, the following are some examples of achievements made with ILO office support in these four areas.
- Trade union memberships were expanded through improved services and promotional campaigns. In particular, the General Federation of Oman Workers increased its membership at the enterprise level through improved legal services and benefits, mainly in industry and service sectors; the Palestine General Federation of Trade Unions launched a campaign to increase the membership and representation of women workers to 30 per cent; a union legal advisory network was established in seven selected provinces in Viet Nam; a new trade union

network to advocate for workers' rights was established in the palm oil sector in Indonesia; the two major workers' organizations of Iraq created a trade union coordination council to strengthen services for members; and the General Federation of Jordanian Trade Unions established five guidance and support offices to support Syrian refugees working in the construction sector.

- Initiatives were taken by workers' organizations to address the needs of women and men informal workers. In particular, a new dedicated union for home-based workers was established by the All India Trade Union Congress; for the first time, Thai and migrant workers in the Thailand fishing sector were organized; the Confederation of Mongolian Trade Unions implemented a plan of action for the informal economy, establishing 18 new unions; five new unions were established in the informal economy of Tonga under the auspices of the Tonga Public Services Association; and a domestic workers union was established in Jordan.
- Women and men migrant workers were increasingly integrated into and prioritized by trade unions. In particular, trade union-led migrant resource centres were established in five ASEAN countries and Jordan;<sup>121</sup> a migrant workers committee was established under the General Federation of Bahrain Trade Unions; a more inclusive union structure, including migrant workers, was embedded in the apparel sector in Jordan; the Indonesian Migrant Domestic Workers Association was established in Malaysia, with the support of the International Domestic Workers Federation and the Malaysian Trades Union Congress; and a legal support unit for migrant workers was organized by the Kuwait Trade Union Federation.
- Innovative initiatives were taken to strengthen trade union capacities and collaboration. In particular, a workers' resource centre was established as a capacity development hub in the garment sector of Bangladesh; and workers' information and support centres were set up in Nepal with the specific aim of increasing union membership in the informal economy.

#### ► Box 7. Initiatives by workers' organizations to promote change in specific policy areas

The All-China Federation of Trade Unions (ACFTU) was part of a multi-stakeholder process to develop and issue a guiding opinion on the protection of workers in **new forms of employment** on 23 July 2021.

The Malaysian Trades Union Congress established a **platform workers** task force, which contributed to the inclusion of a strategy in the five-year road map for the period 2021–25 under the 12th Malaysia Plan on decent work for gig workers. Delivery workers in Indonesia and platform workers in the Republic of Korea have been unionized and campaigning is under way for decent work for platform workers.

The Kuwait Trade Union Federation contributed to a decision by a tripartite labour affairs consulting committee to ban **discrimination** in the private sector and prohibit **sexual harassment** in the workplace.

The ACFTU submitted a policy proposal to the National People's Congress in March 2021 for creating a family friendly environment to safeguard **women's employment rights** and address gender discrimination in the workplace. It also submitted policy proposals to the state council on addressing gender discrimination in employment and advocated for new policy measures on maternity protection, retirement age, and reconciling work and family responsibilities. That was followed up by an assessment of gender discrimination at the enterprise level, the development of a gender promotion toolkit and the dissemination of shared international experiences at the national level.

<sup>121</sup> ILO, *Trade Union-Led Migrant Worker Resource Centres in ASEAN and Jordan: Case Studies for Protecting and Organizing Migrant Workers*, 2022.

## 3. People

### 3.1. Strengthening the capacities of all people to benefit from the opportunities of a changing world of work



- 159.** The elements of the Bali Declaration that strive to benefit people and their capacity to benefit from the opportunities of a changing world of work were all at the centre of the COVID-19 pandemic response and remain essential drivers in the recovery period. In the period prior to the onset of the COVID-19 pandemic in early 2020, many countries across the two regions under review reported progress towards putting in place specific measures to facilitate the labour market transitions of traditionally disadvantaged groups of workers, such as women, youth, persons with disabilities, migrant workers and those caught in situations of fragility, conflict and disaster. The pandemic posed a setback for such groups and therefore reinforced pre-existing inequalities, vulnerabilities and marginalization.
- 160.** Despite the challenges presented by the pandemic, the review period saw progress made towards the realization of gender equality in the world of work in specific areas in terms of opportunities and treatment; effective measures to support disadvantaged groups through critical work–life transitions; increased initiatives to support employers and workers through the impacts of technological change; progress in the promotion of lifelong learning and skills for all; successful initiatives to build resilience and promote decent work in the context of fragility, conflicts and disasters; and the ongoing promotion of increased social protection coverage and quality as central to pandemic recovery and the achievement of decent work objectives.

### 3.2. The effective realization of gender equality in opportunities and treatment

- 161.** The COVID-19 pandemic intensified pre-existing gender disparities across the Asia and the Pacific and the Arab States regions. As noted in Part I (section 2.1), the crisis-specific challenges imposed on women threaten to overturn years of progress towards improved labour market outcomes and reduced inequalities. Women workers in the informal economy in both regions were particularly hard hit, with the lack of access to social protection coverage and a widely



documented increase in gender-based violence compounding the highly gendered impacts of the pandemic.

- 162.** In this context, ILO engagement during the period of assessment, both during and prior to the pandemic, involved a two-track strategy: first, a targeted approach to address pandemic impacts (since 2020) and improve working conditions in female-dominated sectors and occupations (lifting the floor); and second, to mainstream specific gender-equality provisions in legislation, policies, strategies, programmes and institutional practices (lifting the ceiling).
- 163.** The pre-pandemic 2019 global synthesis review of gender mainstreaming in DWCPs, including across Asia and the Pacific and the Arab States, found that in spite of the good practices identified, much remained to be done to adequately integrate gender issues into programme and project design, implementation, and monitoring and evaluation processes. Further internal ILO assessments highlighted that in order to effectively remove barriers to the realization of rights and the improvement of the working conditions of women, it was important to identify specific targets sectors and groups, such as domestic and home-based workers, women garment sector workers, women migrant workers and specific care sector workers (health sector, private households, social workers), while drawing explicit links to relevant international labour
- 164.** In the case of **domestic and home-based work**, progress was evident in areas related to expanding the awareness of rights and participation in collective bargaining, inclusion in social protection (see section 3.7) and labour inspection (see section 4.2.2). The ILO publication on ten years of progress since the adoption of the Domestic Workers Convention, 2011 (No. 189)<sup>122</sup> and the launch of the associated regional publication also helped to bring visibility to the continuing gaps in the protection of domestic workers and to keep the issue on the ILO regional planning and resourcing agenda.
- 165.** With respect to home-based workers, there has been a focus in Thailand on involving workers and employers in the development of strategies to improve implementation and compliance with Thailand's Home Work Protection Act. In Sri Lanka, the Ministry of Labour and social partners validated gender-responsive diagnoses of (a) care economy workers in order to facilitate the transition to formality; and (b) the situation of home-based women workers and other informal economy workers in global supply chains in order to provide evidence to support policy engagement on decent work deficits in the informal economy.
- 166.** Since the adoption of Convention No. 190 and its accompanying Recommendation No. 206 in 2019, addressing violence and harassment in the workplace has become an increasingly important focus for ILO constituents. With ILO advocacy, technical and capacity development support, a number of results are already evident across the two regions under review.
- 167.** The following summary highlights selected results in promoting gender equality during the period under review.
- Governments and social partners **promoted Convention No. 190 and Recommendation No. 206** as part of efforts to reduce violence and harassment, including gender-based violence, in the world of work, with a view to both immediate application and longer-term ratification. Some countries or areas (Jordan, the Occupied Palestinian Territory and Vanuatu) have conducted reviews of national laws and policies with respect to the implications of Convention No. 190. Fiji was the first country to ratify the Convention on 25 June 2020. The Philippines Leaders Forum

<sup>122</sup> ILO, *Making Decent Work a Reality for Domestic Workers: Progress and Prospects Ten Years after the Adoption of the Domestic Workers Convention, 2011 (No. 189)*, 2021.

(employers' and workers' organizations) made a joint statement in support of Convention No. 190 ratification process, which was initiated by the Philippines Government. The Philippines Department of Labour established a tripartite-plus coordination mechanism to support the ratification process. In Mongolia, the Government and social partners set up a Convention No. 190 Action Group in February 2021. The Confederation of Mongolian Trade Unions developed its own internal violence and harassment policy and a training module on Convention No. 190. Under the slogan "Strong together", the National Federation of Employees' and Workers' Unions in Lebanon launched a joint project with the Warda Boutros Association for Gender Equality to eliminate violence and harassment in the world of work in accordance with Convention No. 190.

- **Embedding gender equality and addressing violence and harassment at work in labour inspection policies, guidelines and checklists** is another important development seen in both regions under review. Bangladesh, Cambodia, Indonesia, Jordan, the Lao People's Democratic Republic, Malaysia, Pakistan and Thailand are among the countries that took steps in this regard. In Thailand, the Ministry of Labour updated the training curriculum for labour inspectors to include a module on violence and harassment in the world of work, as well as a module on domestic workers' rights. Guidelines on gender-based violence and domestic work have also been included in Thailand's inspection guidelines. Indonesia has put in place strategic inspection compliance plans and a field guide for conducting inspection in the palm oil sector, which included priority gender issues such as equal pay, employment contracts and violence and harassment. In Jordan, gender-specific issues have been incorporated in inspection checklists and trainings through the ILO's Better Work programme, which conducted training sessions on sexual harassment prevention, among other topics. In Bangladesh, the Department of Inspection for Factories and Establishments adopted a gender road map, including pandemic response measures, which fits within the overall gender-based violence prevention strategy and action plan of the Ministry of Labour and Employment.
- In several countries, **policies and measures to promote gender pay equity and equal opportunities in employment** were advanced during the reporting period. In Indonesia, the Government and social partners agreed to revise the Equal Employment Opportunity Guideline as a basis for sensitization and training programmes on prevention and protection from violence and harassment at the workplace. In Samoa and Timor-Leste, the attention to gender equality and women's labour market participation was explicitly strengthened in national employment policies. In China, a policy proposal by the ACFTU to the state council on addressing gender discrimination in employment contributed to the publication in February 2019 by the Ministry of Human Resources and Social Security, other ministries and the ACFTU of a circular on further regulating recruitment practices to promote women employment. In Saudi Arabia, the development of a draft national equality policy was informed by an in-depth analytical study of women's employment and labour market inclusiveness. In Jordan, the national committee for pay equity, a multi-stakeholder platform that includes ILO tripartite partners, conducted a research study on the gender dimensions of employment in the private education sector. This contributed to the creation of the first gender-mainstreamed CBA for the private education sector, with the support of a campaign on the theme "Stand up with teachers".
- Efforts to **promote women's representation, voice and leadership** in the world of work were undertaken in many countries. A regional leadership network was developed in Asia's garment sector through an extensive training programme that was underpinned by a regional road map for gender equality and decent work in Asia's garment sector. In India, a 2018 study on women in leadership and management in public sector undertakings was conducted by the Standing Conference of Public Enterprises (SCOPE), with the support of the ILO. Following up the findings

of that study, a network for women's empowerment and leadership has been set up within the SCOPE.

- Opportunities were promoted by the ILO for **women in science, technology, engineering and mathematics (STEM) through TVET systems**. The Philippines Technical Education and Skills Development Authority and the Department of Information and Communications Technology developed targeted scholarship programmes for women to train in critical technical and soft skills for women. See also box 10.

### 3.3. Effective measures to support people through work–life transitions

**168.** During the reporting period, greater attention was paid by Member States and social partners to supporting policy development and programmes specifically targeted to the subgroups of workers most affected by the pandemic. Actions oriented towards specific vulnerable groups are highlighted in the following subsections.

#### ► Box 8. Regional frameworks underpin national action on gender equality

A number of regional partnerships and frameworks underpin gender equality initiatives in the world of work across the two regions, some of which are described below.

- The Equal Pay International Coalition (EPIC) for the Asia and the Pacific and Arab States regions was launched in 2018. The EPIC is led by the ILO, UN-Women and the Organization for Economic Cooperation and Development (OECD). It aims to engage with stakeholders to close the gender pay gap and achieve pay equity.
- The ILO's Better Work programme has a comprehensive, five-year gender strategy to empower women, reduce sexual harassment and close the gender pay gap in the garment industry.
- The Regional Road Map for Gender Equality and Decent Work in Asia's Garment Sector sets out priorities for multi-stakeholder action at regional and national levels in the areas of (a) pay equity; (b) workplace discrimination, violence and harassment; (c) unpaid care, work and family responsibilities, (d) maternity protection and paternity leave; and (e) women's voice, representation and leadership.
- The EU-UN Spotlight Initiative to eliminate violence against women and girls in the ASEAN region is led by the ILO and UN-Women in Asia. The initiative incorporates the ILO Safe and Fair Project: Realizing Women Migrant Workers' Rights and Opportunities in the ASEAN Region.
- The ILO Women in STEM Workforce Readiness Programme (Women in STEM) in Indonesia, the Philippines and Thailand between 2017 and 2021 was funded by the JP Morgan Chase Foundation.

#### 3.3.1. Supporting young workers

**169.** The independent evaluation of the ILO's global strategy and actions for improved youth employment prospects (2012–17) found that the ILO has played a significant role in elevating youth employment as an international development priority in the pre-pandemic period.<sup>123</sup> This was echoed in the emergence of the UN Global Initiative on Decent Jobs for Youth and Generation Unlimited as global multi-stakeholder partnerships for scaling up employment opportunities for young people.

**170.** The ILO has developed knowledge of the factors influencing youth employment outcomes, including the transition from school to work, and of "what works" in supporting youth transitions

<sup>123</sup> ILO, *Independent Evaluation of ILO's Strategy and Actions for Improved Youth Employment Prospects 2012-2017*, 2018.

to decent work. The ILO's experience with respect to youth employment and its unique links to constituents have positioned the Organization with a lead technical role to play in meeting the challenges of increasing access to decent work for young people in the two regions under review. A sample of actions in this area is set out below.

- **Cambodia:** The ILO provided overall coordination and the secretariat for the joint UN Decent Employment for Youth programme, now in its second phase. To date, the programme has directly benefited some 208,500 young people through industry-driven skills and competencies development initiatives; basic education equivalency and literacy in factory programmes; entrepreneurship and enterprise development; employment services; and youth rights at work awareness-raising programmes.
- **Philippines:** The national employment recovery strategy for the period 2021–22 included a dedicated youth employability component and other youth-relevant labour market measures.
- **Sri Lanka:** The Employers' Federation of Ceylon positioned itself as the link between the private sector and prospective job candidates from universities through its national network of youth initiatives, which promotes internships offered by enterprises and has established a job placement portal to facilitate job skills matching.
- **Viet Nam:** The Safeyouth@Work action plan jointly developed and implemented by the constituents is increasing knowledge, awareness and actions to address the OSH hazards and risks faced by young workers.
- **Yemen:** A network of trainers from public and private organizations expanded their services to youth through the "My first business" entrepreneurship training programme.

### 3.3.2. Supporting workers with disabilities

171. ILO support for the realization of rights for persons with disabilities across the region included the provision of technical advice on the implementation of the Convention on the Rights of Persons with Disabilities in the world of work; ensuring disability inclusion within employment, TVET, skills development and other programmes; and strengthening the capacities of tripartite constituents on disability inclusion. The following examples highlight areas in which progress has been achieved in the reporting period.

- Employers took initiatives to support the participation of persons with disabilities in the labour market. The Bangladesh Business and Disability Network, in partnership with the Bangladesh Employers Federation, facilitated employment opportunities for persons with disabilities through job fairs, awards for disability champion industries and job-matching services during the pandemic for persons with disabilities. The Philippines Business and Disability Network launched a reskilling initiative to prepare for the pandemic recovery phase. The specialized training and disability centre of the Employers' Federation of Ceylon (Sri Lanka) developed policy recommendations to ensure reasonable accommodations for persons with disabilities working in offices or from home. The Employers' Federation of India and the Confederation of Indian Industry signed a memorandum of understanding to set up the Indian Business Disability Network and be a part of the ILO Global Business Disability Network.
- Targeted initiatives of the Government of Bangladesh aimed to strengthen disability inclusion in TVET and skills development. The National Skills Development Council developed and is implementing a national strategy for disability inclusion. The Directorate of Technical Education is making its skills system and TVET more disability-inclusive through initiatives such as partnerships with disabled persons' organizations and other NGOs, as well as the development of five TVET institutions as accessibility models. A number of pilot projects have been initiated

to provide skills training and link persons with disabilities to jobs, while industry skills councils have been the focus of efforts to enhance awareness and attention to rights and needs.

### 3.3.3. Supporting migrant workers

- 172.** Millions of migrant workers across the Asia and the Pacific and the Arab States regions have been forced by the COVID-19 pandemic to return home to uncertain conditions and greatly diminished job opportunities or have been stranded without jobs in their destination countries. In both cases, the lack of effective policy frameworks, access to social protection coverage and tailored services in many countries was exposed. In their home countries, the families and communities of returned or stranded migrant workers saw a massive drop in income due to the loss of remittances.
- 173.** The development and adoption of new or improved laws/regulations to protect the rights of women and men migrant workers remains a key area of ILO work in this context, with good results achieved in a number of countries since the Bali Declaration. The ILO worked in a number of Member States to establish or improve services and practices in order to protect the labour rights of migrant workers during the pandemic. This was particularly the case where there were existing ILO development cooperation projects on which to build.
- 174.** In many sending countries, such as Bangladesh, Cambodia, Indonesia, Kiribati, the Lao People's Democratic Republic, Myanmar and the Philippines, domestic attention turned quickly to the reintegration needs of the returned migrant workers, particularly with respect to employment opportunities, skills development and social protection coverage. Progress made in the pre-pandemic period provided sound foundations for the shift in attention towards those who had returned. For example, migrant resource centres in several countries reoriented services to the needs of returnees. In Myanmar, a coordinated effort between the Government and migrant resource centres ensured that returning migrants were safely quarantined, with access to the necessary personal protective equipment, food and support, and were assisted in returning to their places of origin. Through the Myanmar migrant resource centres, the ILO reached a total of 225,758 migrant workers (105,178 women and 120,580 men), with the assistance of trade union and civil society organization partners (see also section 2.6.2).
- 175.** A particular issue of focus for ILO engagement in the Arab States is the *kafala* (sponsorship) system and the associated risks of forced labour, to which attention has been drawn by the CEACR. To this end, Bahrain, Qatar, Saudi Arabia and the United Arab Emirates have made regulatory reforms to the *kafala* system.
- 176.** Some of the key developments in the period under review are summarized below.
- Several governments developed and adopted **new or improved laws/regulations, policies and plans** to protect the rights of women and men migrant workers, such as gender-responsive legislative and regulatory changes to promote and protect the rights of migrant workers, including domestic workers, in Bangladesh, Jordan, Mongolia, Nepal, Qatar, Thailand, the United Arab Emirates and Viet Nam; labour migration or emigration policies in Cambodia, Pakistan and Sri Lanka; and measures to expand social security coverage in Malaysia to include domestic workers and ensure equality of treatment for migrant workers under the Workmen's Compensation Act.
  - Several governments put **new or improved services and practices** in place. In Bangladesh, the Government updated the integrated online complaint mechanism system, mapped the vulnerabilities of returned migrant workers during the COVID-19 pandemic and developed a reintegration road map. Indonesia revitalized its one-roof integrated services programme for migrant workers, including through integration with migrant resource centres. Nepal

established fair recruitment “corridors” for workers in the garment sector in Jordan, through which migration could be conducted in safety and with dignity, supported by reliable information on recruitment practices, rights and skills development programmes. Sri Lanka provided new services through the digitalization of its recognition of prior learning (RPL) systems, as well as the enrolment of migrant workers in a national skills passport initiative for job-matching with employers. In Thailand, the Department of Skills Development updated its curriculum to include gender equality and green jobs as part of strengthening institutional mechanisms to protect the rights of migrant workers, especially women.

- Several governments took initiatives to improve the transparency and fairness of **recruitment processes and services**, including through the application of the zero cost principle in labour recruitment (Bangladesh, Cambodia, Jordan, Lebanon, Nepal, Qatar, Thailand, Viet Nam). In Cambodia, the Association of Cambodian Recruitment Agencies and the Manpower Association of Cambodia adopted a code of conduct for Cambodian private recruitment agencies. In Lebanon, public notaries were trained and provided translated contracts to ensure that both domestic workers and employers were better informed of contractual arrangements prior to signature.
- With respect to **regional and subregional initiatives** to protect the labour rights of migrant workers, the Government of India, with support from the ILO, organized the first subregional meeting on the repatriation and evacuation of migrant workers in the times of COVID-19, leading to recommendations for information-sharing, including in forums such as the Abu Dhabi Dialogue and the Colombo Process. In November 2021, a virtual Africa-Arab States tripartite interregional meeting on labour migration was co-hosted by ILO and the African Union Commission. In the pre-COVID-19 pandemic period, the ILO organized two interregional dialogues on labour migration and mobility (Beirut, October 2017; Bangkok, December 2019). The dialogues involved tripartite constituents and other relevant partners from the Middle East, Asia and Africa, recognizing the increasing African labour migration to the Middle East. The Bangkok dialogue focused explicitly on the follow-up to the Bali Declaration priority on migrant workers, with a specific focus on women migrant workers.

#### ► Box 9. Putting the rights of migrant workers at the centre of the Pacific climate response

Climate change projections suggest that Pacific Island countries are facing several critical human security threats that are likely to intensify the drivers of migration, displacement and planned relocation of Pacific islanders and communities. To address these challenges, the ILO has joined other UN agencies and regional organizations in a multi-agency programme on the theme “Enhancing the protection and empowerment of migrants and communities affected by climate change and disasters in the Pacific region”, also known as the Pacific Climate Change Migration and Human Security programme.

ILO constituents have been part of all ILO-led activities and social partners have been invited to engage in the wider work of the joint programme, including a review of seasonal work schemes in Australia and New Zealand; the design and validation of national-level activities, such as the development of the Kiribati national reintegration action plan; and the development of a regional framework on climate mobility.

### 3.4. Supporting employers and workers through the digital transformation of work

177. The ILO has engaged with constituents and other stakeholders to anticipate, prepare for and lead the way through the technological changes that are rapidly transforming the world of work. Policy responses and adaptive actions to technological changes have included supporting the reorientation of TVET and skills development delivery and learning towards the needs of the

fourth industrial revolution; supporting initiatives to ensure the labour rights of the rapidly increasing number of workers in diverse forms of employment (such as platform work); and strengthening constituent capacities to maximize the long-term benefits of digitalization for businesses and workers.

- 178.** A number of studies investigating the impact that technological changes will have on jobs and enterprises were conducted in the period under review. Among these were country briefs undertaken as part of the ILO's "ASEAN in transformation" series, based on consultations with national employers' organizations in Cambodia, Indonesia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam. In India, two research studies were undertaken in collaboration with the social partners on the impact of emerging technologies. A similar study based on the "technology foresight" approach was subsequently conducted in Sri Lanka in 2018, as well as an additional study on the potential use of technology to ease the transition to formality. In China, the Ministry of Human Resources and Social Security conducted a study on the digital transformation of social insurance administration and services to ensure universal social security coverage.
- 179.** Beyond research, countries across the two regions adopted policy and practical measures to respond to the challenges and opportunities of digital transformation. Some examples of those measures are set out below.
- **China:** The Ministry of Human Resources and Social Security, other line ministries and the ACFTU issued a guiding opinion on the protection of workers in new forms of employment on 23 July 2021 to improve working conditions and protect labour rights in these areas.
  - **India:** The Government subsumed the Employee State Insurance Act 1948 under the Social Security Code, 2020, which expanded the mandate of the Employees' State Insurance Corporation to cover new categories of informal workers in the gig and platform economy.
  - **Jordan:** The Technical and Vocational Skills Development Council digitalized and automated the TVET services of its three core directorates, contributing to improvements in access and of the efficiency and transparency of skills governance.
  - **Thailand:** The Employers Confederation of Thailand developed a programme to promote skills development training programmes in STEM sectors (that is electrical and electronics and medical and healthcare sectors). The programme is improving women's acquisition and the adoption of critical core employability skills and reducing the skills mismatches affecting workers' productivity and enterprises' competitiveness in the context of Industry 4.0.

► **Box 10. Reorientation to online learning on STEM-related skills brings benefits to women workers in Indonesia, the Philippines and Thailand**

The COVID-19 pandemic spurred the accelerated development and adoption of digital learning for skills development and TVET programmes across the two regions under review. Such changes were typified by the ILO Women in STEM Workforce Readiness Programme (Women in STEM) in Indonesia, the Philippines and Thailand between 2017 and 2021 and were funded by the JP Morgan Chase Foundation.

A rapid adjustment of priorities and approaches across the programme to respond to the changed circumstances from March 2020 had three main components: (a) the prioritization of online training capacities, skills and design within TVET institutions (including training of trainers, curriculum guidance and development, and development of learning materials); (b) a shift of focus from training/employment transition to the provision of job readiness training for TVET graduates; and (c) piloting and moving company-based technical and ILO In-Business soft skills training online.

Examples of the results achieved in the context of the above reorientations are set out below.

**Indonesia:** (a) Training of public TVET instructors was conducted on the creation and delivery of online training (in partnership with the Ministry of Manpower); (b) ICT skills training was provided for establishing online retail businesses (in partnership with the Indonesia Retailers Association, APRINDO).

**Philippines:** Training of trainers was provided on the online delivery of job readiness and STEM-related technical skills training, as well as the training of 142 women in this area; a curriculum guide was developed for integrating STEM-related skills into TVET/IT training; capacity development for staff of the Technical Education and Skills Development Authority on designing online training programmes; online soft skills training with partner companies, based on the ILO's In-Business peer-to-peer learning programme, was expanded; and the capacity of the Employers Confederation of the Philippines and sector business associations to deliver In-Business online was expanded.

**Thailand:** In-Business soft skills training shifted online, reaching some 15,000 (mainly women) workers in nine enterprises. The ILO supported adaptations of instructional and learning approaches for In-Business as well as STEM-related training by the Department for Skills Development on Data Analytics and Visualization for Manufacturing.

Source: ILO, "Mid-term Evaluation of the ILO Women in STEM Workforce Readiness Programme (Women in STEM)", 2020.

### 3.5. Lifelong learning and skills for all

- 180.** Prior to and during the pandemic, Member States took numerous steps, with the help of ILO policy, technical and capacity development support, to promote lifelong learning for all, particularly through vocational and technical skills development in both formal institutional and workplace settings. The pandemic period has seen a decisive shift across the two regions under review towards the increased availability of digital learning platforms and tools, with blended digital and direct learning approaches emerging as a key approach for TVET and skills development in the context of the pandemic recovery phase. At the same time, while moving learning online has ensured and expanded outreach, it has exacerbated pre-existing inequalities, leaving behind many young people, persons with disabilities and other marginalized groups who have limited or unreliable access to digital technologies.
- 181.** Some examples of results achieved during the full Bali Declaration period are set out below.
- In consultation with social partners, governments have developed and strengthened national policy, legislative and planning frameworks to advance the quality and outreach of **TVET and skills development programmes**, including during through the pandemic. Bangladesh adopted a national skills development policy in 2021, as well as national qualification frameworks. China prioritized lifelong vocational training and quality apprenticeship in its 14th national five-year socio-economic plan for the period 2021–25. Jordan developed and endorsed the Skills Development Commission Law (2019) to reform the governance and structure of the TVET sector by enhancing the engagement of social partners to respond to protracted skills mismatches. Lebanon adopted the National Strategic Framework for TVET for the period 2018–22, which prioritizes improved governance, access, quality and relevance. The Viet Nam Minister of Labour approved the technical assessments and plan of action to prepare the first-ever draft national vocational education and training strategy. In Yemen, the Ministry of Technical Education and Vocational Training Development adopted a TVET strategic framework for the period 2021–23, which is responsive to the fragile context of the country and involves the active participation of employers in designing and implementing skills development programmes during the crisis and after the peace agreement.
  - **Private sector engagement in TVET and skills development, governance and delivery** has increased in several countries as a critical means of addressing job/skills mismatches and ensuring market relevance. In Bangladesh, regional model TVET institutes engaged with local



chambers of commerce and sector associations to help align training with market needs. The Bangladesh Employers Federation also supported 20 industry skills councils through capacity-building and other interventions. In Lebanon, tripartite agreements were developed between NGOs, trainees and employers, along with a code of conduct for employers, to improve workplace-based learning practices among NGO training partners. Viet Nam established its first sector skills council in agriculture and included the formal recognition of such councils in the country's labour code. In Singapore, the SkillsFuture initiative supports collective agreements between employers and trade unions, including the obligation for employers to design and invest in training for their workers and give them time off for it. The Singapore National Employers Federation and the National Trades Union Congress worked together to form committee training councils in companies.

- 182. Strengthening and expanding work-place-based learning** has continued to be a focus of ILO engagement in skills development. With the ILO's support, China further developed a new working guide for its new enterprise-based apprenticeship programme. Cambodia developed standard operating procedures on apprenticeship. In Bangladesh, the national quality apprenticeship programme implemented pilot activities in collaboration with trade unions and the Human Resource Association for Hotel Industry. In India, the National Council of Vocational Education and Training introduced a new credit transfer system for enhancing the mobility of students and workers in the formal education system as a key mechanism to support lifelong learning. Indonesia designed and implemented on-the-job-training scheme for the graduates of selected TVETs through the Employers' Association of Indonesia, under a public-private partnership framework. Lebanon developed a code of conduct for employers implementing work-based learning programmes for use by government, schools and the livelihood sector. Lebanon's Ministry of Agriculture also institutionalized engagement with the private sector to promote quality work-based learning and apprenticeship opportunities to meet the skills requirements of industry.
- 183. Access to TVET and skills development programmes** was improved in several countries across the two regions under review. The Bangladesh Directorate of Technical Education developed seven model TVET institutions, improving facilities and teacher training and facilitating the access of young women and men, including persons with disabilities and members of ethnic minorities. In Cambodia, a national entrepreneurship training curricula for the TVET system in Cambodia was launched and entrepreneurship education in secondary school system was rolled out in 24 provinces and Phnom Penh. Jordan extended skills training coverage of women and Syrian refugees through government national skills centres and the Technical and Vocational Skills Development Council.
- 184. Increasing the availability and capacities of recognition of RPL assessment and certification services** has been a priority in some counties, with attention intensified by the needs of millions of migrant workers who have returned home due to the pandemic. Both Bangladesh and Cambodia have prioritized the strengthening of national capacities in this regard to meet the needs of migrant workers who have returned from the Arab States and Thailand respectively. In Jordan, the RPL methodology was developed, tested and validated for seven occupations in the construction and manufacturing sectors, allowing for certification of the skills of Syrian refugees as well as Jordanians.
- 185.** Increased attention was paid to the development of green jobs and **green skills within national skills development agendas**, with initiatives under way in recent years to introduce green skills in national TVET programmes in Cambodia, the Lao People's Democratic Republic and the Philippines, among others. In the Philippines, for example, a curriculum guide was developed to

mainstream skills and competencies for green jobs in relevant TVET courses that will support the transition to a greener economy.

### 3.6. Building resilience and promoting decent work in the context of fragility, conflicts and disasters

186. Fragility linked to conflicts and disasters inflicts tremendous costs on society, causing damage to productivity and working conditions and setting back progress towards the achievement of the Decent Work Agenda and other development goals. Issues with which the ILO has engaged directly between 2016 and 2021 have included the flow of refugees from the Syrian Arab Republic into Lebanon and Jordan; the crisis, including mass internal displacement, in Yemen; the internally displaced population due to conflict in Myanmar; the Rohingya crisis in Rakhine state in Myanmar and Cox's Bazar in Bangladesh; the impacts of typhoon Odette in the Philippines; the eruption of an underwater volcano in the Pacific Island State of Tonga (December 2021–January 2022); and the change in administration in Afghanistan in 2021.
187. With the incidence of climate-induced disasters increasing, alongside the impact of rising sea levels and changes in regional migration patterns and agriculture, the challenges related to survival and resilience have been multiplied, with huge implications for the world of work. The COVID-19 pandemic has further intensified fragility in many situations and added another layer of complexity to the response. In all such contexts, women, informal workers, migrant workers, children, persons with disabilities and other vulnerable groups are among the most severely affected.
188. The core ILO interventions across the range of fragile situations has been the promotion of peaceful stable and resilient societies through employment-intensive investment and public employment programmes, linked with skills development, enterprise promotion and employment services. Job creation in remittance-dependent communities has been an important focus in this context. Such programmes have significantly contributed to the creation of decent jobs for groups in vulnerable situations, including poor women and men, young people, refugees and internally displaced people. Employment-intensive investment in both regions used the ILO's labour-based approach to infrastructure development.
189. In the case of typhoon Odette in the Philippines in 2021, the ILO worked with the Government, employers' and workers' organizations, the UN humanitarian country team and communities towards a human-centred recovery through decent work initiatives. In the case of Myanmar, the ILO established a Commission of Inquiry into the decline of workers' rights following the military takeover. It will investigate the non-observance of international labour standards on freedom of association, the right to organize and the prevention of forced labour. At the same time, humanitarian activities that do not in any way support the military junta have continued. For example, the ILO "TRIANGLE in ASEAN" programme supported by the Canadian and Australian Governments has continued to promote safe migration for women and migrant workers through community-based awareness, rights advocacy and service delivery, as well as other support such as assisting migrant workers facing COVID-19 related challenges.

### ► Box 11. Building resilience and promoting recovery through decent work

ILO-supported initiatives in support of conflict and disaster settings bring together the Decent Work Agenda with post-conflict and humanitarian responses at country level, with efforts underpinned by international labour standards, especially Recommendation No. 205. Achievements made since the adoption of the Bali Declaration include the following.

- The Roads for Development Programme in Timor-Leste has brought social and economic benefits to local communities from improved road access.
- Employment-intensive infrastructure programmes in Jordan, Lebanon and Iraq have created immediate employment opportunities through infrastructure projects and contributed to improved livelihoods and accelerated recovery efforts.<sup>1</sup>
- Vocational and entrepreneurship training and certification in Bangladesh have provided new opportunities for host communities affected by the Rohingya crisis in Cox's Bazar.
- Employment services and online job matching platforms have been established in Iraq for forcibly displaced populations.
- In Jordan and Lebanon, job opportunities have been created for both Syrian refugees and host communities, including through the formalization of the work of refugees; the creation of employment services; measures to prevent unacceptable working conditions in the informal urban economy and prevent child labour in agriculture; and the creation of jobs paired with improvements of economically critical infrastructure. As a result, 1.2 million workdays were created, benefiting 21,500 men and women, including Syrian refugees.

**190.** In addition to requests for support in situations of conflict and disaster, ILO offices in the two regions under review report increasing requests for support from constituents striving to rise to the challenges linked to climate change. To increase the effectiveness of engagement in this area, the ILO has built partnerships and joint planning with UN counterparts and other relevant stakeholders. This orientation is reflected in the ILO's participation in the UN Issues-Based Coalition (IBC) on Building Resilience, which brings together disaster risk reduction and climate change adaptation, with membership of 19 UN entities in Asia and the Pacific.

## 3.7. Strengthening social protection

**191.** The continuing low rates of social protection coverage in the two regions (see Part I, section 2.2) is related to significant underinvestment in social protection and the exclusion of large numbers of informal workers from existing systems. The pandemic drew quick attention to the inadequacies of social protection and invoked unprecedented policy action to extend support to vulnerable population groups, including unpaid caregivers, migrant workers, and women and men in precarious forms of employment in the informal economy.

**192.** Beyond the focus on supporting Member States in the social protection aspects of their pandemic response, the ILO has continued to advance its engagement with constituents towards the longer-term development of comprehensive, resilient, sustainable and life cycle-based universal social security systems, based on social protection floors. This has been done through a combination of initiatives, including the provision of high-level and technical policy advisory services, actuarial reviews, feasibility studies and the drafting of relevant legislation. Support has also been provided to develop coherent and gender-responsive social protection strategies, in some countries drawing on the findings of ILO assessment-based national dialogues (ABND).

### ► Box 12. Renewed vision for future of social protection in the Arab States

Guiding principles for post-COVID-19 social protection in the Arab States were set out on 30 November 2021 in the Ministerial Forum Declaration entitled “[The future of Social Protection in the Arab Region: Building a vision for a post-COVID-19 reality](#)”. The Forum brought together Ministers responsible for social protection in the Arab region and representatives of employers’ and workers’ organizations, among other participants. It was organized by the regional UN IBC for Social Protection, coordinated by the United Nations Children’s Fund (UNICEF) and the ILO.

The first of its kind in the Arab region, the declaration reinforces commitments to achieving universal access to comprehensive, adequate and sustainable social protection, ensuring that all in need have access to basic income security and essential healthcare, as included in the Global Call to Action for a Human-centred Recovery.

- 193.** The 2018 Independent Thematic Evaluation on Social Protection in Asia (2012–17) observed that the ILO is carrying out much highly relevant social protection work in the region, with country reports and evaluations generally very positive about the high quality and catalytic effects of the ILO’s technical, capacity development and knowledge-building inputs.<sup>124</sup>
- 194.** The Bali Declaration period has seen the development of several new and strengthened policy, legislative, strategic and institutional frameworks, drawing on tripartite and bipartite social dialogue as well as the findings of ILO ABND processes. The challenge will be to keep up the momentum and find the means and institutional capacity to extend coverage to all population groups on a permanent and sustainable basis in the post-COVID-19 environment. Key results in the countries or areas of the two regions are outlined below.
- **Progress towards the goal of universal social protection, including through national social protection strategies and establishing social protection floors.** The Lao People’s Democratic Republic, Jordan and Timor-Leste developed national social protection strategies. In Timor-Leste, strategy development was paralleled by the establishment of the National Institute of Social Security, with a tripartite board of directors. The Philippines institutionalized a nationally defined social protection floor in October 2021. Jordan and the Occupied Palestinian Territory developed road maps for putting a social protection floor in place. In Lebanon, the development of a national disability allowance was initiated.
  - **Improvements in social security laws, aligned with ILO standards.** In India, the Employee State Insurance Act 1948 was subsumed under the Social Security Code, 2020, retaining the Act’s pre-eminent role of providing social protection to formal sector workers while expanding its mandate to cover new categories of informal workers. In Nepal, a new national integrated social protection framework will further streamline the Contributory-based Social Security Act (2017) and the Social Security Act (2018). In Pakistan, the government of Khyber Pakhtunkhwa province adopted the Employees Social Security Act 2021, which extends the coverage of social security to construction workers. The provincial government and tripartite partners also agreed to launch a renewed national dialogue to revise and implement the Social Security Law, whose implementation was suspended in January 2019. In Viet Nam, proposed changes to the Social Insurance Law 2014 will make contributory social protection a main pillar of the social security system and gradually extend social insurance coverage towards achieving the goal of universal social insurance. In Iraq, Lebanon and Oman, draft social security legislation has been developed to extend the material and personal coverage of contributory schemes, balancing adequacy, equity and financial sustainability.

<sup>124</sup> ILO, Asia Region Thematic Evaluation on Social Protection 2012–2017 (Phase II), 2018.

- **Measures to improve systems, coordination and transparency.** In Jordan, an implementation support unit was set up under the Ministry of Social Development to ensure comprehensive coordination of the implementation of the national social protection strategy for the period 2019–25. The Lao People’s Democratic Republic developed a national health insurance verification guideline to improve transparency in the financial management of the national health insurance and healthcare facilities. In Sri Lanka, an ILO study with the Employers’ Federation of Ceylon on the repositioning of private sector social security schemes led to the establishment of a tripartite subcommittee to examine social security reforms. Pakistan established the first tripartite social security coordination forum in November 2020 and launched a national poverty alleviation policy framework. Thailand created a national committee on the social protection system and its administration to initiate the development of a cross-sectoral (and interministerial) diagnosis of the social protection system. The creation of an actuarial bureau within the Thailand Social Security Office was also approved to strengthen financial governance and policy decision-making capacities.
- **New social protection measures introduced, including as part of COVID-19 response and recovery.** Cambodia and the Lao People’s Democratic Republic introduced a cash transfer programme for pregnant women and children, targeting those living in poor households. Cambodia also introduced a pension scheme that will expand benefits beyond the 2 million existing members covered under the national social security fund. In Nepal, new contribution-based social security rules have prioritized healthcare and maternity protection so that more women in formal employment can benefit. Oman launched a new unemployment insurance scheme, while Lebanon and the Occupied Palestinian Territory took initial steps, including draft legislation for the establishment of unemployment insurance schemes. In Jordan, regulatory change was adopted to facilitate the extension of social security coverage among agriculture and self-employed workers. In Pakistan, a universal healthcare programme was launched in Khyber Pakhtunkhwa province, achieving coverage of 100 per cent of households in December 2020. This is being replicated in Punjab province, which will be followed by Baluchistan province in 2022.

## 4. Institutions



### 4.1. Respect for the fundamental rights of workers and ratification of Conventions

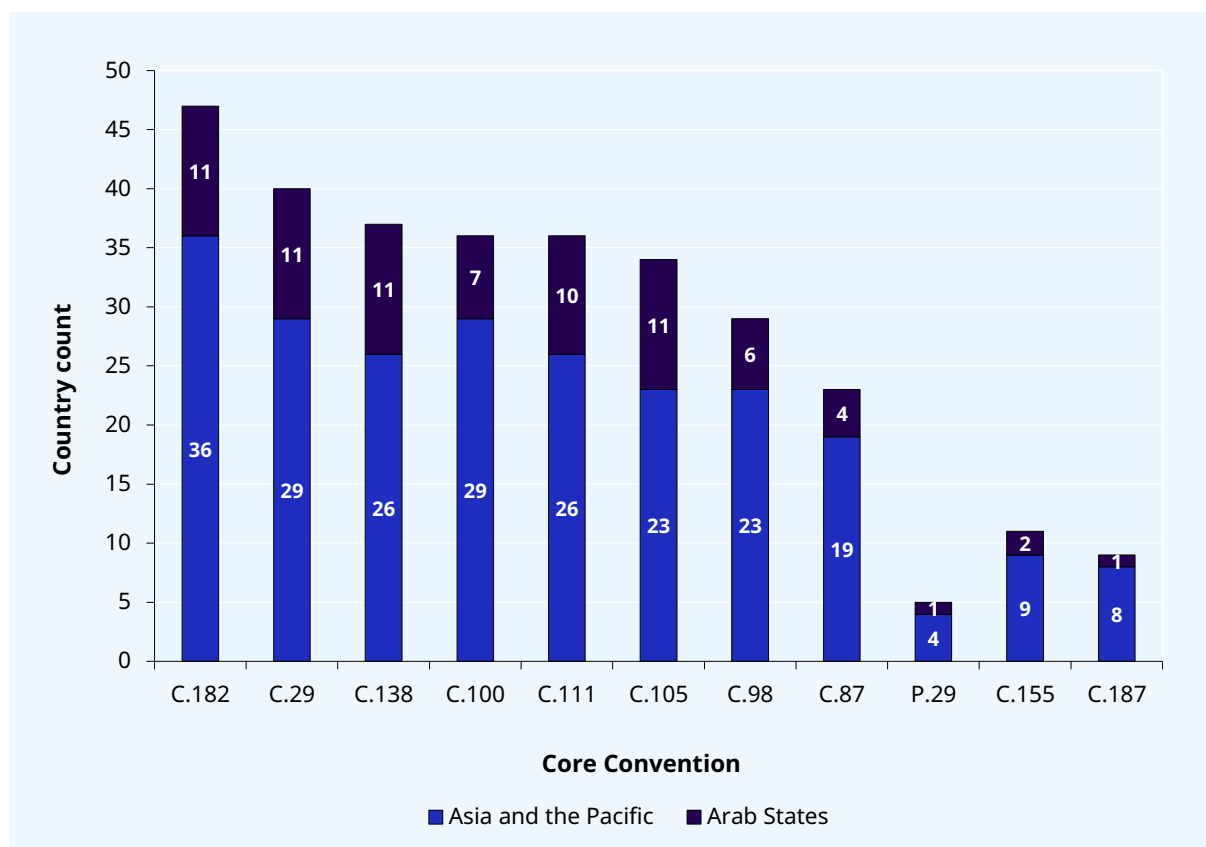
#### 4.1.1. Lagging ratification rates

- 195.** Since the adoption of the Bali Declaration (through March 2022), ratifications were completed of 46 ILO Conventions by 4 countries in the Arab States region and 26 countries in the Asia and the Pacific region. This compares poorly to the number of ratifications (72 in total) made between the 15th and 16th Asia and the Pacific Regional Meetings (a decline of 38 per cent). A list of ratifications

of ILO Conventions by countries in both regions in the period 2017–22 is set out in Annex 2 and the number of ratifications of fundamental Conventions to date is shown in figure 6.

**196.** Of all the above-mentioned ratifications, 27 ratifications corresponded to fundamental Conventions, including those related to the principle of safety and health at work (Occupational Safety and Health Convention, 1981 (No. 155) and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)), which was recognized as a fundamental principle and right at work at the 110th International Labour Conference held in June 2022. Yet, only 14 of the 36 Member States of the Asia and the Pacific region (39 per cent) and 3 of the 11 Member States of the Arab States region (27 per cent) had ratified all eight of the fundamental ILO Conventions (excluding the OSH Conventions) at the time of preparation of this report. Once again, this compares poorly with global rates, according to which 79 per cent of ILO Member States have achieved the target to ratify the eight ILO fundamental Conventions (excluding OSH). Only three countries in the Asia and the Pacific region and no countries in the Arab States region have ratified both OSH Conventions. More than two thirds of the countries who have yet to ratify the fundamental Conventions are countries in the Asia and the Pacific and the Arab States regions. Convention No. 182 is the only one of the fundamental Conventions that has been universally ratified by all countries in the two regions.

► **Figure 6. Total number of ratifications of fundamental Conventions in the Asia and the Pacific and the Arab States regions**



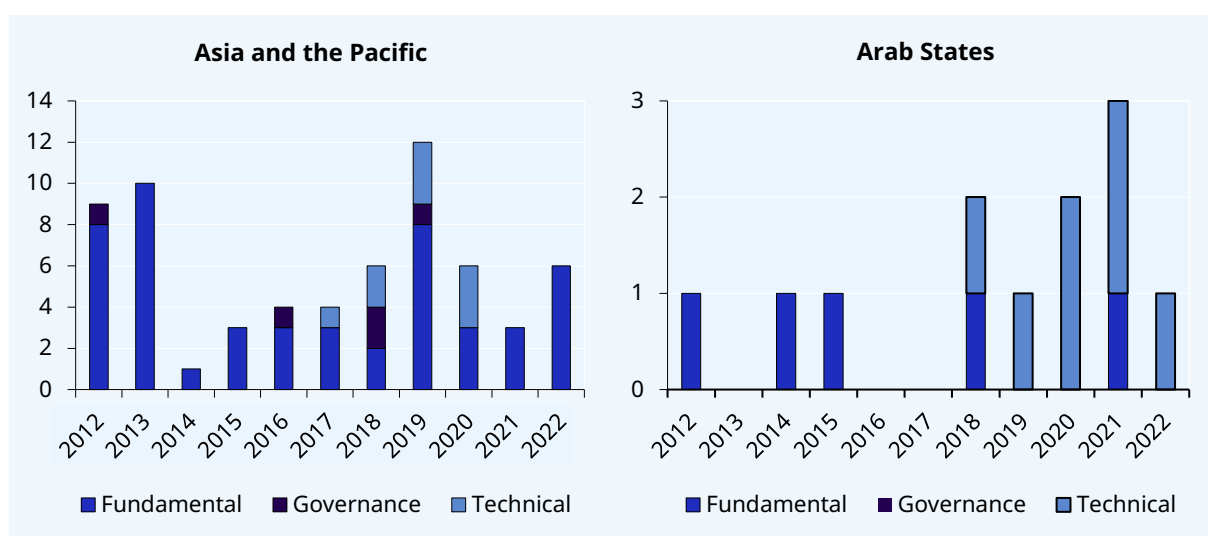
Source: ILO NORMLEX, Information System on International Labour Standards.

**197.** As part of the ILO Centenary celebration in 2019, the “One for All” Centenary Ratification Campaign was taken up, whereby an invitation was extended to all 187 ILO Member States to ratify at least one International Labour Convention in the course of the Centenary year. While the

campaign did not achieve its ambitious target, the 70 ratifications registered globally in 2019 was significant compared to the global ratification of 45 Conventions in 2018 and 44 Conventions in 2017. Of these, 13 ratifications were in the Asia and the Pacific region and 1 ratification was in the Arab States region (figure 7).

- 198.** Only 9 ratifications were registered in the Asia and the Pacific region during the 2020–21 biennium and 6 were registered in the first half of 2022. In the Arab States, 5 ratifications were registered in the 2020–21 biennium and 1 ratification was registered in early 2022. None of the ratifications registered since 2019 were ratifications of governance Conventions – Nos 81, 122, 129 and 144 – which have been recommended for universal ratification since 2008.

► **Figure 7. Ratifications of ILO Conventions by type and year, 2012–22 (through July)**



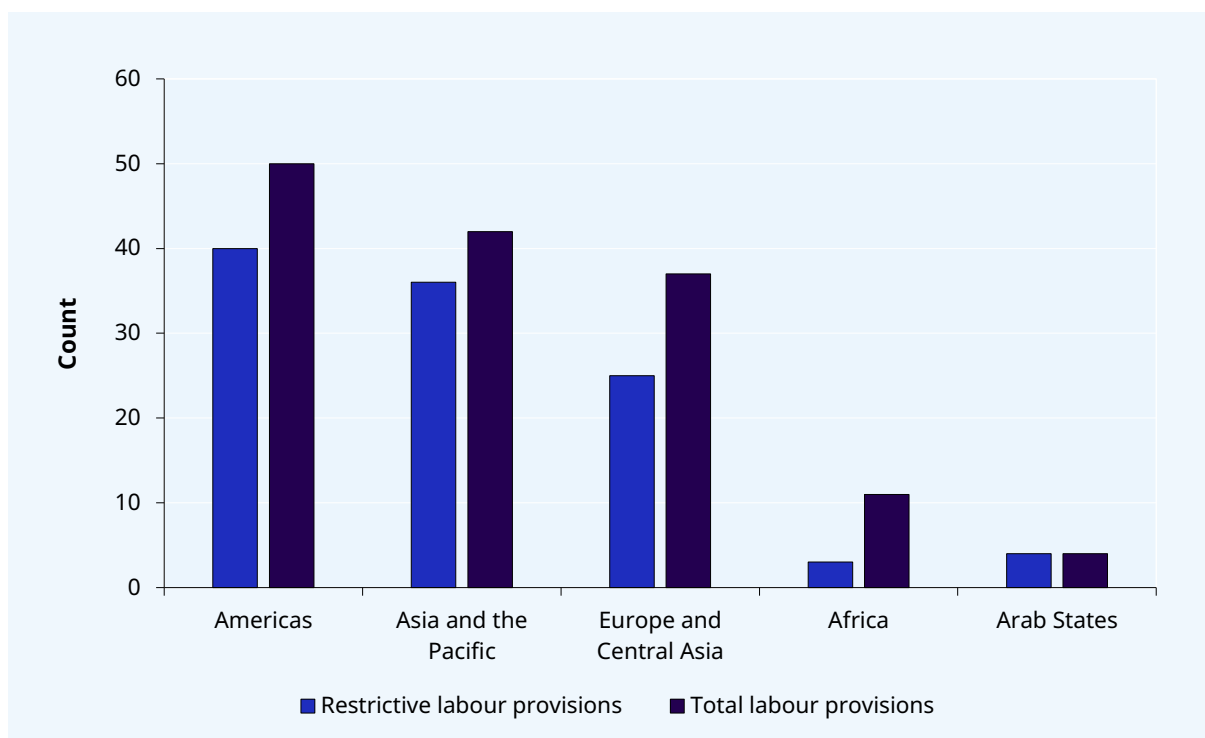
Note: Fundamental Conventions include the two OSH Conventions.

Source: ILO NORMLEX, Information System on International Labour Standards.

- 199.** It would therefore seem that the pandemic slowed down even further the already low ratification momentum in the two regions under review, including with regard to the follow-up work of the Standards Review Mechanism Tripartite Working Group, which urges Member States to identify outdated Conventions on their ratification record and, on the basis of tripartite consultation, to consider ratifying corresponding up-to-date standards instead.
- 200.** The Government of Viet Nam demonstrated a good practice in the ratification of international labour standards through social dialogue, notably through formalizing the process via the development of a memorandum of understanding with the national social partners to work together on the planning and implementation of up-to-date standards over a period until 2030. The formalization of ratification priorities and commitments can also be included in DWCPs. The Bangladesh DWCP for the period 2022–26, for example, includes a commitment to conduct tripartite consultations towards the possible development of a ratification strategy for ILO Conventions.
- 201.** Looking ahead, two leverage opportunities stand out to accelerate ratification rates. The first concerns the links with international trade opportunities and benefits. There is an increasing trend towards the inclusion of labour rights requirements and social clauses in free trade agreements, as well as the due diligence requirements of importing countries (figure 8). In the Asia and the Pacific region, 86 per cent of existing labour provisions within free trade agreements now include clauses on the application of labour standards. This factor is an important

consideration in the planning for graduation from least developed country status by Bangladesh, the Lao People’s Democratic Republic and Nepal. In the Arab States region, four out of the four existing labour provisions include labour-related restrictive clauses.

► **Figure 8. Occurrence of labour-related restrictive clauses in trade agreements, by region, 1994–2021**



Note: Data are available for updating at ILO, “[Labour Provisions in Trade Agreements Hub](#)”.

Source: Marva Corley-Coulibaly, Ira Postolachi and Netsanet Tesfay, “[A Multi-faceted Typology of Labour Provisions in Trade Agreements: Overview, Methodology and Trends](#)”, 2022.

**202.** A second factor to leverage increased ratification concerns the repositioning of the UN development system in keeping with the UN Secretary-General’s “Call to Action on Human Rights” and “Our Common Agenda” in order to strengthen the integration of human rights into all aspects of UN engagement at country level, including through UN common country assessments and UNSDCFs. These developments provide important opportunities for ensuring visibility for international labour standards as part of the broader international framework of human rights norms and standards within UN country teams.

#### 4.1.2. Freedom of association and protection of the right to organize and collective bargaining

**203.** There is still a notable lag in the ratification of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98). The Asia and the Pacific and the Arab States regions are home to 24 of the 30 countries that have not ratified Convention No. 87, as well as 18 of the 19 countries that have not ratified Convention No. 98. More than 40 per cent of workers in the two regions live in countries that have not ratified Conventions Nos 87 and 98.



- 204.** Even where ratification has occurred, ILO supervisory bodies have identified several cases in the regions in which serious and persistent problems of the application of freedom of association rights and principles remain.
- 205.** Several Member States have taken actions to address matters raised by ILO supervisory bodies as well as by Article 26 complaints to the International Labour Conference with respect to conformity with ratified Conventions. Such actions include the following.
- The Bangladesh Government, in consultation with social partners, developed a road map of actions to address outstanding issues concerning observance by Bangladesh of the Labour Inspection Convention, 1947 (No. 81) and Conventions Nos 87 and 98.
  - A major programme of reform in Qatar, with ILO technical cooperation, was launched in the context of the closing of an Article 26 complaint lodged in 2014 over alleged non-compliance with obligations under the Conventions on forced labour, labour inspection and discrimination (see box 13).
  - Surveillance by the ILO supervisory bodies continued of serious and grave violations of freedom of association standards and principles in Myanmar despite numerous steps taken in response to the recommendations of a Commission of Inquiry, including the unprecedented step of resorting to Article 33 of the ILO Constitution.

► **Box 13. From normative work to tangible changes in Qatar's labour reforms**

In 2014, a complaint was lodged under Article 26 of the ILO Constitution concerning Qatar's alleged non-compliance in the areas of forced labour, labour inspection and discrimination. A programme of labour reforms was subsequently negotiated between the ILO and the State of Qatar, endorsed by the ILO Governing Body and leading to the closure of the complaint procedure in 2017 and the opening of an ILO project office in Doha in 2018.

The ILO programme in Qatar has become a notable example of development cooperation between the ILO and a Member State, in cooperation with the IOE, the ITUC and Global Union Federations. Key components of the reform package included:

- the reform of laws that limited migrants' freedom of movement between employers, including the dismantling of the most problematic elements of the *kafala* (sponsorship) system;
- the adoption of a minimum wage in 2021, overseen by a minimum wage commission, that applies to workers of all nationalities in all sectors, including domestic workers;
- joint committees have been established at the enterprise level to promote social dialogue, including with migrant workers as participating workers' representatives;
- the adoption of an OSH policy by the Ministry of Labour and the Ministry of Public Health to ensure more strategic, coordinated and data-driven approaches.
- the adoption of new legislation in May 2021 to better protect workers from heat stress during the summer months, with the expansion of summertime working hours, during which outdoor work is prohibited, alongside several other measures; and
- monthly publication by the Ministry of Labour of data on labour mobility, complaints, inspections etc. on social media platforms.

The reforms have been notable for their degree of engagement and transparency. The ITUC and Global Union Federations have held a twice-yearly strategic planning meeting with the Ministry of Labour and the ILO to discuss progress and priorities. A similar structure was more recently established for the IOE and the Qatar Chamber of Commerce and Industry. Comprehensive independent assessments have been published on several themes, presenting data and highlighting strengths as well as challenges.

### 4.1.3. Equality and non-discrimination

- 206.** Out of the 47 Member States in the two regions under review, 36 have ratified the Equal Remuneration Convention, 1951 (No. 100) and the same number have ratified the Discrimination (Employment and Occupation) Convention, 1958 (No. 111). Measures to apply the fundamental rights of equality and non-discrimination include legislation, institution-building, awareness-raising, voluntary action by the social partners and a change in attitudes through education.
- 207.** Convention No. 100 requires not just equal pay for equal work but equal pay for women and men for work of equal value, thereby encompassing comparisons between the value of jobs predominantly performed by women and those carried out mostly by men. However, the concept of “work of equal value” is not always recognized in the labour laws, even where the ratification of Convention No. 100 has occurred. Furthermore, although Convention No. 111 requires national legislation to reflect the definition and prohibition of direct and indirect discrimination, the labour laws of most Member States that have ratified Convention No. 111 do not clearly define these terms. Nonetheless, many countries in both regions have identified, in varying degrees, specific grounds or criteria (for example race, colour, sex, age, marital status, disabilities, creed, religion, political opinion, birth, social origin, socio-economic status, sexual orientation, membership in workers’ union or the exercise of union activities) on the basis of which discrimination is prohibited.
- 208.** In many countries, equality is guaranteed under the national Constitution. However, given the specifics of labour markets and the central role they can play in advancing equality of opportunity and treatment in society, ILO has advocated the need to explicitly reflect Convention Nos 100 and 111 in labour legislation.
- 209.** Many Member States in the Asia and the Pacific region are adopting or strengthening laws combating gender-based violence and harassment, which is a persistent form of sex discrimination. Convention No. 190 and Recommendation No. 206 provide important guidance. Convention No. 190 has so far been ratified only by Fiji in the two regions under review, although advocacy work is currently under way in numerous countries (see section 3.2).

### 4.1.4. Eliminating child labour and forced labour

- 210.** Overcoming the challenge of child labour and forced labour remains critical for realizing social justice and a human-centred recovery. The ratification and implementation of the relevant Conventions provide a vital foundation for ongoing progress. In the two regions under review, the period 2017–22 (through July) saw four ratifications of the Minimum Age Convention, 1973 (No. 138) (Bangladesh, India, Myanmar, Vanuatu); six ratifications of the Worst Forms of Child Labour Convention, 1999 (No. 182) (the Cook Islands, India, the Marshall Islands, Palau, Tonga, Tuvalu); one ratification of the Abolition of Forced Labour Convention, 1957 (No. 105) (Viet Nam) and eight ratifications of Protocol of 2014 to the Forced Labour Convention (No. 29) (Australia, Bangladesh, Malaysia, New Zealand, the Republic of Korea, Sri Lanka, Saudi Arabia and Thailand) (see Annex 2).
- 211.** In a general observation made in 2021 on Convention No. 182, the CEACR, while applauding the universal ratification of the Convention by all Member States and a ratification rate of 90 per cent for Convention No. 138, called on Member States to strive towards safeguarding the precious progress made on ratifications and making the recovery an opportunity to build back better in a world without child labour and forced labour.
- 212.** The Asia and the Pacific region has seen a significant increase of national policies, action plans, coordination mechanisms and revisions in law that take countries closer to the goal of ending

these unacceptable forms of work. Fiji, Nepal, Sri Lanka and Viet Nam committed to become Alliance 8.7 pathfinder countries, in which capacity they collaborate, strategize, share knowledge and accelerate progress to deliver immediate and effective measures to eradicate forced labour, modern slavery, human trafficking and child labour, in accordance with SDG target 8.7.

- 213.** Today, there are almost no countries in the two regions under review that have not put in place some measures to tackle child labour and forced labour. At the same time, while Member States have made significant progress in adopting national action plans, there is an urgency to ensure their effective implementation. An important next step is to shift the funding model from a reliance on development cooperation to national financing and to strengthen the monitoring of implementation through a “whole-of-government approach”.

► **Box 14. National measures taken to tackle child labour and forced labour**

**Child labour**

- Revised Labour Law (Mongolia) and Child Labour Law (Philippines). New Child Law in Myanmar (2019); the latter includes raising the minimum age of work to 16 years and protecting children from hazardous work activities.
- Adoption of Employment of Children (Prohibition and Regulation) Act and Bonded Labour System (Abolition) Act in Pakistan’s Baluchistan province.
- Adoption of a national action plan on business and human rights, including the elimination of child labour (Pakistan). First national action plan on child labour adopted in Myanmar.
- Updating lists or regulations concerned hazardous work for children (Bangladesh, Fiji, Nepal, Sri Lanka).
- Establishing child labour-free zones (Bangladesh, Nepal); enrolling children in school and providing protection and psychological support (Jordan).
- Tripartite action to target child labour in specific sectors (artisanal and small-scale gold mining operations in the Philippines, brick kilns in Nepal, agriculture in Lebanon).
- Inclusion of child labour in labour inspection (Bangladesh, Cambodia, Fiji, the Lao People’s Democratic Republic, Syrian Arab Republic, Thailand).
- Use of OSH as a framework in which to address child labour in the workplace (Jordan, Lebanon and Syrian Arab Republic, including among Syrian refugees).
- Support for employers to address child labour (Cambodia, Syrian Arab Republic).
- Institutional reform to strengthen the coordination of child labour measures (improved monitoring and reporting systems in Thailand, Lebanon and Iraq; new Child Labour Unit and systems for referral to social protection services at provincial and community levels in the Philippines).

**Forced labour**

- Developing or updating national action plans and strategies on combating forced labour and human trafficking (Malaysia, Qatar).
- Including forced labour in labour inspection (Qatar, Thailand).

## 4.2. Strengthening labour market institutions

### 4.2.1. Developing, strengthening and implementing labour legislation

- 214.** Labour law reform to strengthen compliance with international labour standards is a key focus of ILO engagement in most countries across the region, supported by ILO technical advice and the engagement of constituents. Among Pacific Island countries, for example, labour law reform has featured as the primary focus of DWCPs for a number of years, including in Fiji, Kiribati, Papua

New Guinea, Samoa, Solomon Islands, Tuvalu and Vanuatu. The ILO's independent evaluation (2020) of labour law reform in Pacific Island countries found that the wider engagement of other relevant government entities in addition to the Ministry of Labour is also important, alongside the ongoing capacity development support for the engagement of tripartite constituents.<sup>125</sup>

215. During the period under review, a number of countries in the two regions revised their labour laws and related legislation, with ILO support and in consultation with tripartite partners. Bangladesh, Bahrain, India, Kiribati, Malaysia, Mongolia, Pakistan's Baluchistan province, Samoa and Viet Nam all took actions to reform labour and related legislation. In a few cases, reform was in response to CEACR comments. In some others, it was prompted by strengthened partnerships in the framework of global trade and investment or the need to increase the ease of doing business.

► **Box 15. Workers' organizations engage in labour law and related legislative and policy reform**

Worker's organizations actively engaged in legislative and policy reform in many countries or areas across the two regions under review. The **Viet Nam General Confederation of Labour** contributed to fundamental changes in the Labour code 2019 through the development of position papers on key related issues. The **Lao Federation of Trade Unions** played an active role in the revision of the labour and social security laws and in the development of a labour dispute resolution decree. In **Indonesia**, migrant workers' unions contributed to the ongoing development of regulations to implement Law 18/2017 on the protection of Indonesian migrant workers. In Lebanon, the **General Confederation of Lebanese Workers** and the **National Federation of Employees' and Workers' Unions** actively engaged in the national debate to reform the social security system, leading to the issuance of a joint workers' position paper on social protection. In the **Occupied Palestinian Territory**, the civil society and sectoral union federations established a lobbying coalition for labour law reforms, in line with international standards.

216. Governments across the two regions incorporated gender equality, non-discrimination and anti-violence and harassment (including gender-based violence) provisions in labour law and related legislative reform, such as social security laws (Mongolia, Nepal, Pakistan, Samoa, Tonga, Viet Nam). In Timor-Leste, India, Mongolia and Nepal, legislative change also improved the availability and level of maternity benefits. Jordan amended its Labour Law in May 2019, including new provisions in areas such as paid paternity leave, flexible work arrangements, childcare facilities and pay equity. These reforms reflected several of the amendments advocated by Jordan's National Committee on Pay Equity, a broad alliance supported by the ILO that includes trade unions, women's associations, human rights groups and other stakeholders.

#### 4.2.2. Strengthening labour administration to apply international labour standards and labour laws

217. An effective and well capacitated labour administration is central to the implementation and monitoring of international labour standards, as well as labour policy and labour law development. The ILO worked with constituents across the two regions under review to support the implementation of effective labour inspection systems, including at the legislative and regulatory levels and through strengthening inspection capacities to mainstream gender

<sup>125</sup> Sadie Xinxin Yang, "Independent Evaluation of the ILO's Technical Assistance on Labour Law Reform in Pacific Island Countries (2012–2018)".

considerations and address COVID-19 pandemic and OSH-related issues. As a result, several countries or areas across the two regions developed or strengthened national inspection policies, systems and capacities. Among these initiatives are the following.

- The Syrian Arab Republic and the Occupied Palestinian Territory developed national labour inspection policies and action plans for enhancing the effectiveness of their labour inspection systems.
- Qatar launched a national labour inspection policy and established a Strategic Office in the Labour Inspection Department.
- At the systems and capacity levels, China prioritized workplace compliance and the promotion of OSH, including the training of maritime inspectors, employers and seafarers, and increasing the spread of labour inspection expertise, including e-inspection, to an increasing number of small and medium-sized enterprises (SMEs);
- Jordan and the Occupied Palestinian Territory launched their first national tripartite labour inspection conferences to discuss ways to enhance the country's labour inspection system, with a focus on the agricultural sector.
- Bangladesh, Mongolia, Pakistan and the Philippines enhanced their data-gathering and data-sharing capabilities on labour inspection in relation to compliance with labour laws.
- Fiji improved the effectiveness and efficiency of field inspections through the development of an online case management system known as the paperless labour inspection system.
- In Indonesia, national and provincial labour inspectorates adopted and began implementing strategic compliance plans for improving working conditions in the palm oil sector. Sectoral employers' and workers' organizations contributed to the development of these plans.

#### 4.2.3. Developing and strengthening labour dispute resolution and grievance handling mechanisms and processes

- 218.** The ILO supported the development and strengthening of mechanisms and processes for labour dispute resolution and grievance handling in several countries across the two regions under review. There was a focus in this context on (a) strengthening mediation, conciliation, independent arbitration and labour court systems; (b) supporting social dialogue for the review of dispute resolution mechanisms; and (c) bringing resolution closer to the workplace level through strengthened bipartite dialogue processes, development of procedural guidelines and technical capacity-building.
- 219.** In Bangladesh, for example, dispute resolution capacities were strengthened through the establishment of a centralized pool of 30 conciliators and 30 investigators for handling unfair labour practices under the Ministry of Labour and Employment. The new DWCP for Bangladesh for the period 2021–26 commits constituents to the establishment of a national conciliation and independent arbitration system and the strengthening of the labour courts. The ILO is also supporting the Government of Bangladesh to develop standard operating procedures for the conciliation and improvement of dispute resolution mechanism as planned in the Government road map prepared in response to the International Labour Conference Article 26 complaint (see para. 205 above).
- 220.** In Cambodia, the ILO has been a critical partner in the development, effective functioning and sustainability of the tripartite national arbitration council. In Qatar, the first workers' dispute settlement committee was established. In Sri Lanka, a rapid response and labour dispute resolution mechanism has been designed, with 30 tripartite representatives trained on conciliation. In Malaysia, work is ongoing on regulatory reform for the dispute resolution mechanism and other industrial relations institutions. In the Cook Islands, work is under way to

develop a conciliation system and mechanism. In Indonesia and Timor-Leste, capacity-building training initiatives were undertaken to strengthen mediation as a dispute resolution mechanism.

### 4.3. An adequate minimum wage, statutory or negotiated

221. Over the past decade, wage growth in the Asia and the Pacific region has outperformed most of the world, yet rising inequality shows that the benefits of growth are not equitably shared. Furthermore, the COVID-19 pandemic disrupted the wage growth trend in many countries, with a higher downward pressure burden on lower-paid workers, exacerbating wage inequality. Linking wages to productivity ensures that while enterprises can increase their operating surplus in line with productivity growth, workers benefit from economic growth in the form of increased purchasing power of wages. This in turn can boost domestic demand and support stronger, more balanced, sustainable and more inclusive growth.
222. The two main wage policy tools supported by the ILO are minimum wage-setting, through evidence-based mechanisms and processes, and collective bargaining. The following results highlights improvements with respect to legislative policy and institutional initiatives to develop and strengthen minimum wage-setting mechanisms and processes, with positive impacts in terms of wage levels for workers in the two regions.
- **Across the two regions, governments reformed and developed wage-related legislation, policy and methodology, including for minimum wages.** Cambodia introduced a new Minimum Wage Law that went into effect in 2019, with immediate applicability in the garment sector. The law was found by an independent evaluation to have both improved the wage negotiation process and raised wages, while maintaining the garment industry's competitiveness. The tripartite national wages council in Indonesia developed a policy paper on the reform of the wages policy, promoting evidence-based wage-fixing and monitoring tools on the impact of the minimum wages. India revised the methodology for national minimum wage fixing and required states to fix their minimum rates of wages at least equal to or above the floor wage, potentially increasing wages for up to 74 million low-paid workers. Maldives amended the Employment Act to implement a minimum wage system for the first time. In Jordan, the tripartite committee for work affairs introduced a fixed minimum wage-setting mechanism to determine annual adjustments. The Central Committee of the Communist Party of Viet Nam issued a resolution on wage reform which reflected the importance of collective bargaining in wage adjustment.
  - **Some countries took steps to develop and strengthen institutional mechanisms to support minimum wage-setting processes.** In Qatar, a minimum wage commission was established with the mandate to review the impact of the minimum wage and propose adjustments. In Viet Nam, a prime ministerial decision with respect to the new labour code of 2019 expanded and restructured the National Wage Council to strengthen its technical capacity for minimum wage-setting. To improve the evidence base for minimum wage-setting, Viet Nam issued its first-ever national wage report to provide new indicators and methodologies to set adequate minimum wages.
  - **Progress was made in some countries with respect to including workers in the informal economy in wage policy reform and coverage.** For example, Thailand promoted non-discrimination in wage-setting for home-based workers through time trials that benchmark piece-rate wages against the minimum wage. The Philippines approved an empirical framework for setting domestic workers' minimum wages. Qatar introduced a law on non-discriminatory minimum wage-setting that applies to all workers of all nationalities, including domestic workers.

#### 4.4. Promoting safety and health for all

- 223.** The pandemic has led to a renewed appreciation of the importance of OSH in keeping workers, employers and the public at large safe and healthy. However, while many governments and social partners rightfully focused their attention to varying degrees on COVID-19 prevention and mitigation in the workplace, the pandemic also put the spotlight on longer-term pre-pandemic OSH issues in the Asia and the Pacific and the Arab States regions, including poor coordination mechanisms within concerned agencies, the lack of a preventive safety and health culture, low levels of awareness among employers and workers, and limited OSH management capacity.
- 224.** A key consideration for ILO engagement with respect to OSH is the growing need for protection against psychosocial risks at work, including gender-based violence and harassment. The identification of both physical and psychosocial hazards and risks is an essential element in defining appropriate gender-responsive control measures that are adapted to the specificities of the workplace and the needs of workers, particularly women and vulnerable groups.
- 225.** Technical support for governments and social partners in the development of resilient OSH systems included the development or strengthening of policies and legislation, the capacity enhancement of employers' and workers' organizations, and the promotion and strengthening of bipartite and tripartite social dialogue at all levels. Examples selected from the countries or areas of the two regions include the following.

Development is ongoing in Bangladesh of a national architecture and capacities around OSH and industrial safety in the aftermath of the Tazreen fashion factory fire in 2012 and the Rana Plaza garment factory collapse in 2013. With ILO support, a new industrial safety unit in the Department of Inspection for Factories and Establishments was set up to monitor industrial safety in all economic sectors and a national plan of action on OSH was adopted in 2021.

- The national OSH system was strengthened in Cambodia and the Lao People's Democratic Republic by updating the national OSH profiles and programmes, with the full engagement of tripartite partners at all stages. In addition, the Lao National Chamber of Commerce and Industry, in collaboration with other tripartite partners, developed a standard operating procedure for "Business reopening in the new normal".
- The ILO's Better Work programme was engaged in improving OSH conditions for millions of mainly women workers in national garment and footwear sectors through the implementation of OSH laws, regulations and plans at the enterprise level in Bangladesh, Cambodia, Jordan, Myanmar, Indonesia and Viet Nam.
- National, subnational and enterprise OSH Committees in Viet Nam were established to implement the national occupational safety decree and related plans.
- Occupational health services in Fiji were strengthened through a national strategic plan.
- The launch by Saudi Arabia of its first national OSH policy and the adoption by the Occupied Palestinian Territory of a new law on OSH supervisors and committees at the enterprise level.

## 5. Economy and decent work for all



### 5.1. Developing and influencing macroeconomic policies

- 226.** The ILO draws on its diverse work programme at all levels in the world of work to contribute to national macroeconomic policies in areas ranging from industrial and sectoral policy to decent work and trade, economic formalization, social protection, skills development and decent employment generation.
- 227.** With ILO support, the Bali Declaration period has seen actions undertaken by several countries or areas to develop or strengthen national employment policies and related strategies and institutions, with attention to sectors that will provide maximum benefit for economic growth and job creation (Bangladesh, Lao People’s Democratic Republic, India, Iraq, Kiribati, Nepal, the Occupied Palestinian Territory, Philippines, Samoa, Timor-Leste). The Lao People’s Democratic Republic adopted a national rural employment strategy to contribute to national poverty reduction efforts. The Philippines adopted a national employment recovery strategy for the period 2021–22 as part of its COVID-19 pandemic response effort.
- 228.** A number of countries in the two regions under review (including Cambodia, China, India, Sri Lanka and Timor-Leste), further established job-friendly macroeconomic institutional frameworks with ILO support, including through the creation of interministerial bodies for promoting employment-led growth. For instance, Cambodia strengthened the oversight of its national employment policy by establishing an interministerial coordination mechanism to annually review and monitor progress in implementation.
- 229.** At the same time, there is an increasing demand from constituents for a “transformative agenda” that accelerates policy development and investments in areas such as the care economy (both services and decent jobs) and a just transition to environmentally sustainable economies, particularly in the energy sector. These stand out as important areas in which work has begun in the two regions, including through the provision of increased capacity support for constituents. With respect to a “just transition”, most notable is the ILO’s lead role in the UN Secretary-General’s climate action for jobs initiative (box 16). With respect to the development of the care economy,



pilot projects to scope the potential of decent job creation as well as to strengthen diverse partnerships are under way in Thailand and India.

► **Box 16. Greening jobs and skills: Responding to the challenges of climate change**

Recent years have seen increased attention by constituents to addressing climate change-induced challenges in the world of work. The Lao People's Democratic Republic has included climate change resilience as a priority area in its national rural employment strategy. India is preparing a just transition readiness assessment as a basis for greening and transition planning in selected sectors (garments, energy, rural development). The Bangladesh Employers Federation included climate change as a priority area to be addressed in both the UNSDCF and the new DWCP. In Cambodia, the development of green skills in the national TVET system is prioritized in the joint UN Decent Employment for Youth programme, which is coordinated by the ILO.

The next generation of DWCPs, especially among Pacific Island countries, is already showing a stronger focus on climate change resilience, a just transition (including in the energy field) and green jobs and skills development. Such areas are prioritized in the new Bangladesh DWCP 2022-2026.

At the global level, a key framework for increased cooperation in addressing the challenges of climate change in the world of work is the UN Climate Action for Jobs initiative, which is spearheaded by the ILO and is being introduced to countries throughout the regions. This contributes to the Global Accelerator on Jobs and Social Protection for Just Transitions.

- 230.** The production and dissemination of timely policy-oriented and evidence-based research is a core component of the ILO's influence on national macroeconomic policy. An important example during the COVID-19 crisis was the series of labour market diagnostics on jobs and enterprises conducted by the ILO in more than 18 Member States, including at sectoral level. Such studies facilitated national and sector policy dialogue for recovery policies and helped to position social protection, other labour market policies and social dialogue within UN recovery frameworks.
- 231.** Beyond the urgent needs of the pandemic response, longer-term research and analytical processes to support evidence-based decent work policy development and measures were also carried out as part of ILO engagement in many countries across the two regions under review. Key themes included skills for trade and economic diversification (Cambodia); gender, social and cultural factors affecting women's and youth employment (Syrian Arab Republic); the impact of environmental conditions on workers' health and productivity (Qatar); informality diagnostics and studies (Mongolia, Nepal); decent work deficits and protection measures in the platform economy (China); enhancing gender-responsive services for women migrant workers and their families (Indonesia); the gender dimensions of employment in the private education sector (Jordan); and wage policies for decent work and inclusive growth (India, Maldives).

► **Box 17. ILO regional publications provide the evidence base for decent work policies**

The ILO regularly prepares and disseminates studies and reports to strengthen the evidence base in critical areas of the Decent Work Agenda within the Asia and the Pacific and the Arab States regions. The following is a selective list of key ILO publications produced at the regional level since 2016.

- *Asia-Pacific Employment and Social Outlook 2018: Advancing Decent Work for Sustainable Development* (2018).
- *Asia-Pacific Employment and Social Outlook 2020: Navigating the Crisis towards a Human-centred Future of Work* (2020).
- *Labour Migration in Asia: Increasing the Development Impact of Migration through Finance and Technology* (ADBI, OECD and ILO, 2018).

- *Game changers: Women and the Future of Work in Asia and the Pacific* (2018).
- *"Ageing and Social Protection in Asia and the Pacific"* (2017).
- *Decent Work Deficits among Rural Workers: Key Findings and Recommendations for Trade Unions* (2022).
- *World Social Protection Report: Regional Companion Report for the Middle East and North Africa (MENA) Region* (2021).
- *Towards a Productive and Inclusive Path; Job Creation in the Arab Region* (ESCWA and ILO 2021).
- *Productivity Growth, Diversification and Structural Change in the Arab States* (2022).

**232.** Developing a strong evidence base to inform policies at all levels, from macro to operational, requires the collection, dissemination and assessment of up-to-date and reliable labour market information in line with agreed international measurement standards. ILO statistical activities in support of Member States focus on three main areas: (a) capacity-building in labour statistics and decent work indicators, especially in support of the recent standards of the 19th and 20th International Conference of Labour Statisticians; (b) technical cooperation with, and technical assistance to, national statistics offices for implementation of labour force surveys (LFSs) or other data collection exercises, including building statistical systems for regular LFSs; and (c) support to the measurement of the ILO custodial SDG indicators, in line with the most recent international standards. The scope of LFSs has been broadened in recent years to include child labour modules (for example, the Lao People's Democratic Republic in 2021) and the recent introduction of a time-use statistics module, which will contribute significantly to the knowledge base on how best to invest in the care economy.

► **Box 18. Improved statistics in support of labour market policy and measures**

Initiatives were launched in a number of countries to improve the design and availability of statistics in support of the development of labour market policies and measures. The following are selected highlights.

- A regional capacity-building workshop for countries of the Asia and the Pacific region on work statistics in rural areas was held in Bangkok from 11 to 15 September 2017, with the participation of ten countries.
- In China, the first survey-based urban unemployment statistical data was published, following a number of training sessions organized by the ILO.
- In the Philippines, an assessment was conducted on the impact of new technologies on occupations and sectors.
- In Lebanon, the Labour Force and Households Living Conditions Survey 2018–19 was conducted, in partnership with the Central Administration of Statistics. An informality survey was also conducted, focusing on the most vulnerable groups of refugees and hosting communities.
- In Iraq, a rapid needs-assessment was conducted with the Central Statistics Office on labour and child labour statistics.
- In Jordan, the Department of Statistics developed a questionnaire and statistical tools for an employment and unemployment survey in order to better capture the situation of migrant and refugee populations.
- In Yemen, an assessment was conducted of the damage and needs resulting from armed operations, with a focus on the situation of the labour market, vocational training institutions and SMEs in Sana'a City and its suburbs.
- A regional training course on the theme "SDG indicators: Measuring decent work in the context of the SDGs" was held in Chiba, Japan, from 19 to 22 November 2018, attended by 15 countries and organized in collaboration with the UN Statistical Institute for Asia and the Pacific.

## 5.2. Sustainable economic growth, sustainable enterprises, innovation, and the informal economy

### 5.2.1. Facilitating the transition from the informal to the formal economy

- 233.** Informal workers and enterprises have a tendency to fall through the cracks of crisis policy response measures, which has been partly responsible for the reversal of poverty alleviation in developing countries in the region since the onset of the crisis (see also Part I, sections 2.2 and 3.1). Also, MSMEs employ the majority of the workforce in both the regions under review and are largely based in the informal economy.
- 234.** Recommendation No. 204 encourages countries to design coherent and integrated strategies to facilitate such transitions and to make, where appropriate, the formalization of employment a central goal of national employment policy frameworks. An independent evaluation of the ILO's strategy and actions towards formalization noted that: (a) resource limitations challenged the ILO's effectiveness in this area; (b) there was limited evidence of success in terms of the official adoption of laws and policies supporting formalization despite progress on generating awareness, capacity and knowledge; and (c) although tripartism and social dialogue were well integrated into the ILO's strategy and actions, greater attention was needed to ensure the direct engagement of representatives of the informal economy.<sup>126</sup>
- 235.** Several countries in the Asia and the Pacific and the Arab States regions have initiated programmes and policies to help accelerate the transition from informality to formality, particularly for MSMEs. Examples include the following.
- **Measures taken by governments to encourage the formalization of small-scale enterprises.** In India, a state-wide tripartite strategy on sustainable development of the natural stone industry was adopted by the state government of Rajasthan to pave the way for the formalization of the sector, which is dominated by informal and roadside work-sheds in peri-urban and rural settings. In Jordan, measures have been implemented to facilitate the access of Syrian refugees to formal employment, including increased access to flexible work permits and enhanced opportunities for skills training and skills certification through RPL. The regulatory framework to improve refugee access to formal decent work was revised in 2018, resulting in small enterprises, particularly home-based businesses run by Syrian women, being formalized.
  - **Studies and diagnostics to create a basis for accelerating the transition to formal economy and employment.** In Lebanon, an informality and vulnerability diagnostic was conducted to form the basis for a policy dialogue to support the design of a road map to promote formalization and address vulnerability. In Nepal, an informality diagnostic was conducted by a tripartite task force to analyse the extent, dynamics and causes of informality and make recommendations to facilitate the transition into the formal economy and reduce the negative aspects of informality. In Mongolia, an informal employment study was conducted to both: (a) identify challenges and opportunities faced by both workers and economic units in transitioning to the formal economy; and (b) make policy recommendations to support formalization and address the challenges and opportunities of those in informal employment in the context of pandemic recovery measures

<sup>126</sup> ILO, *Independent High-level Evaluation: ILO's Strategy and Actions towards the Formalization of the Informal Economy, 2014-2018*, 2019.

## 5.2.2. Promoting sustainable enterprises and entrepreneurship

**236.** Revitalizing productivity growth in the most vulnerable enterprises, namely MSMEs, which have suffered disproportionately during the crisis, is a vital aspect of the human-centred recovery (see Part I, section 3.3).

### ► Box 19. High-level evaluation highlights the importance of ILO's sustainable enterprises work

The *High-Level Evaluation of ILO's Strategy and Action for Promoting Sustainable Enterprises 2014-19* produced a number of conclusions that are relevant to this implementation overview. Key among these are the following.

- The ILO's work in promoting sustainable enterprises is of vital importance to the achievement of its overall decent work goals. Although this work is sometimes characterized as being more relevant to the priorities of employers, it has equal relevance for workers and warrants their more active engagement. Demand from Member States for this work is strong; it advances the situation of women and youth, and will form a vital part of the post-pandemic recovery.
- The work focuses on SME development and entrepreneurship training. There has been an expansion of the ILO's work promoting the productivity and working conditions of SMEs (primarily through the Sustainable, Competitive and Responsible Enterprise (SCORE) programme) and increased attention has been given to the enabling environment for sustainable enterprise (ESEE).
- Work in value chain development has evolved and more attention is being given to market systems development. Work in the area of social finance and in promoting the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) has also expanded (see section 5.2.3).

**237.** Important contributions were made to the promotion of sustainable enterprises during the COVID-19 crisis by the above-mentioned influential series of labour market diagnostics on jobs and enterprises conducted by the ILO in more than 18 Member States across the two regions under review. Over the longer duration of the Bali Declaration process, a set of tested and proven ILO business development tools served to advance country-level work on promoting entrepreneurship and SME development in several countries or areas (Bangladesh, Cambodia, China, India, Indonesia, the Lao People's Democratic Republic, Lebanon, Myanmar, the Philippines, the Occupied Palestinian Territory, Saudi Arabia, Solomon Islands, Timor-Leste Viet Nam and Yemen).<sup>127</sup>

**238.** Across the two regions, the sustainability of small enterprises and entrepreneurship were strengthened through ILO support to programmes of governments, businesses and other actors. Selected results in countries or areas include the following.

- In China, the Ministry of Emergency Management adapted and used SCORE to strengthen the operational capacity of national safety management for SMEs and foster training on innovation and business management for enhancing enterprise productivity.
- In the Lao People's Democratic Republic, the Lao National Chamber of Commerce and Industry established an SME service centre to support SMEs to improve business and financial planning

<sup>127</sup> Relevant ILO tools include the SCORE programme; the SYIB programme; the Know About Business programme; the ESEE methodology; the Community-Based Enterprise Development programme; the WISE tool; the Women Do Business programme; and the Women's Entrepreneurship Development programme.

to enable access to bank loans, using the “Lao People's Democratic Republic in Business” tool. Almost 20 per cent of trained enterprises had successfully accessed loans by mid-2021.

- In Indonesia, the Financial Service Authority implemented a programme to transform regional development banks and revitalize rural banks, enabling these institutions to improve services to the small economic units that constitute the great majority of the businesses in the country. A total of 10 private training providers in Indonesia, including the Business Export Development Organization (affiliated with the Indonesian Employers Association), 14 public provincial productivity centres (under the Ministry of Manpower) and 2 universities further scaled up the use of SCORE in 14 of Indonesia's 34 provinces. The new national productivity training standard adopted the ILO SCORE model in this area.
- In Iraq, business development services and financial literacy training courses were provided through the Start and Improve Your Business (SIYB) programme in an effort to promote decent work and support post-conflict reconstruction efforts.
- From 2017 to 2021, Myanmar's entrepreneurship and MSME support programme delivered entrepreneurship training to more than 29,600 entrepreneurs through a network of master trainers.
- In Lebanon, Lebanese and Syrian refugee youth were trained on entrepreneurship and start-up development using the Work Improvement in Small Enterprises (WISE) tool. Value chain actors in horticulture (input suppliers), in collaboration with a public credit guarantee institution adopted a new inclusive business model to enable smallholder farmers to upgrade to high-productivity greenhouse technologies.
- Women entrepreneurs in eight Palestinian refugee camps across Lebanon were supported to become commercially viable and sustainable as a social enterprise.
- In Jordan, the ILO developed the capacity of 12 trainers, who in turn trained Jordanian and Syrian refugee women on the Women Do Business programme.
- In Viet Nam, the Viet Nam Chamber of Commerce and Industry and sectoral business associations used SCORE to improve productivity and working conditions in SMEs, including Vietnamese suppliers to international companies such as Adidas and H&M.

### 5.2.3. Improving the application of international labour standards in global supply chains

- 239.** A vital component of efforts to improve overall compliance with international labour standards at domestic and international levels is the focus in the two regions under review on their application within global supply chains. This area has gained significant attention as a necessary condition for maximizing the positive contributions of participation in global supply chains (economic growth and job creation), while mitigating the negative aspects that could arise. A key global platform supporting the work of the ILO in this area is the MNE Declaration (see box 20).
- 240.** The ILO supported constituents and other stakeholders in policy, research, advocacy and direct programming initiatives to promote international labour standards in global supply chains across the two regions. Key areas of engagement included the following.
- **Facilitating dialogue between countries in which suppliers to global supply chains are located and major investor countries.** Due to the complexity of labour relations and the different actors involved in global supply chains, the ILO plays an important role in facilitating dialogue to lift the overall level of compliance with international labour standards. One example is Viet Nam, where such dialogue is facilitated as part of the implementation of a joint action plan involving the ILO's tripartite partners to strengthen the position of domestic enterprises

within the global electronics value chain.<sup>128</sup> The Viet Nam General Federation of Labour and the European Trade Union Confederation have also established a global labour platform/network to strengthen trade union capacities to monitor the implementation of the European Union–Viet Nam Free Trade Agreement and participate in the domestic advisory group to better protect workers' interests.

- **Improving the conditions and application of labour rights and OSH in coffee sector supply chains.** In Viet Nam, constituents designed and endorsed a joint action programme, which has helped to strengthen the nationwide enabling environment for safe and healthy working conditions; improve national legal and policy frameworks; and implement more effective prevention, protection and compensation mechanisms for women and men working in coffee supply chains. In the Lao People's Democratic Republic, the OSH awareness and good practice of smallholder farmers and workers was increased at plantation and processing levels, supported by a strengthened labour inspection system and the enhanced OSH capacities of the Lao Coffee Association. Following an active tripartite dialogue process, the Government of the Lao People's Democratic Republic committed itself to the ratification of Conventions Nos 155 and 187.
- **Putting the spotlight on the rights and position of informal workers with global supply chains.** The Sri Lanka Ministry of Labour and social partners validated gender-responsive diagnoses of home-based women workers and other informal economy workers in global supply chains and their linkages with subcontractors or MSEs in the informal economy. This provided an evidence base for ongoing advocacy in line with Convention No. 177 on the decent work deficits facing informal economy workers.

► **Box 20. The MNE Declaration provides a foundation for improving international labour standards in global supply chains**

The MNE Declaration provided an important reference for tripartite constituents with regard to improving labour rights and practices in global supply chains. The period 2020–2021 saw initiatives in some countries to promote the Declaration. In **Nepal** and **Pakistan**, tripartite constituents appointed national focal points to promote and support the MNE Declaration. In **Thailand**, the Ministry of Labour set up a tripartite and multi-stakeholder advisory committee on socially responsible business practices based on the MNE Declaration. **Viet Nam** increased the number of regular public dialogues on practices for corporate social responsibility (CSR) and social audit between actors in supply chains, in line with the MNE Declaration. These involved suppliers/ buyers, business interests, producers, trade unions and the Government, with a focus on SMEs in the seafood and wood-processing industries. A new project was also launched in Viet Nam to promote socially responsible practices and sustainable global supply chains in collaboration between the European Union, the ILO and the OECD in the context of the MNE Declaration, with a focus on the seafood and furniture industries.

See also ILO, *Report on the Promotion and Application of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy in Asia and the Pacific*, 17th Asia and the Pacific Regional Meeting, forthcoming.

<sup>128</sup> The Joint Action Plan in Viet Nam addresses the marginalization of Vietnamese enterprises (especially SMEs) in the global electronics value chain; the shortage of relevant skills in the local labour market; the lack of effective vocational and training institutions; inadequate working conditions, especially in SMEs; and the need for increased policy coherence and interministerial coordination.

► **Box 21. Promoting international labour standards in global supply chains in China**

Improving corporate social responsibility (CSR) and responsible business conduct (RBC) has been the focus of the ILO Responsible Supply Chains in Asia programme in China. In collaboration with China's Ministry of Human Resources and Social Security, the project has contributed to the development of a platform for dialogue and the strengthening of multi-stakeholder partnerships to promote CSR/RBC. Other participants include ILO social partners, sectoral associations, the private sector, CSR service providers, the EU Chamber of Commerce, universities and the OECD. A total of 1,516 participants and 401 companies were involved in the project's activities. The following key results were achieved through seminar dialogues, training, policy advocacy, outreach and publication activities:

- ILO constituents increased their knowledge, understanding and capacity in relation to CSR/RBC;
- advocacy materials on the labour dimension of CSR/RBC were published and disseminated;
- a total of 75 labour inspectors and 121 enterprises in textile and electronics sectors at provincial level have enhanced capacity in the application of international labour standards and national labour laws in global supply chains;
- future business leaders at university level enhanced their knowledge of international labour standards; and
- Chinese companies with overseas investment increased their understanding of international labour standards, especially the fundamental principles and rights at work.

- 241.** The major ILO programme linked to garment global supply chains – a sector that is one of the major formal employers of women across the two regions – is the Better Work programme. As a joint programme of the ILO and the International Finance Corporation, the Better Work programme brings together governments, employers, workers and unions, brands and retailers, as well as development partners in Bangladesh, Cambodia, Indonesia, Jordan, Pakistan and Viet Nam. It also conducts thematic programmes in Sri Lanka. Factory-level evidence gathered across all the activities in which it has engaged shows that the Better Work programme has had a significant and positive impact on working conditions. This includes reducing the prevalence of abusive workplace practices, increasing pay and reducing excessive working hours, and creating positive effects outside the factory for workers and their families. These effects have occurred while increasing the competitiveness of firms.
- 242.** Promoting and supporting social dialogue at tripartite and bipartite levels has been a key element in the success of the Better Work programme (see box 2). All Better Work activities have a particular focus on the engagement of women workers in COVID-19 pandemic-related and ongoing improvement efforts through means such as joint management/worker performance improvement consultative committees and the training of female supervisors.

## ► Annex 1: Overview of DWCPs, UNSDCFs and UNDAFs in the Asia and the Pacific and the Arab States regions

Subregion/country or area	Current DWCP	Previous DWCP	UNSDCF or related UN document
<b>Asia</b>			
Afghanistan	2018–22	2010–15	2018–21; Transitional Engagement Framework 2022
Bangladesh	2022–26	2006–10; 2012–15	2022–26
Cambodia	2019–23	2006–07; 2008–10; 2011–15; 2016–18	2019–23
China		2006–10; 2013–15; 2016–20	2016–20; 2021–25
India	2018–22	2007–12; 2013–17	2018–22
Indonesia	2020–25	2006–10; 2011–15	2021–25
Lao PDR	2022–26	2011–16	2017–21; 2022–26
Malaysia	2021–25	2019–20	2018–20; 2021–25
Maldives		2016–20	2016–20; 2022–26
Mongolia		2006–10; 2017–21	2017–21; 2023–27
Myanmar	2018–22		2018–22
Nepal	2018–22	2008–12; 2013–17	2018–22
Pakistan	2016–20, extended to 2022	2005–09; 2010–15	2018–22; 2023–27
Philippines	2020–24	None	2019–23
Singapore	Biennial Partnership Agreement	None	
Sri Lanka	2018–22	2008–12; 2013–17	2018–22; 2023–27
Thailand		2019–21	2017–21; 2022–26
Timor-Leste		2008–13; 2016–20	2015–19; 2021–25
Viet Nam		2012–16; 2017–21	2017–21; 2022–26
<b>Pacific</b>			
Cook Islands	2019–22	None	
Fiji		2010–12	
Kiribati		2009–12	
Marshall Islands		None	
Palau		None	
Samoa		2009–12; 2013–16; 2017–20	UN Pacific Strategy 2018–22
Solomon Islands		2009–12	
Tonga	2018–22	None	
Tuvalu		2010–12	
Vanuatu		2009–12; 2014–16	
Papua New Guinea	2018–22	2009–12; 2013–17	2018–22



Subregion/country or area	Current DWCP	Previous DWCP	UNSDCF or related UN document
<b>Arab States</b>			
Bahrain		2010–13	2021–22 extended to 2024
Iraq	2019–23	None	2015–19; 2020–24
Jordan	2018–22	2006–09; 2013–17	2018–22
Kuwait		2018–20	2019–23
Lebanon		2017–20	2017–20; 2023–25
Occupied Palestinian Territory	2018–22	2013–16	2018–22
Oman		2007–13; 2014–16; 2018–20	
Qatar		None	
Saudi Arabia		None	2022–26
Syrian Arab Republic		2008–10	2016–19; 2022–24
Yemen		2008–10	2017–19; 2022–24

## ► Annex 2: Ratifications of ILO Conventions by countries in the Asia and the Pacific and the Arab States regions, 2017–July 2022

Instrument	Country or area	Date
<b>Fundamental Conventions</b>		
C.87 – Freedom of Association and Protection of the Right to Organise Convention, 1948	Republic of Korea	20 Apr 2021
	Iraq	01 Jun 2018
C.98 – Right to Organise and Collective Bargaining Convention, 1949	Republic of Korea	20 Apr 2021
	Viet Nam	05 Jul 2019
C.105 – Abolition of Forced Labour Convention, 1957	Viet Nam	14 Jul 2020
C.111 – Discrimination (Employment and Occupation) Convention, 1958	Thailand	13 Jun 2017
C.138 – Minimum Age Convention, 1973	Bangladesh	22 Mar 2022
	Myanmar	08 Jun 2020
	Vanuatu	24 Jun 2019
	India	13 Jun 2017
C.182 – Worst Forms of Child Labour Convention, 1999	Tonga	04 Aug 2020
	Tuvalu	11 Jun 2019
	Marshall Islands	13 Mar 2019
	Palau	04 Mar 2019
	Cook Islands	15 Aug 2018
	India	13 Jun 2017
	P.29 – Protocol of 2014 to the Forced Labour Convention, 1930	Australia
Malaysia		21 Mar 2022
Bangladesh		20 Jan 2022
Saudi Arabia		26 May 2021
Republic of Korea		20 Apr 2021
New Zealand		13 Dec 2019
Sri Lanka		10 Apr 2019
C.155 – Occupational Safety and Health Convention, 1981	Thailand	04 Jun 2018
	Lao PDR	04 Jul 2022
	Singapore	11 Jun 2019
C.187 – Promotional Framework for Occupational Safety and Health Convention, 2006	Lao PDR	04 Jul 2022
	Philippines	17 Jun 2019
<b>Governance Conventions</b>		
C.81 – Labour Inspection Convention, 1947	Zero ratifications	
C.122 – Employment Policy Convention, 1964	Zero ratifications	
C.129 – Labour Inspection (Agriculture) Convention, 1969	Zero ratifications	
C.144 – Tripartite Consultation (International Labour Standards) Convention, 1976	Kiribati	26 Jun 2019
	Samoa	05 Dec 2018
	Cook Islands	15 Aug 2018

Instrument	Country or area	Date
<b>Other Conventions</b>		
C.88 – Employment Service Convention, 1948	Viet Nam	23 Jan 2019
C.95 – Protection of Wages Convention, 1949	Saudi Arabia	07 Dec 2020
C.120 – Hygiene (Commerce and Offices) Convention, 1964	Saudi Arabia	07 Dec 2020
C.151 – Labour Relations (Public Service) Convention, 1978	Philippines	10 Oct 2017
P.155 – Protocol of 2002 to the Occupational Safety and Health Convention, 1981	Fiji	25 Jun 2020
C.159 – Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983	Viet Nam	25 Mar 2019
C.167 – Safety and Health in Construction Convention, 1988	Mongolia	05 Nov 2020
C.184 – Safety and Health in Agriculture Convention, 2001	Iraq	21 May 2021
C.185 – Seafarers’ Identity Documents Convention (Revised), 2003, as amended	Iraq	21 May 2021
	Myanmar	16 Jan 2018
C.188 – Work in Fishing Convention, 2007	Thailand	30 Jan 2019
C.190 – Violence and Harassment Convention, 2019	Fiji	25 Jun 2020
MLC, 2006 – Maritime Labour Convention, 2006, as amended	Oman	29 Mar 2022
	Cook Islands	18 Dec 2019
	Jordan	08 Jan 2019
	Hong Kong, China	06 Aug 2018
	Lebanon	08 Mar 2018
	Indonesia	12 Jun 2017
	Sri Lanka	12 Jan 2017