











Recommendations for G20 Employment Working Group from Global Civil Society

March 23, 2017

Dear Members of the Employment Working Group:

As challenges to the current economic world order continue to mount across the world, it is imperative for G20 countries to demonstrate how globalization can work for all. The current global economy depends heavily on the use and functioning of global supply chains. However, in order for these supply chains to help further global economic and social development, they must be sustainable—meaning they adhere to fundamental labor, social, governance, and environmental standards. By taking concrete steps to drive responsibility and accountability within global supply chains, G20 countries will make important gains in relation to targets under the Agenda 2030 for Sustainable Development and will improve the lives of workers globally.

In 2016, the <u>Labor and Employment Ministerial Meeting (LEMM) Declaration</u> in Beijing committed to "improve the realization of labor rights, maintaining decent work and promoting sustainability in global supply chains through better application of labor standards and principles."

In order to follow through on these commitments, the Employment Working Group should further develop its priorities in relation to supporting responsible and transparent supply chain management, improving working conditions in global supply chains, and strengthening grievance mechanisms.

As such, the undersigned organizations strongly recommend that the Employment Working Group commit to the following actions in the LEMM Declaration:

Promoting Supply Chain Transparency/Due Diligence

- Implement the <u>UN Guiding Principles on Business and Human Rights</u>, and support efforts to create substantive National Action Plans on business and human rights;
- Commit to enacting national legislation aimed at making risk-based due diligence mandatory, so as to promote accountability in global supply chains;
- Ensure all G20 States adhere to the <u>OECD Guidelines for Multinational Enterprises</u> and promote the <u>OECD Due Diligence Guidance for the Responsible Supply Chains in the Garment and Footwear Sector</u> and the <u>OECD Due Diligence Guidance for Responsible Supply Chains from Conflict-Affected and High Risk Areas;</u>
- Strengthen G20 National Contact Points (NCPs) for the OECD Guidelines for Multinational Enterprises by ensuring NCPs are sufficiently resourced, committing to peer reviews, strengthening the Procedural Guidance that governs how NCPs handle complaints, and introducing material consequences for companies that are found to be non-compliant with the OECD Guidelines;
- Support the use of regulations and incentives (e.g. public procurement) to promote supply chain due diligence and public disclosure of supply chain information (i.e. names and locations of all sub-contractors, suppliers, and subsidiaries);
- Support the expansion of the G7 Vision Zero Fund to the G20;
- Promote the creation of non-financial reporting requirements for large public-interest entities, including information regarding human rights policies, practices, and impacts; social and employment aspects; environmental matters; and anticorruption and bribery issues.

Ensuring the Right to a Living Wage is Realized

- Promote the ratification by G20 States of <u>ILO Protection of Wages Convention No. 95</u> and ILO Minimum Wage Fixing Convention No. 131;
- Ensure a minimum living wage in all G20 countries, in accordance with the I<u>LO Minimum</u>
 <u>Wage Fixing Convention No. 131</u> and <u>ILO Minimum Wage Fixing Recommendation No. 135;</u>
- Support G20 States in regulating and incentivizing companies to ensure a living wage is paid throughout supply chains;
- Continue promoting the Sustainable Wage Policy Principles, established in the 2016 LEMM Declaration in Beijing.

In order for the G20 to achieve its "overall goal of strong, sustainable, balanced and inclusive growth," it is imperative that the private sector contribute to and enhance safe, decent, and

productive work; especially through adherence to fundamental labor, social, and environmental standards.

The undersigned organizations stand ready to advise the Employment Working Group and look forward to working together through the G20 and our respective governments to promote responsible business conduct throughout global supply chains.

Sincerely,

International Corporate Accountability Roundtable (ICAR)
Accountability Counsel
Human Rights International Corner
Institute for Human Rights and Business
Interfaith Center on Corporate Responsibility
OECD Watch
Oxfam International
Transparency International, Germany