## INTERNATIONAL LABOUR OFFICE



# **Governing Body**

GB.292/STM/6/2 292nd Session

Geneva, March 2005

**Committee on Sectoral and Technical Meetings and Related Issues** 

STN

SIXTH ITEM ON THE AGENDA

# Other questions

Proposals for a Tripartite Meeting on Promoting Fair Globalization in Textiles and Clothing in a Post-MFA Environment

#### **Background**

- 1. Since 1 January 2005, with the termination of the Agreement on Textiles and Clothing (ATC) and the phase-out of the Multifibre Agreement (MFA), the textiles and clothing (TC) sector is experiencing a global revolution. After 40 years of quota restrictions, the TC sector has been integrated into the General Agreement on Tariffs and Trade. This trade liberalization is creating huge uncertainty among producing countries, workers and enterprises worldwide. Forecasts about what will happen are conflicting, but it is clear that there will be considerable consolidation of production, both between countries and within countries. It is also clear that there will be those who profit and vulnerable groups who are at great risk. The resulting modifications of global TC production will affect millions of workers worldwide. Measures will be required to improve the competitiveness of TC enterprises, including through the promotion of decent work. Training, retraining and redeployment policies and programmes will be required as well as social and economic packages for displaced workers.
- 2. Dealing in a socially responsible way with these new circumstances, where international competition will be at its peak, requires the elaboration and implementation of integrated strategies from global to local level, which involve the national governments and social partners concerned. The ILO is in a key position to examine, discuss and facilitate the process in order to ensure a fair globalization in the TC sector.

#### **Proposal**

**3.** It is proposed to convene a three-day tripartite meeting (24-26 October 2005) to consider the impact of the end of the MFA. The meeting will be funded out of Sector 4's 2004-05 budget by redistributing priorities away from additional expenditure on action programmes and sectoral follow-up.

GB292-STM-6-2-2005-03-0174-1-En.doc

### Purpose of the meeting

**4.** The purpose of the meeting will be to review the immediate social and economic impact of the end of the MFA and the strategies that have been put in place or are being developed, including the role of social dialogue in the process, with a view to facilitating the elaboration of appropriate integrated strategies for promoting fair globalization in the TC sector worldwide.

# **Proposed participation**

- 5. Ten Government, ten Employer and ten Worker participants at the expense of the Office. Additional participation at no cost to the Office will be welcome. Given the need for coordinated national approaches in implementing programmes to adjust to the end of the MFA, tripartite national delegations (with workers and employers selected by their respective groups) should be encouraged to reinforce the outcome of the meeting and follow up at the national level. The meeting would benefit from the presence among the employer delegates of representatives from international brand names and major retailers.
- **6.** The following countries have been identified in view of the socio-economic importance of the TC sector and, in some cases, because of the existence of tripartite initiatives, developed with the support of the ILO, to deal with the post-MFA environment: Bangladesh, Cambodia, China, Dominican Republic, Haiti, India, Madagascar, Mexico, Morocco, Pakistan, Philippines, Romania, Sri Lanka, Tunisia, Turkey, Uganda, United Kingdom (or another country from the EU), United States, Viet Nam. The countries to be invited could be drawn from this list; alternative countries could also be selected.

# Output

- 7. The meeting will essentially be a "brainstorming" exercise aimed at elaborating an integrated strategy to address the social and labour implications of the phase-out of the MFA, with a view to reinforcing fair globalization in these sectors; improving productivity and competitiveness in the TC sector through the promotion of decent work; benchmarking in the TC sector; collection and dissemination of best practices, with particular reference to women workers, in the context of training and retraining but also in the context of restructuring and redeployment policies. Particular consideration will be given to the respective roles of the ILO, national governments, the TC industry in producing countries, the international brands and retailers and the consumers to promote fair globalization.
- **8.** The outcome of the discussions will be summarized in an oral presentation made by the Chairperson of the meeting and circulated in written form immediately at the end of the meeting.

#### Outcomes in relation to operational objectives

- **9.** The envisaged outcomes in relation to operational objectives are as follows:
  - 1(a) Fundamental principles and rights at work ILO member States give effect to the principles and rights concerning freedom of association and collective bargaining and the elimination of forced labour, child labour and discrimination in employment and occupation.

GB292-STM-6-2-2005-03-0174-1-En.doc

- **2(a)** Employment policy support ILO constituents are better equipped to analyse trends in national and global employment and labour markets, and to elaborate, advocate and implement effective strategies for the promotion of decent employment for men and women.
- **2(b)** *Knowledge*, *skills and employability* ILO constituents invest more in training and skills development to provide men and women improved and equal access to decent jobs.
- **3(b)** Labour protection ILO constituents target and take effective action to improve safety and health and conditions of employment.
- **4(a) Strengthened social partners** The representation, services and influence of the social partners are strengthened.
- **4(b)** Governments and institutions of social dialogue The legal frameworks, institutions and machinery and processes for social dialogue are strengthened and used.

*Gender equality* – ILO constituents take positive action to increase gender equality in the TC sector.

*An integrated approach to decent work* – Constituents in member States adopt and apply integrated economic and social policies that promote decent work.

10. The Committee on Sectoral and Technical Meetings and Related Issues may wish to recommend to the Governing Body that a Tripartite Meeting on Promoting Fair Globalization in Textiles and Clothing in a Post-MFA Environment be held during the second half of 2005.

Geneva, 11 March 2005.

Point for decision: Paragraph 10.

GB292-STM-6-2-2005-03-0174-1-En.doc 3