



# Global unions' Joint Communiqué

46th Annual Meeting of the Board of Governors – Asian Development Bank  
Delhi, India, 2-5 May 2013

2 May 2013

## Development through empowerment can only be achieved through decent work

Representing over 33 million workers throughout the Asia Pacific region we, the Global Unions, urge the Asian Development Bank and its member governments to answer our ongoing calls to protect and respect workers' rights by mainstreaming decent work in ADB policies and activities.

The "Development Through Empowerment theme of the Asian Development Bank 46<sup>th</sup> Annual Meeting of Board Governors" references the trade union movement's aim to engage the bank through meaningful social dialogue. However, we believe development through empowerment can only be achieved when stakeholders are given equal opportunity to be meaningfully involved in shaping the policies, planning, implementation and evaluation of ADB projects.

As responsible stake holders trade unions are concerned about the increasing trends of financial exclusion of marginalised populations. IFC estimates as at December 2012, 612 million adults do not have a bank account in South Asia. 59% of the Micro, Small Medium Enterprises [MSME] have no access to credit or overdraft facility in South Asia. Financial Empowerment of these groups should be considered as a priority and not leaving them at the mercy of market forces by policy makers. Some governments in the Asia Pacific region are considering increasing investment in infrastructure projects through issuing local currency bonds attractive to workers' pension funds in certain ADB projects. While acknowledging the importance of infrastructure development Workers are seriously concerned that any such investments must be transparent and not hurt workers in any way and deprive access to financial services for the marginalized section.

As the ADB report on the *Key Indicators for Asia and the Pacific 2011* noted, Asia has experienced impressive economic growth in recent decades, but the quality of jobs remains inadequate. The ILO's *Asia-Pacific Labour Market Update* from October 2012 adds that many people make their living in vulnerable and precarious forms of work, where incomes are low or unstable, and access to rights and benefits are very restricted, particularly in the informal sector and for migrant workers. Social protection coverage remains extremely limited, particularly for informal workers, the majority of whom are women and young people. Improving the skills of young people entering the labour force and formalizing informal employment would generate economic benefits, increase resilience in crisis, and reduce growing income inequality in the region.

Acknowledging the critical need for cooperation, the ADB and ILO released a joint statement in December 2012 reaffirming support for core labour standards, and agreed on the following:

- ADB and ILO will promote creation of decent work in developing Asia and the Pacific in order to reduce poverty and vulnerability.
- ADB and ILO will cooperate through active knowledge sharing, joint research and analysis, policy development, advocacy, and technical cooperation.
- ADB and ILO will focus cooperation on technical and vocational training, gender and the labour market, regional integration and employment, core labour standards, collection of employment data, country labor market diagnostics, and social protection systems.

- The ILO brings to this partnership its unique tripartite structure, which gives equal voice to workers, employers, and governments to ensure that the views of the social partners are closely reflected in labour standards and in shaping policies and programs.
- ADB and the ILO call for accelerated action to achieve the Millennium Development Goals by 2015.
- ADB and the ILO call upon the region to promote greater access to opportunities by expanding human capacities, especially for the disadvantaged, through investments in developing basic social protection floors and the social sectors.
- ADB and ILO also reaffirm their support for the internationally recognized core labour standards.

The global union federations believe that these steps outline a strong path forward and call upon the ADB and the constituent governments to:

- Ensure that the workers' pension funds are invested in a socially responsible way. Ensuring workers' hard-earned money does not serve neither to degrade public services through privatisation nor used for speculative profit engineering.
- Initiate policy framework to utilize workers savings cost effectively to increase financial inclusion of key economic players in the real economy resulting development through empowerment.
- Integrate labour issues, in pre-loan discussions and provide an active monitoring mechanism to apply internationally-recognised core labour standards during project operations.
- Work with the global unions to review the social protection strategies and to target much-needed investment in social sectors and basic public services such as health, education, sanitation and water.
- Ensure joint co-operation with the global unions in research and knowledge-sharing.
- Work with the global unions to ensure decent and secure working conditions in all ADB projects.

Development through empowerment is made meaningful by engaging in all phases of ADB projects with the workers who deliver the services to citizens. Quality public services, decent work, social dialogue are the foundation for just societies and economies, in this regard.

Global Unions are international trade union organisations working together with a shared commitment to the ideals and principles of the trade union movement. They share a common determination to organize, to defend human rights and labour standards everywhere, and to promote the growth of trade unions for the benefit of all working men and women and their families.” Website: <http://www.global-unions.org/>