## 2009 REPORT TO CONGRESS ON LABOR ISSUES AND THE INTERNATIONAL FINANCIAL INSTITUTIONS

UNITED STATES DEPARTMENT OF THE TREASURY

OFFICE OF THE UNDER SECRETARY FOR INTERNATIONAL AFFAIRS December 23, 2009

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## 2009 REPORT TO CONGRESS ON LABOR ISSUES AND THE INTERNATIONAL FINANCIAL INSTITUTIONS

#### **EXECUTIVE SUMMARY**

The Treasury Department presents this report in compliance with section 526(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Pub. L. No. 103-306), which directs Treasury to urge the establishment of a process within the International Financial Institutions (IFIs) to evaluate borrowing member countries' recognition of internationally recognized worker rights, and to include the status of such rights as an integral part of the IFIs' policy dialogue with each borrowing country. The Act requires that Treasury report annually to Congress on the IFIs' progress toward these two goals, as well as on efforts to establish formal procedures to screen projects and programs funded by the IFIs for any negative impact on internationally recognized worker rights.

The Treasury Department's strategy is to maintain the forward momentum in the IFIs' recognition of core labor standards<sup>1</sup> (CLS) as an important issue to be integrated into their development agenda. To this end, Treasury encourages enhanced cooperation among the IFIs and the International Labor Organization (ILO) to establish best practices on CLS policies, and monitors and takes appropriate action on individual lending and non-lending programs that come before the respective Boards of Directors for decision.

#### **Highlights of Recent Activities:**

- Over the 2007 to 2009 period, the IFIs have been working closely with the ILO with particular focus on the impact on workers and worker rights during the global financial crisis.
- Labor issues are an integral part of IFI due diligence for projects and country strategies. Operation manuals have been revised to clarify and expand the requirements with respect to CLS.
- MDBs now include CLS requirements in their standard bidding documents.

<sup>&</sup>lt;sup>1</sup> For the purposes of this report, the terms "internationally recognized workers' rights" and "core labor standards" are used interchangeably and refer to the International Labor Organization (ILO) Conventions 29, 87, 98, 100, 105, 111, 128, and 182.

## 2009 REPORT TO CONGRESS ON LABOR ISSUES AND THE INTERNATIONAL FINANCIAL INSTITUTIONS

#### I. INTRODUCTION

This report is presented in compliance with section 526(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Pub. L. No. 103-306) (hereinafter referred to as the Act).<sup>2</sup> The Act requires the Department of Treasury, in conjunction with the U.S. Executive Directors (USEDs) of the International Financial Institutions (IFIs), to urge the IFIs to: adopt policies encouraging borrowing countries to guarantee internationally recognized worker rights and include the status of such rights as an integral part of the policy dialogue with borrowing countries; use the relevant conventions of the International Labor Organization (ILO) in the development of these policies; and establish formal procedures to screen projects and programs for any negative impact in a borrowing country on internationally recognized worker rights. The Act requires that Treasury report annually to Congress on the IFIs' progress toward these goals, as well as the extent to which each borrowing country guarantees internationally recognized worker rights.

The objectives of this report are to: (a) outline the procedures that the Treasury Department follows to promote the systematic integration of internationally recognized worker rights into IFI operations and analytical work and (b) discuss developments in IFI policies and practices toward this end.

The report covers the period from October 1, 2007 through September 30, 2009.

#### Interpretation of the Legislation

The Act requires that Treasury urge the respective institutions to use the relevant ILO conventions on internationally recognized worker rights in developing their policies.<sup>3</sup> These conventions are: the right of association; the right to organize and bargain collectively; a prohibition on the use of any form of forced or compulsory labor; and certain minimum labor standards that take into account differences in development levels among nations, including a minimum age for the employment of children, acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

<sup>&</sup>lt;sup>2</sup> For the text of the law, see Appendix 1.

<sup>&</sup>lt;sup>3</sup> In the legislation mandating this report, the International Financial Institutions (IFIs) are defined as the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD - the World Bank Group), the Inter-American Development Bank Group (IDB), the Asian Development Bank Group (AsDB), and the African Development Bank Group (AfDB). The IMF is broadly responsible for macroeconomic policy recommendations and short-term balance of payments financing, while the multilateral development banks (MDBs) promote economic development through sector specific project and program loans and technical assistance. While not specifically identified in the legislation, the European Bank for Reconstruction and Development (EBRD) is also included as an IFI for purposes of this report.

The ILO's Declaration on Fundamental Principles and Rights at Work lists the standards covered by the ILO's conventions (see Appendix 2), usually referred to in the United States as core labor standards (CLS). This is the most widely recognized international definition of labor standards. These CLS have received widespread international recognition and have been used in multilateral discussions in such fora as the United Nations, the Organization for Economic Cooperation and Development (OECD), and the World Trade Organization (WTO). CLS include: the right of association; the right to organize and bargain collectively; a prohibition on the use of any form of compulsory or forced labor; nondiscrimination in employment; and the elimination of exploitative child labor.

In developing policies and engaging on labor issues at the IFIs, Treasury focuses primarily on CLS, but also includes those minimum labor standards specifically outlined in the legislation and other labor issues often associated with IFI programs. This report also includes information on efforts by the IFIs on social safety net issues, workplace health and safety, and certain other minimum standards related to labor.

The Act also requires a report on the extent to which each borrowing country guarantees internationally recognized worker rights. The State Department's *Country Reports on Human Rights Practices*, which is issued annually, fulfills this requirement. That report evaluates human rights and worker rights conditions in all countries receiving foreign assistance from the United States; in all countries that are members of the United Nations; and, in any other countries or territories that the Department of State considers merit inclusion in the report.

#### II. TREASURY DEPARTMENT POLICIES AND PRACTICES

At the heart of Treasury's strategy to promote the CLS is enhanced cooperation among the IFIs and the ILO. Treasury has been working with the IFIs to establish best practices on CLS while monitoring and taking appropriate action on individual lending and non-lending programs.

With regard to individual lending and non-lending programs, the Treasury Department has internal guidelines for engaging CLS issues at the MDBs and the International Monetary Fund (IMF). These guide the development of internal Treasury positions on CLS issues and inform U.S. Executive Directors (USEDs) for their interventions at the IFIs' Executive Board and staff levels.

Working with the respective USED office, the Treasury Department reviews all MDB loans and grants to ensure that proposed projects and programs incorporate CLS where appropriate. In addition, Treasury and the USED offices review all MDB Country Assistance Strategies (CASs) to ensure that CLS are addressed. IFIs use CASs as the primary documents to express the institutions' policy approach to individual borrowing member countries. In addition, the Treasury Department reviews IMF Article IV economic surveillance reports, program proposals, and program reviews, for consistency with core labor standards and related labor issues.

Trafficking in persons presents a serious labor issue. The "Victims of Trafficking and Violence Protection Act of 2000" requires the United States to vote against assistance to countries that do

not meet the minimum standards for elimination of trafficking in persons. "Severe forms of trafficking in persons" is defined as: "(a) sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or (b) the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery." Reducing trafficking in persons addresses the CLS relating to forced labor and child labor.

Countries subject to this voting instruction during the reporting period were Burma, Cuba, Eritrea (taken off in 2009), Iran, North Korea and Syria. Between September 1, 2008 and September 30, 2009, the United States voted no on the two IFI projects that targeted these countries: in September 2008, the United States voted no on an IFC microfinance project in Syria, and in June 2008, the United States voted no on an IDA additional financing proposal for a power distribution and rural electrification project in Eritrea.

Treasury will continue to emphasize the importance of CLS in its reviews of country strategies, programs and projects. Treasury will make a special point of doing so at the AfDB, where efforts and progress in recent years on these important issues lags behind that of its peers.

#### III. IFI POLICIES AND PRACTICES

Each international financial institution's cooperation with the ILO, as well as details on actions being taken to incorporate CLS into that IFI's policies and programs are described below:

#### A. World Bank Group

The World Bank screens development policies and operations for issues relating to CLS during the project development phase. The World Bank Group's private sector lending arm, the International Financial Corporation (the IFC), adopted during the report period a new set of project preparation standards that included a labor performance standard that requires IFC's private sector clients to comply with all core labor standards and certain other workplace practices.

The Bank regularly engages with the ILO. For example, the World Bank holds quarterly meetings with ILO technical staff to share relevant research findings in the area of employment, growth, and poverty reduction. The World Bank and the ILO jointly host annual seminar series on these issues with a number of development agencies. The World Bank Group has participated in the following specific initiatives with the ILO:

• "The Better Work" program. This program is an IFC advisory service offered in conjunction with the ILO to improve labor standards in global supply chains. Active since 2007, the first phase of the program aims to provide advisory services in at least 800 factories and to directly improve the lives of up to 1.2 million people. In 2009, the IFC and ILF renewed their commitment to the partnership for the next phase of the program until 2012. Better Work Vietnam and Better Work Jordan are now delivering services in apparel factories and Better Work Haiti has begun adaptation of the program's

- tools to the local context. The program plans to identify new industries for engagement going forward.
- Understanding Children's Work. This joint effort between the World Bank, ILO and UNICEF has developed innovative technical tools to measure, monitor and analyze child labor. It has become the preeminent source for data and data collection methodologies on child labor in the world as well as for use in operational research.
- The World Bank's private sector lending arm, the International Finance Corporation (IFC), hired a 4<sup>th</sup> labor specialist in 2008. The four labor specialists review all IFC projects categorized as A, B or FI, flag labor issues, and in some cases, conduct labor audits.
- In April 2009, IFC convened the third meeting of the Labor Advisory Group, an external multi-stakeholder group that provides policy advice in the labor area.

#### Textbox 1: Reforming the World Bank Group's "Doing Business" Report

The Supplemental Appropriations Act, 2009, Public Law 111-32 was signed into law on June 24, 2009. The section outlines goals related to the treatment of labor costs and rigidities as measured in the World Bank Group's Doing Business Report. These rigidities were seen as being biased against internationally recognized workers' rights and inconsistent with ILO Conventions.

In response to concerns raised, the World Bank has made changes to the Employing Workers' Index (EWI) of the report to assure that countries are credited for strong policies such as having a minimum wage, provisions for fixed term workers and standards for severance payments and mandatory rest days, night work and holidays.

The World Bank included in its 2009 Doing Business Report a list of countries that have ratified the eight Core Labor Standards. In addition, in 2009, the World Bank agreed to remove the EWI from its Country Policy and Institutional Assessment (CPIA) and issued a guidance note to staff clarifying that the EWI does not represent World Bank policy and should not be used as a basis for policy advice or in any country strategy or program document.

In October 2009, the World Bank convened a working advisory group on future revisions to the EWI, including the establishment of a new worker protection indicator, an examination of the Paying Taxes Indicator, and a pilot Child Labor Protection Indicator. Group representatives included the ILO, the international standard-setting body, trade unions, business, academics and legal experts. Since October 2009, the group met via conference call in November 2009, is scheduled to meet in person in January 2010, and to issue its recommendations by the summer of 2010.

In addition to its ongoing relationship with the ILO, the World Bank Group has regular interactions with labor unions - global, national and sectoral. Recently, the World Bank and IMF hosted a high level meeting with the International Trade Union Movement (ITUC/Global

Unions) in January 2009 in Washington, DC. The meeting addressed a number of subjects of mutual interest in the context of the global financial crisis, including policy coherence on decent work conditions, climate change and labor standards.

#### B. Asian Development Bank

The Regional and Sustainable Development Department is the institutional focal point in the AsDB dealing with labor issues. In addition, Social Development Specialists are housed in the regional departments to ensure that CLS are addressed in project design, implementation, and monitoring. AsDB addresses labor issues, including CLS, in projects as part of the social analysis required for loan projects.

The AsDB continues to build upon its formal relationship with the ILO and to enhance its strategic alliances to avoid duplication of efforts and further coordination of development interventions:

- In 2009, the AsDB held two technical working group meetings (February 20 and May 29, 2009) to discuss steps towards enhancing the implementation of the agency's Memorandum of Understanding with the International Labor Organization (ILO). The meetings concluded in the signing of a matrix of collaboration between the AsDB and ILO for the 2009 -2010 period.
- In May 2009, a joint publication of the AsDB and ILO entitled *Interacting with Workers'* Organizations: A Primer for AsDB Staff was released.

AsDB holds regular dialogue with the Public Services International on matters related to the CLS. On May 27, 2009, AsDB conducted the first unified dialogue with workers' organizations, including the International Trade Union Confederation and Global Union Federations. The dialogue focused on the global economic crisis and its impact on workers, flexible labor market policies and decent work, and the policies and practices of donor-funded projects on labor.

In June 2009, the AsDB's released its Safeguard Policy Statement, which outlines the safeguard requirements for borrowers and clients. The Policy requires that occupational health and safety of workers be incorporated in projects "taking into account risks inherent to the particular sector and specific classes of hazards." Moreover, the AsDB does not invest in operations whose "production or activities involve harmful or exploitative forms of forced labor or child labor" (Appendix 5 of the AsDB's Prohibited Investment Activities list).

At each of the 40<sup>th</sup>, 41<sup>st</sup> and 42<sup>nd</sup> AsDB annual meetings (2007-2009), labor unions with the support of the Regional and Sustainable Development Department organized panel discussions on the application of core labor standards (CLS) in AsDB's operation and other labor-related issues.

AsDB regularly interacts with a broad range of NGOs and other civil society organizations (CSOs), including groups representing workers. These CSOs promote the integration of CLS in all loans and projects funded by AsDB and campaign to improve the accountability of IFIs to ensure the protection of displaced workers.

#### Textbox 2: India - Mainstreaming CLS into AsDB Project

In 2008, the AsDB approved a loan for India on the Assam Governance and Public Resource Management Sector Development Program (Subprogram II). One of the program's targets is to undertaken further public sector enterprise (PSE) closures and related compensation and labor rehabilitation. In this respect, the project is assisting the government of Assam in setting up a taskforce whose mandate will include the complete voluntary retirement scheme compensation disbursement for employees of PSEs notified for closure and the retaining of employees of PSEs notified for closure (including public dissemination of training opportunities). It is too early to determine the results and impact of this engagement; however, it is anticipated that in the interim reporting for this project, it will be able to demonstrate measurable impact.

#### C. Inter-American Development Bank

In January 2009, the IDB created a new unit to deal with labor market and employment issues related to CLS. This new unit responds to the priority identified in the IDB's New Operation Framework (NOF GN-2494) to promote social policy with equity and productivity. The unit will also address other important shortcomings of the region's labor markets cited in the Framework, such as high unemployment, high share of low productivity jobs, high rates of informality which imply low coverage of old age pensions, health insurance, insurance against disability, work and life risks, as well as declining, but still significant, rates of child labor in many countries.

During its first year the unit has strengthened its capacity to perform knowledge and sector work, and prepare and execute labor market related operations addressing the root causes of labor market and social insurance/social security problems in the region.

At this point, the Unit is building a strong portfolio of financial and non-financial products with the objective of improving the design, effectiveness, and impact of member countries' institutions, policies and programs. The Unit is executing eight project loans and plans to approve three more in collaboration with the IDB's Education Department and the Social Protection and Health Department by year-end 2009. The projects cover workers' training and labor market insertion - particularly of disadvantaged youth; labor market intermediation; employment loss prevention (during the financial crisis); and social insurance and migration.

The IDB's external relations department has led a region-wide campaign, with the support of the Ricky Martin Foundation, to combat human trafficking. Concurrently, the Bank is supporting a region-wide project working with regional governments to improve detection and develop regional solutions to trafficking.

## Textbox 3: Mexico – The IDB Addressing the Impact of the Global Financial Crisis and H1N1 influenza on Employment.

This past year, the IDB has been helping countries cope with the employment losses, especially in the tourism sector, associated with the global financial crisis and exacerbated by the outbreak of the H1N1 influenza. In Mexico, IDB has provided a loan for a program which supports employment, helps protect the incomes of the unemployed while searching for jobs, and promotes rapid reinsertion of workers into new jobs. The program also funds the expansion of coverage and the institutional strengthening of labor intermediation systems providing information to the unemployed workers seeking jobs and to firms seeking to fill vacancies. Finally, the program has a very innovative component that seeks to protect workers who are in danger of losing their jobs before the job losses arise. This component has been particularly relevant in the context of the temporary but devastating effects caused by the outbreak of the H1N1 influenza on the tourism sector.

#### D. African Development Bank Group

Since Treasury's last report to Congress, the African Development Bank has made progress in incorporating CLS in its policies and operations, but these efforts still lag those of the other IFIs.

The Bank has established a Poverty Reduction and Social Protection Division (OSHD1) under the Human Development Department to support targeted pro-poor growth and social protection investments and carry out more evidence-based analytical work in social protection issues (including labor issues). The Division is currently in the process of formulating an Operational Strategy for its social protection interventions.

OSHD1 is planning to undertake specific Labor Market studies in the Middle Income Countries and Fragile States. They will provide the Bank with information that will help it develop effective investments to address changing labor market conditions and boost local employment, industrial development and economic growth in these countries.

- In January 2009, the Bank contracted the ILO to implement the Capacity Development component of the Liberia Labor-Based Public Works Project. Labor issues, especially Core Labor Standards will be part of the ILO training for local contractors and communities.
- In 2009, the Bank cooperated in producing economic and sector work analyses on returns to education and skills in Malawi. The background paper ("Education and Employment in Malawi") will be published in AfDB Development Research Department's working papers series. The AfDB Southern Africa Regional Department has finalized a report for the government of Malawi ("Skills for Private Sector Development").
- The Bank's Southern Africa Department is working on a paper on the effects of the financial crisis on employment in South Africa, and on the insurance role played by human capital

("The Effectiveness of Human Capital as Employment Insurance: South Africa in the 2008 - 2009 Crisis").

#### E. European Bank for Reconstruction and Development

The EBRD continues to mainstream CLS issues into its policies and operations. The EBRD requires projects it finances to meet applicable provisions of the relevant ILO conventions, as well as all applicable national laws and standards on employment. If necessary, the Bank requires the project sponsor to undertake specific actions to meet these requirements and to report periodically on implementation.

- Labor has been a critical issue at the EBRD this year with the global economic crisis resulting in a significant number of projects with workforce downsizing. The Environment and Sustainability Department (ESD) has been heavily engaged in the review of retrenchment plans and providing guidance to clients.
- EBRD board of directors approved a new Environmental and Social Policy, which was developed in part based upon EBRD consultations with the ILO, employers' organizations and trade unions. The Policy includes performance requirements for labor and working conditions. The Policy supports initiatives of organizations such as the ILO and EU with regard to labor standards. The Policy also promotes good human resources and OHS management and requires clients to achieve and maintain compliance with national labor laws, ILO core labor standards and any collective agreements.

The EBRD maintains a constructive relationship with the ILO. Economic and Social Department (ESD) consulted with the ILO in the development of its labor due diligence procedures, and to ensure that the EBRD's approach had the support of this key stakeholder. EBRD research undertaken in 2007-2008 jointly with the ILO Special Action Program Forced Labor will result in the 2009 publication of "Preventing forced labor exploitation and promoting good labor practices in the Russian Construction Industry."

Finally, during 2008 to 2009, the EBRD has expanded and updated its Environmental and Sustainability Department's "labor toolkit" for project appraisal and monitoring to cover all aspects of the 2008 Environmental and Social Policy's 10 Performance Requirements.

#### F. International Monetary Fund

The IMF and the ILO management and staff have intensified interactions with the ILO in the context of the global response to the financial crisis on issues such as employment creation, wage policy, and social protection mechanisms, and the implications of globalization. The IMF has also deepened its regular exchange of views with international labor unions on issues such as employment and social protection. IMF and ILO collaboration and interaction take place through several channels. The two institutions exchange drafts of reports of relevance for comment, such as the IMF's World Economic Outlook and the ILO's annual report.

In addition, the ILO meets with senior management and Board members of the Fund every two years to further enhance collaboration. The ILO regularly sends observers to spring and fall meetings of the International Monetary and Financial Committee (IMFC). There are also periodic interactions of the managements and staffs of the two institutions, including meetings and participation in major conferences.

Recently, the World Bank and IMF hosted high level meeting with the International Trade Union Movement (ITUC/Global Unions) in January 2009 in Washington, DC. The goal of the meeting was to address a number of subjects of mutual interest in the context of the global financial crisis including policy coherence on decent work, climate change and labor standards.

During the period October 2007 to September 2009, the IMF has undertaken numerous studies on labor issues as presented in Appendix 3.

#### **APPENDIX 1: Text of Law**

#### P.L. 103-306, SECTION 526 (e)

Section 526 (e) of P.L. 103-306, the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995, passed on August 23, 1994, as amended, states:

- (a) The Secretary of the Treasury shall direct the United States Executive Directors of the international financial institutions (as defined in Section 1701(c)(2) [of the International Financial Institutions Act]) to use the voice and vote of the United States to urge the respective institution:
  - (1) to adopt policies to encourage borrowing countries to guarantee internationally recognized worker rights (within the meaning of Section 507(4) of the Trade Act of 1974) and to include the status of such rights as an integral part of the institution's policy dialogue with each borrowing country;
  - (2) in developing the policies referred to in paragraph (1), to use the relevant conventions of the International Labor Organization, which have set forth, among other things, the right of association, the right to organize and bargain collectively, a prohibition on the use of any form of forced or compulsory labor, and certain minimum labor standards that take into account differences in development levels among nations including a minimum age for the employment of children, acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health; and
  - (3) to establish formal procedures to screen projects and programs funded by the institution for any negative impact in a borrowing country on the rights referred to in paragraph (1).
- (b) The Secretary of the Treasury shall submit to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate by the end of each fiscal year a report on the extent to which each borrowing country guarantees internationally recognized worker rights to its labor force and/or progress toward achieving each of the goals described in subsection (a) of this section.

#### **APPENDIX 2: The Core Labor Standards**

The internationally recognized core labor standards and their corresponding ILO conventions are:

- Freedom of Association (ILO Convention 87) The right, freely exercised, of workers and employers, without distinction, to organize for furthering and defending their interests.
- Right to Organize and Collective Bargaining (ILO Convention 98) Protection for workers who are exercising the right to organize; non-interference between workers' and employers' organizations; promotion of voluntary collective bargaining.
- Forced Labor (ILO Conventions 29 and 105) Suppression of forced labor for certain purposes (political coercion; labor mobilization for economic development; labor discipline; punishment for participating in strikes); prison labor permitted under state supervision and in accordance with due process of law.
- Minimum Age (ILO Conventions 138 and 182) Minimum age for employment not less than the age of completion of compulsory education (normally not less than 15 years). Convention 182, the Worst Forms of Child Labor Convention, was adopted at the ILO's General Conference in 1999 went into effect in November 1999. This convention prohibits the employment of children in especially abusive situations such as prostitution, pornography, armed conflict, and bonded labor.
- Equality of Opportunity and Treatment (ILO Conventions 100 and 111) Equal remuneration for men and women for work of equal value and equality of opportunity and treatment in respect of employment and occupation.

The are <u>five</u> core labor standards. Freedom of association and the right to organize and bargain collectively are sometimes combined under one rubric for a total of <u>four</u>, most recently in the ILO's <u>Declaration on Fundamental Principles and Rights at Work</u>. Note also that there are <u>seven</u> ILO conventions that are relevant. Freedom of association (Convention 87) has been interpreted to mean the right of all citizens to associate in defense of their rights, free from government interference. Convention 98 (right to organize and bargain collectively) obligates the government parties to protect workers from reprisal by employers and to promote collective bargaining. As workers associate for the purpose of collective bargaining with their employers, the two are often combined.

#### APPENDIX 3: Indicative Listing of IFI Labor Research & Publications

#### The World Bank

<u>Labor Regulations in Developing Countries: A Review of the Evidence and Directions for Future Research</u>

Social Protection Discussion Paper No. 0833; Publication Date: 10/08 by Tito Boeri, Brooke Helppie and Mario Macis

Are All Labor Regulations Equal? Assessing the Effects of Job Security, Labor Dispute and Contract Labor Laws in India

Social Protection Dispute and October 19 Processing Proc

Social Protection Discussion Paper No. 0713; Publication Date: 06/07 by Ahmad Ahsan and Carmen Pagés

Trade Union Participation in the PRSP Process

Social Protection Discussion Paper No. 0417; Publication Date: 08/04 by Lawrence Egulu

<u>Labor Market Regulation: International Experience in Promoting Employment and Social</u>
Protection

Social Protection Discussion Paper No. 0128; Publication Date: 11/01 by Gordon Betcherman, Amy Luinstra and Makoto Ogawa

#### The Asian Development Bank

ADB (in collaboration with the International Labour Organization). <u>Interacting with Workers' Organization: A Primer for ADB Staff</u>. April 2009.

Hong Gao, Ming Lu. When Globalization Meets Urbanization: Labor Market Reform, Income Inequality, and Economic Growth in the People's Republic of China. November 2009. ADBI Working Paper Series No. 162.

- S. Cuevas, C. Mina, M. Barcenas, and A. Rosario. <u>Informal Employment in Indonesia</u>. ERD Working Paper Series No. 156. April 2009.
- D. Maligalig, S. Cuevas, and A. Rosario. <u>Informal Employment in Bangladesh</u>. ERD Working Paper Series No. 155. April 2009.
- R. Hasan and K. Jandoc. <u>Quality of Jobs in the Philippines: Comparing Self-Employment with Wage Employment</u>. ERD Working Paper Series No. 148. March 2009.

#### The Inter-American Development Bank

<u>Job Creation in Latin America and the Caribbean: Recent Trends and Challenges</u>. (C. Pages, G. Pierre and S. Scarpetta

Social and Labor Market Policies for Tumultuous Times. Confronting the Global Crisis in Latin America and the Caribbean. Suzanne Duryea, Jacqueline Mazza and Ferdinando Regalia

Good Intentions, Bad Outcomes: Social Policy, Informality, and Economic Growth in Mexico. Santiago Levy Algazi

Outsiders? The Changing Patterns of Exclusion in Latin America and the Caribbean. Gustavo Marquez, Alberto Chong, Suzanne Duryea, Jacqueline Mazza, Hugo Nopo.

Core Labor Standards and Foreign Direct Investment: Does Lax Enforcement Attract Investors? In Foreign Investment, Harrison G. Blaine, editor. Nova Science Publisher, New York, forthcoming 2009. Christian Daude, Jacqueline Mazza and Andrew Morrison.

Y. Niimi, C. Ozden, and M. Schiff. <u>Remittances and the Brain Drain: Skilled Migrants Do Remit Less!</u>. ERD Working Paper Series No. 126. October 2008.

#### The African Development Bank

Labor Market Dynamics in Tunisia: the Issue of Youth Employment. 2008

Education and Employment in Malawi. 2009

<u>The Effectiveness of Human Capital as Employment Insurance: South Africa in the 2008 - 2009 Crisis</u>. To be published in 2010.

#### The European Bank for Reconstruction and Development

Nov 2008: Publication of EBRD Good Practice note: "Family Friendly Working and the Worklife Balance"

August 2009: Joint IFC/EBRD Publication: "Worker Accommodation – Processes and Standards. - A guidance note by IFC and the EBRD."

2007/08: <u>'Preventing forced labour exploitation and promoting good labour practices' in the Russian Construction Industry</u>. Joint feasibility study with ILO Special Action Programme Forced Labour (to be published by ILO in 2009)

#### **International Monetary Fund**

Social Security Reforms in Colombia: Striking Demographic and Fiscal Balances. Clavijo, Sergio, Working Paper No. 09/58. March 1, 2009

The Impact of Introducing a Minimum Wage on Business Cycle Volatility: A Structural Analysis for Hong Kong SAR. Porter, Nathaniel John; Vitek, Francis, Working Paper No. 08/285. December 1, 2008

Household Income As A Determinant of Child Labor and School Enrollment in Brazil: Evidence From A Social Security Reform. Carvalho Filho, Irineu E., Working Paper No. 08/24. October 1, 2008

How has the Globalization of Labor Affected the Labor Income Share in Advanced Countries? Jaumotte, Florence; Tytell, Irina, Working Paper No. 07/298. December 1, 2008

## ASSISTANT SECRETARY

#### DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

December 23, 2009

The Honorable Barney Frank Chairman Committee on Financial Services United States House of Representatives Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed is a report describing the efforts of the international financial institutions in fiscal years 2008-2009 in the area of adopting and enforcing internationally recognized workers rights. It is submitted to Congress in compliance with Section 526(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Pub. L. No. 103-306).

If you have any further questions or comments please do not hesitate to contact me, and I will do my best to address any concerns you may have.

Sincerely,

Kım N. Wallace

Assistant Secretary for Legislative Affairs

n. Wallace



### DEPARTMENT OF THE TREASURY WASHINGTON, D.C. 20220

December 23, 2009

The Honorable Spencer Bachus Ranking Member Committee on Financial Services United States House of Representatives Washington, D.C. 20515

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Sincerely,

Kim N. Wallace

Assistant Secretary for Legislative Affairs

Dan M. Uhllaan



### DEPARTMENT OF THE TREASURY WASHINGTON, D.C. 20220

December 23, 2009

The Honorable John Kerry Chairman Committee on Foreign Relations United States Senate Washington, D.C. 20510

Dear Mr. Chairman:

Enclosed is a report describing the efforts of the international financial institutions in fiscal years 2008-2009 in the area of adopting and enforcing internationally recognized workers rights. It is submitted to Congress in compliance with Section 526(e) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Pub. L. No. 103-306).

If you have any further questions or comments please do not hesitate to contact me, and I will do my best to address any concerns you may have.

Sincerely,

Kim N. Wallace

Assistant Secretary for Legislative Affairs

in N. Wallan

# ASSISTANT SECRETARY

#### DEPARTMENT OF THE TREASURY

WASHINGTON, D.C. 20220

December 23, 2009

The Honorable Richard Lugar Ranking Member Committee on Foreign Relations United States Senate Washington, D.C. 20510

Dear Senator Lugar:

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