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GLOBAL BUSINESS NETWORK FOR SOCIAL PROTECTION FLOORS

Fourth Annual Meeting 23rd October 2018
Meeting Report

Multi-stakeholder partnership for **SDG 1.3**



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1919-2019
SOCIAL JUSTICE
DECENT WORK



ILO Flagship
Programmes

The fourth annual meeting of the ILO's Global Business Network for Social Protection Floors (GBN) was held at the International Labour Organization's (ILO) headquarters in Geneva on 23 October 2018, bringing together over 40 representatives of multinational enterprises and employers' organizations and social protection experts.

The meeting was opened by the ILO's Director-General, Mr Guy Ryder, who posed the urgent question: What are the costs of not investing in social protection? In other words: What are the costs of comfortable inaction? Mr Ryder pointed out that a lack of social protection systems translates into missed opportunities for businesses and greater poverty and inequalities for countries and communities at large.

Mr Ryder has encouraged the private sector to join the call for action on social protection and use the Network as a platform to shape concrete initiatives to advance decent work around the world. Implementing global corporate social protection guarantees in line with ILO standards, supporting employers' organizations in developing their positions on social protection, contributing to the ILO's country projects and popularizing the cause among business stakeholders and customers are all pivotal steps to support Sustainable Development Goal (SDG) target 1.3* on social protection.

Mr Guido Ricci, Director of the Labour Unit of the Coordination Committee of Agriculture, Business, Industry and Financial Associations of Guatemala (CACIF), the representative of the International Organization of Employers (IOE), highlighted that it is always very insightful and fruitful for the ILO to meet with the private sector. He reiterated that the business case for social protection is clear and that the Network is invaluable to spread the word among the business community and efficiently advocate for improved social protection conditions.

Finally, Ms Isabel Ortiz, Director of the ILO's Social Protection Department, gave an overview on trends in social protection systems, including floors. The ILO's flagship World Social Protection Report 2017-2019 shows that massive efforts are still needed to ensure that the right to social security becomes a reality for all. Despite significant progress in the extension of social protection in many parts of the world, only 45 per cent of the global population is effectively covered by at least one social protection benefit. Joint actions among all stakeholders, including the private sector, are necessary to strengthen national social protection systems and increase the coverage of public pensions, health care, family allowances, unemployment, maternity benefits and other programmes.



Guy Ryder
Director-General,
ILO



Guido Ricci
Director,
Labour Unit
CACIF



Isabel Ortiz
Director,
Social
Protection
Department,
ILO

*SDG 1.3: implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable

SESSION ONE: Support the development of corporate social protection guarantees in line with ILO standards

During session 1, Network members discussed the development of corporate policies in different areas of social protection, in particular the support required from peers and the ILO to make these programmes efficient and affordable.

Ms Aurélie Stephan of **Legrand** provided an update on its Take Care corporate benefits programme, which guarantees the provision of minimum-level benefits for all employees. The company is currently focusing on supporting countries through the roll-out of the programme and amplifying its communication efforts, such as by introducing a movie about the added value and advantages of the programme.

Ms Stephan mentioned that while initially the maternity protection policy was an issue for the United States subsidiary, it is now seen as a showpiece that attracts new talent and sets Legrand apart from their peers that do not provide similar levels of social protection for their employees.

Ms Bilyana Georgieva-Veova of **Nestlé** introduced three corporate social protection programmes, including a global maternity programme, an equal pay initiative and a health framework programme.

The maternity benefits programme, that grants 14 weeks of paid leave to the primary caregiver, is set to be fully rolled out in all 179 countries of operations by the end of 2018. Nestlé's living wage initiative, aims to define minimum wages in each country that would contribute to better social protection benefits, such as pensions. Finally, the main objective of the health framework programme is to support employees in making healthier lifestyle choices through education and early screening initiatives such as "Know your numbers", which enables risk assessment, consultations with health professionals and development of individual action plans.

Ms Georgieva-Veova explained that while Nestlé has faced some challenges in implementing the programmes in such countries as the United States and China, global social protection initiatives are now viewed by management as the biggest competitive advantage to attract employees and retain talents.

Ms Adele Badaracco of **ENI**, Ms Christine Le Louarn of **Kering** and Mr Hugues de Beaugrenier from **L'Oréal** highlighted the successes of ongoing initiatives on social protection, such as L'Oréal's Share and Care programme launched in 2015 and ENI and Kering's global maternity policy programmes, which are both in line with ILO standards and include provisions for paternity leave.

Ms Badaracco also introduced a new Smart Working Programme that

Session moderator:



Adam Greene
Sr. Advisor.
Bureau of
Employers'
Activities.
ILO



Aurélie Stephan
Benefits and
International
Mobility Manager.
Legrand



**Bilyana
Georgieva-
Veova**
Group Employee
Relations
Manager.
Nestlé.

encourages parents to work outside their usual company worksite for two days per week. The initiation of this novel policy has contributed to a cultural change, with more fathers rather than mothers signing up for the programme.

Ms Badaracco and others stressed that multinational companies look to the ILO to further lead the way in setting standards and provide recommendations for the provision of social protection benefits that go beyond maternity policy programmes. Global enterprises are also looking for support in country profiling and benchmarking of national legislation to international norms, as well as in providing overviews of actual access to services.

Mr Philippe Loubeau of the French manufacturer **Saint-Gobain** and Ms Fanny Leroy of the construction company **Vinci** shared their plans to develop corporate social protection programmes in the coming years. Both companies are currently conducting mapping exercises to evaluate the level of benefits in each country of operation and subsidiary. With highly decentralized structures, Saint-Gobain and Vinci face similar challenges of how to evaluate the level of provision for benefits such as health and life insurance.

COMMITMENTS



1. Expand the good practices **guide** for companies to develop corporate social protection programmes using ILO internal social security standards



2. Conduct **two** webinars on topics relevant to corporate social protection guarantees, e.g. maternity, paternity and parental policies



Adele Badaracco
Project Manager,
ENI Foundation & Health Department,
ENI



Hugues de Beaugrenier
Social Relations Director,
L'Oréal



Philippe Loubeau
Industrial Relations Manager,
Saint-Gobain



Fanny Leroy
Social Innovation Manager,
Vinci



Christine Le Louarn
Industrial Relations Manager,
Kering

SESSION TWO: Document the results and impact of social protection - building the business case

Session 2 focused on building the business case for social protection, which will provide an essential foundation for the expansion of social protection worldwide.

The moderator pointed out that developing the link between access to social protection and employee performance through evidence-based research will strengthen the case for corporate global benefit programmes and for national ministries of finance to invest in social reforms.

Professor Qinfu Zhu began by presenting the initial findings of a joint study by **Sanya University** and the ILO on social protection in the Chinese tourism sector, focusing on whether social insurance coverage has a causal relationship with business performance.

Data was gathered from a combination of questionnaires and in-depth interviews, including three separate questionnaires for managers of hotels and private or publicly-managed tourist destinations and their respective employees. Initial results showed a weak positive

correlation between social insurance and corporate performance; however, further analysis is ongoing. Other findings included poor employee awareness of the full range of benefits available to them and the fact that State-owned enterprises offered better coverage levels than private companies.

Ms Pelin Sekerler Richiardi, ILO Research Officer, shared the final results of ILO research into L'Oréal's social protection programme, Share and Care. The study had the twin objectives of ascertaining (a) whether the programme resulted in increased benefits relative to the domestic legislation of the countries of operation and (b) what impact it had on performance in terms of employee turnover and absenteeism.

No significant evidence was obtained on performance, mainly due to a lack of indicators, the absence of a control group and the relatively short period for which data was available. More pertinent indicators have now been created for future studies, together with a set of specific questions on the programme for the next group employee survey.



COMMITMENTS

3. Complete **two** additional business cases for social protection



Mr de Beaugrenier of **L'Oréal** also revealed the results of a survey of 1,900 students across five continents, assessing their priorities in the choice of future employers. Access to health benefits was found to be the top expectation, once again demonstrating the importance of social protection guarantees in attracting and retaining young talents.

Finally, Aurélie Stephane of **Legrand** briefly introduced the research planned by **francophone Network** members to measure the impact of maternity and paternity policies on business performance and corporate image, as well as employees' satisfaction and well-being.

Global Watch, a Canadian business intelligence platform, has been tentatively selected to carry out a one-year scoping study to develop a methodology and toolbox for further impact assessment of the various parenthood policies.

Session Moderators:



Valérie Schmitt
Deputy
Director, Social
Protection
Department,
ILO



Ekkehart Ernst
Unit Chief,
Research
Department,
ILO



Aurélie Stephan
Benefits and
International
Mobility
Manager,
Legrand



Daniel Samāan
Sr. Macro-
Economist,
Research
Department,
ILO



Hugues de Beaugrenier,
Social
Relations
Director,
L'Oréal



Qinfu Zhu
Assistant to
the President,
Sanya
University



Pelin Sekerler Richiardi
Research Officer,
Research Department,
ILO



**CHAMPION SDG 1.3:
SUPPORTING NATIONAL
SOCIAL PROTECTION
FLOORS**

SESSION THREE: Increase private sectors' involvement in the development of national social protection floors

Champion Engagement Framework: Main achievements on advocacy, capacity development, development cooperation, and financing

Session 3 opened with a presentation by Ms Valérie Schmitt, Deputy Director of the ILO Social Protection Department, which emphasized the benefits of investing in national social protection systems, including growth of domestic markets, enhancement of business brands as responsible business employers, cost-efficiency through increased productivity and low absenteeism, and better traceability and transparency of workers' labour conditions across global supply chains.

Ms Schmitt outlined different ways in which the private sector can contribute to national programmes on social protection by (a) advocating for social protection among employees, partners and communities at large, (b) offering technical support for employers' organizations and (c) joining forces with the ILO to conduct concrete project in countries. While it is challenging for companies to work directly with governments and national stakeholders, the ILO with its unique tripartite structure can multiply the impact of stand-alone initiatives, build win-win solutions and ensure the support of all relevant partners.

Session moderators:



Valérie Schmitt
Deputy
Director, Social
Protection
Department, ILO



**Pierre
Vincensini**
Senior
Advisor
International
Organisation
of Employers



Qinfu Zhu
Assistant to
the President,
Sanya
University



**Juliette
Bataille**
Project
Manager,
Auchan WOF



**Irina
Akinshina**
HR Director at
LITASCO SA,
Lukoil



**Bilyana
Georgieva-
Veova**
Group Employee
Relations
Manager,
Nestlé



**Maria Lucia
Abdala**
Global
Communications
Partner,
Nestlé



**Marie
Montant**
Account
Executive,
Ogilvy

SESSION THREE: Increase private sectors' involvement in the development of national social protection floors

The subsequent discussion centred on concrete examples of country-focused and global initiatives. Ms Bilyana Georgieva-Veova and Maria Lucia Abdala of **Nestlé** previewed a joint ILO/Nestlé campaign to increase the awareness of Nestlé employees of their corporate social protection programmes, which are aligned with the ILO mandate and the SDGs. The campaign will focus on social protection as a human right and highlight the support that Nestlé provides to its workers through corporate policies. Ms Georgieva-Veova welcomed the ILO's efforts to provide a platform for private-sector partners to share their achievements in the area of social protection. As further mentioned by Ms Abdala, partnering with the ILO is a great opportunity to enhance proactive communication on responsible employment practices.

Ms Juliette Bataille of **Auchan Weave Our Future Foundation** provided an update on its project to develop a communication strategy on the new national health insurance scheme for workers in Cambodia. The project ran from November 2017 to April 2018 and has proved to be widely successful, with registration more than doubling from 600,000 workers to 1.4 million during this period. Ms Bataille stressed that the project model is replicable and that Auchan, together with the ILO and other partners, are seeking opportunities to expand the project to such countries as Viet Nam and Myanmar.

Ms Bataille noted that while country-wide communication campaigns are very expensive when approached in isolation, partnerships between governments and the private sector are the key to joint success. While enterprises and foundations can play a major role in strategy development and supporting campaign launches, they need countries to further roll out the campaign after the launch.

A presentation followed by representatives of the world-leading advertisement group **Ogilvy**, which explained a coming campaign for French youth on the urgency of social

protection, the first such experience for the ILO in communicating to the wider public. Ogilvy has defined the strategy of the campaign, focusing on how social protection, in particular health, maternity and pensions, will be important in the future lives of the youth, create visibility for the ILO's role in developing social protection schemes worldwide, and ultimately encourage activism and drive participation among youth. The strategy was translated into a key message: "Life is uncertain but you are in good hands. Others are not so lucky. Take action so that others in the world can also be protected". The campaign will be implemented in early 2019 in close collaboration with the French National School for Social Security (EN3S).

In the conclusion of the segment, Ms Irina Akinshina, representative of Russian oil company **LUKOIL**, further emphasized that it is crucial for multinational companies to take care of their employees and the communities where they live. As one of the world's largest companies, LUKOIL maintains an active dialogue with international organizations, non-profits and governments to provide social benefits in countries with underdeveloped social protection systems, such as Iraq. Since 2012, LUKOIL has also been partnering with the ILO to support youth employment programmes in the Europe and Central Asia region and is now seeking opportunities to expand these efforts.

The second part of session 3 was dedicated to the programmes that strengthen employers' organizations' capacities and foster engagement in the national dialogue on social protection.

Mr Zhu of **Sanya University** briefed participants on progress in developing a corporate social protection course for Chinese enterprises, which aims to provide a better understanding of social security systems and help companies to comply with national legislation that is based on ILO standards. Following the launch of the course in December 2017, by June 2018 some 300 companies had submitted their responses on the questionnaire to evaluate the level

of coverage provided by different enterprises in various industries. Sanya University has drafted an initial proposal for the training on that basis to reflect the history of social protection around the world, the history of social protection in China, a comparison of Chinese social protection schemes with those in other countries, and case studies and analysis of private-sector needs.

Dr El Sayed Torky of the **Federation of Egyptian Industries** gave an overview of the situation with regards to social protection in his country, highlighting challenges, opportunities and the role of employers' in helping to overcome these challenges.

Dr Torky noted that while the right to social security is embedded in Egypt's national Constitution, the lack of efficient governance systems presents challenges for the implementation and application of the law by employers. The Federation aims to facilitate an inclusive social dialogue on amendments to the current law so as to meet employers' expectations and further advance its implementation.

Dr Torky mentioned that there are currently many different but uncoordinated initiatives by employers that tackle one or another branch of social protection. The local Network could offer an excellent opportunity to bring multinational companies and their subsidiaries together and give strategic direction to social protection activities within enterprises' broader corporate social responsibility and sustainability efforts. Dr Torky proposed to launch a regional Middle East and North Africa business network, hosted in Egypt. He also invited Global Business Network members to attend a conference on social insurance for informal economy workers (who still constitute 40 per cent of the Egyptian workforce), to be held in Cairo in January 2019.

Mr Joodar Omoshov, representative of the **Business Association of Kyrgyzstan**, outlined the challenges of social protection in Central Asia. For Kyrgyzstan, as for Egypt, the major problem is in providing protection for informal

economy workers. While there is no single solution, Mr Omoshov stressed that social protection is an invaluable mechanism to facilitate the transition to the formal economy.

Mr Omoshov noted that the Association is a part of a national dialogue to develop a social protection strategy and amend labour law. However, he also noted the challenges in advancing the dialogue due to constant changes in the government. Mr Omoshov remarked that, while Kyrgyzstan is lagging behind many countries in advancing social protection policies, there is a strong will on the part of employers to support the development of adequate and efficient social protection systems, including floors.



El Sayed Torky
Senior Advisor,
Federation
of Egyptian
Industries



Joodar Omoshov
Chairman of the
Labour and Employment
Committee Business
Association,
JIA Kyrgyzstan

COMMITMENTS



4. Conduct at least **one** joint project at the national level (priority countries India, Indonesia, Egypt, Viet Nam)
5. Develop and inaugurate at least **one** additional national or regional GBN network (e.g. proposed MENA Network, hosted in Egypt)

SESSION FOUR: Looking forward: Strengthening the global business network for social protection floors

Session 4 focused on the effort to strengthen the Network as a win-win platform for the private sector to contribute to SDG target 1.3 on social protection.

Ms Valérie Schmitt opened the session by giving a brief overview of current social protection technical cooperation projects in those countries where participants had earlier expressed an interest in collaborating with the ILO. She offered suggestions for potential partnerships and drew the attention of participants to the opportunity for follow-up discussions with ILO country offices.

Ms Schmitt noted the dearth of indicators available to businesses to report on their contributions to the achievement of SDG target 1.3. Current international reporting standards for private-sector supply chains contain little or no guidance on social protection; accordingly, the ILO would work with partners to develop smart indicators to enable businesses to better reflect their efforts in this domain.

The representative of the global non-governmental organization **B Lab**, Ms Lara Denti, explained its efforts to integrate social protection measures in social impact assessment tools. B Lab provides certifications to for-profit companies that meet the highest standards of social and environmental performance. Its impact assessment tool allows it to evaluate enterprises on a number of subjects, but not yet on the complex issues of social protection.

In the same vein, Ms Séverine Mareels of **IDKIDS** spoke on behalf of **ICS**, a French compliance initiative with a membership of 43 companies, which is striving to increase responsibility and decrease costs in the supply chain. Ms Mareels reiterated ICS's interest in closely collaborating with the ILO to ensure the social protection coverage of workers in the supply chain.

Ms Jennifer Topping of the **United Nations Multi-Partner Trust Fund Office** outlined how trust funds can be an effective way to create a true multi-stakeholder engagement vehicle that complements the ILO's social protection

agenda. She underlined the importance of the bottom-up nature of such a fund, which is aligned with companies' core values and business models.

She shared the successful example of the Lion's Share initiative, which has adopted an innovative approach to wildlife preservation by encouraging companies and brands that use animal footage for advertising to donate a percentage of their media spending. These types of mechanisms, combined with visual identity signifiers, are ideal for creating a sizeable impact that will be valued by new generations of consumers, employees and stakeholders.

Mr Juan Hunt, ILO Deputy Director of Partnerships and Field Support, then gave a brief overview on the ILO Centenary in 2019 and the various initiatives which will take place throughout the year. He outlined the ILO's social protection activities, in particular those planned to be undertaken in collaboration with private sector, such as video testimonies, a downloadable exhibition on the history of social protection, a number of national and regional events and various awareness-raising and action-driving campaigns.

In conclusion, Mr Henrik Moller, Senior Adviser at the ILO Bureau for Employers' Activities, discussed the strategy and goals for the coming year. He reiterated the desire to conduct webinars to facilitate the sharing of experience and priorities and encouraged participants to get involved with the ILO in concrete national country projects in the field.

As to organizational matters, Mr Moller recommended following the examples of other ILO business networks and discussing the possibility of establishing a steering committee to strengthen participants' ownership and define a strategy and further direction for the Network.



Séverine Mareels
Compliance
Manager,
IDKIDS



Juan Hunt
Deputy Director,
Partnerships and
Field Support
Department
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Jennifer Topping
Executive
Coordinator,
UN Multi-
Partner Trust
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Lara Denti
Project
Coordinator,
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Session moderators:



Valérie Schmitt
Deputy Director,
Social
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Henrik Moller
Senior
Advisor,
Bureau of
Employers'
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COMMITMENTS

6. Evaluate and define the governance structure of the GBN (e.g. proposal to establish a GBN Steering Committee)



7. Develop SMART indicators which will allow companies to measure, evaluate, and report on their contribution to SDG targets 1.3 and 3.8 through their HR, CSR, sustainability programme and foundations.



Concluding remarks

The meeting was closed by Mr Roberto Suárez Santos, Secretary-General of the International Organisation of Employers (IOE). He thanked participants for their contributions and reiterated the IOE's commitment to expanding social protection and the need to build on the momentum created by developing concrete partnerships with the ILO. He noted the importance of social protection for competitiveness and its role as a force

for cohesive change in societies, and that its implementation must adapt to the future of work and the digital economy. He stressed that the fourth industrial revolution presents ripe opportunities for business to play a leading role in expanding social protection and that everyone present can be engaged in fruitful collaboration.



Roberto Suárez Santos
Secretary-
General,
IOE

COUNTRY PRIORITY MAPPING



EGYPT

Priority branches:
- universal health coverage

Priority groups:
- whole population



INDIA

Priority branches:
- health care
- all branches (social security legal reform)

Priority groups:
- informal economy workers
- people living with HIV

Potential Impact
Up to **510 million**
people

Resource Gap (USD)
1.9 million

Potential Impact
15 million more
people covered under
social insurance

Potential Impact
Only 23 million
registered so far out
of **127 million**

INDONESIA

Priority branches:
- health care
- old age pensions
- social assistance

Priority groups:
- informal economy workers
- migrant workers
- self-employed



VIETNAM

Priority branches:
- maternity & unemployment
benefits

Priority groups:
- formal sector workers not yet
registered under
existing scheme
- informal economy
- migrants



Summary of GBN Commitments 2019

1. Expand the good practices guide for companies to develop corporate social protection programmes using ILO internal social security standards
 2. Conduct two webinars on topics relevant to corporate social protection guarantees, e.g. maternity, paternity and parental policies
 3. Complete two additional business cases for social protection
 4. Conduct at least one joint project at the national level (priority countries India, Indonesia, Egypt, Viet Nam)
 5. Develop and inaugurate at least one additional national or regional GBN network (e.g. proposed MENA Network, hosted in Egypt)
 6. Evaluate and define the governance structure of the GBN (e.g. proposal to establish a GBN Steering Committee)
 7. Develop SMART indicators which will allow companies to measure, evaluate, and report on their contribution to SDG targets 1.3 and 3.8 through their HR, CSR, sustainability programme and foundations
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I believe that universal social protection can become a reality for all, but only if we join forces in the pursuit of that change. Let us help you invest in your workers, and I ask you to help us invest in the workers around the world.

Guy Ryder
Director-General
International Labour Organization

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