

BALI DECLARATION POLICY BRIEF NO. 3 | 2018 UPDATE

BUILDING RESILIENCE IN SITUATIONS OF CRISIS ARISING FROM CONFLICTS AND DISASTERS

BALI DECLARATION PRIORITY:

Building resilience in situations of crisis arising from conflicts and disasters, through the promotion of employment-intensive recovery and stabilization measures based on respect for decent work principles.

The Bali Declaration was adopted at the 16th Asia and Pacific Regional Meeting of the ILO on 9 December 2016. The Declaration serves as a call to action for governments, workers' and employers' organizations in the region to do more to promote inclusive growth, social justice and decent work. This series of Policy Briefs aim to focus attention on the priorities for policies and actions at national level and by the ILO as defined in the Declaration.

Globally over 1.5 billion people live in countries that are affected by conflict, violence and fragility, and nearly 100 million people globally were affected by natural disasters in 2017. Asia and the Pacific bears a disproportionate and increasing burden of disasters, often caused by extreme weather that threatens livelihoods, economic prosperity and social progress in the region.

Conflicts and disasters inflict tremendous costs to the society, causing damage to productivity and working conditions, and dismantling and obstructing progress towards the achievement of development goals. As put forward in ILO's *World Employment and Social Outlook 2018: Greening with Jobs* (ILO, 2018a), the increasing frequency and intensity of natural disasters have had a negative impact on productivity, with a global loss of working-life years equivalent to 0.8 per cent of a year's work between 2000 and 2015. Also heat stress is becoming more common, estimated to reduce the total number of working hours globally by 2 per cent by 2030. Workers in agriculture, especially those in developing countries, are those that are most affected by natural disasters.

Building resilience in crisis situations requires that interventions lead to lasting gains and help guard against their re-emergence. The four pillars of the Decent Work Agenda—employment creation, social protection, rights at work, and social dialogue—are vital in the prevention of crises and are integral elements of building resilience.



“Fragility” describes sudden and/or cyclical situations in which one or more exogenous or endogenous risk factors exacerbate pre-existing political instability and socio-economic vulnerability. From the perspective of the world of work, this translates into the extent to which labour market actors are no longer able to provide and/or access employment and decent work opportunities.

- ILO (2016)

DEFINING THE CHALLENGE

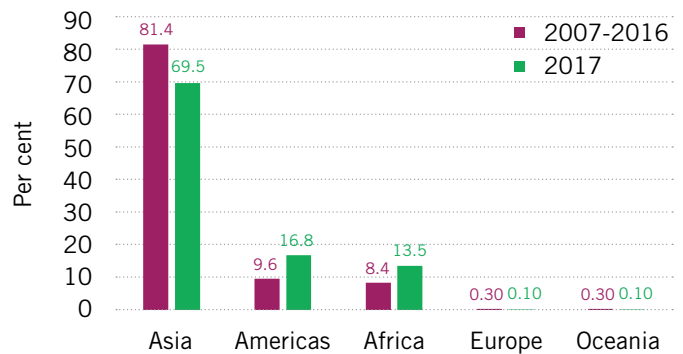
As a region, Asia and the Pacific is highly prone to natural disasters and experiences a disproportionate share of loss of life and impact on socio-economic activities. According to the WorldRiskIndex 2017, 12 countries from Asia and the Pacific are among the top 20 countries globally that are the most affected by disaster risks (Bündnis Entwicklung Hilft, 2017; ILO, 2018b). In 2017, there were 335 reported disaster events, globally claiming approximately 10 000 lives, affecting nearly 100 million people and causing economic damages of \$334 billion (CREC, 2018). The vast majority of the population affected by these disasters were located in Asia and the Pacific. Across the region, almost every second worker is in vulnerable employment and more than every fifth worker lives in poverty (ILO, 2018c), providing a further challenge, given that natural disasters disproportionately affect those without adequate savings or social safety nets giving rise to serious socio-economic implications which could have spillover effects beyond national borders.

The impacts of armed conflict and security challenges can be exacerbated by increasingly frequent and more extreme natural disasters. In crisis and disaster situations, poverty, unemployment and informality are aggravated and create a vicious cycle that ultimately leads to greater fragility. Many of the supporting institutions that provide basic needs and oversee law and order are frequently compromised or damaged. All these elements can spark more chaos and conflict. Conflicts and catastrophic events are triggered by a variety of factors and can impact differently on societies, but one way or another they all undermine peoples’ livelihoods and create decent work deficits. According to the Fragile States Index (The Fund for Peace, 2018), a number of countries in the region have become increasingly fragile in recent years. From 2008 to 2018, fragility grew to the greatest extent in various Arab States (Syria, Yemen and Bahrain) but it also has been on the rise in countries of the Asia and the Pacific region, such as India or the Philippines.

Fragility inevitably exerts an adverse impact on national economies and growth performance. This can be seen particularly in contracting GDP and rising inflation. Furthermore, given the volatility of the situation and with weakened institutions and limited social dialogue, governments and the social partners are often unable to deal effectively with the challenges of rebuilding the foundations for economic growth and decent work.

THE HUMAN IMPACT OF NATURAL DISASTERS

Distribution of population affected by natural disasters by continent (%)



Note: The natural disasters considered include droughts, earthquakes, extreme temperatures, floods, landslide, mass movements (dry), storms, volcanic activities and wildfires.

Source: CREC (2018).

AREAS OF ACTION AND LESSONS LEARNED

In post-crisis reconstruction, creating decent jobs is an immediate and central need. Crisis victims and their families require a return to income-generating activities for obvious reasons of survival, but also to restore their sense of dignity, self-confidence and hope. Employment-intensive recovery and stabilization measures based on respect for decent work principles, including recognition of the importance of tripartism and social dialogue, have been instrumental in aiding post-crisis societies regain a firm footing on the path to economic growth and sustainable peace. ILO experiences from the Asia-Pacific region illustrate some important good practices as well as some specific lessons learned for building resilience in situations of crisis and fragility. Some key principles include:

- *Creating temporary jobs and injecting cash into affected communities;* Work experience and skills acquired through PEPs can improve a persons’ employability, while the generated income can increase consumption of goods and services which in turn has a direct positive impact on communities and local enterprises. The ILO has been supporting India’s Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) since its inception to provide technical support for the design of the infrastructure components of PEPs, advise on measures to improve targeting, and quality and productivity, as well as assisting in the monitoring and assessment of such programmes.
- *Building a competent local construction industry for sustainable infrastructure provision.* Making use of local resource-based (LRB) technologies involves design of appropriate engineering and construction solutions that do not require highly specialized skills or equipment but favour technical solutions that as far as possible rely on locally available resources and skills, and optimize employment opportunities. Through the EU-funded

Enhancing Rural Access Agro-Forestry Project (ERA Agro-Forestry), June 2017-May 2021, in Timor-Leste, the focus is on increasing opportunities and improving food security in rural areas through agro-forestry development. Also in Timor-Leste, the Roads for Development Program (R4D), now in its second phase (April 2017-March 2021), has been contributing to the socio-economic development of the post-conflict country since 2012. To date, 138 km of core rural road have been rehabilitated by R4D and short-term employment opportunities for local labour has resulted in approximately 611,000 labour days of work.

- *The role of the private sector is critical in fragile states;* the role of employers and business membership organizations (EBMOs) in preparing, planning and responding to conflict and disaster situation has been underutilized. EBMOs have a critical role to play in engaging with governments to coordinate assistance and accelerate relief efforts as well in preventative efforts. A wider role can (and is played) in peace processes. Employers often in partnership with workers' organizations have played a critical role in conflict resolution process and peace building, such as Nepal and Sri Lanka.
- *Established national employment schemes can aid quick recovery;* Existing national-level employment generation and support schemes can be quickly mobilized by governments for employment generation and livelihoods recovery. Most recently, the ILO has engaged in assisting the Government of Indonesia in the recovery response of the earthquake and tsunami which hit Palu on 27 September 2018.
- *Targeting youth employment in recovery and resilience;* young people constitute more than one-third of the population in fragility-affected countries and are thus potentially a tremendous force for change. For instance, in Timor-Leste the ILO-assisted Youth Employment Programme (YEP 2008-2012) and the Training and Employment Support Programme (TESP 2013-14) were aimed at expanding employment opportunities for young Timorese women and men thereby contributing to greater stability and resilience.
- *Managing the transition to a low-carbon economy can help countries achieve their Intended Nationally Determined Contributions (INDC) and promote progress towards the SDGs;* with economic prosperity and social progress in the region threatened by environmental degradation and climate change, the urgency to promote climate adaptation and a "just transition" towards environmentally sustainable economies and societies for all increases. Any such transition entails the creation of good quality "green jobs" (ILO, 2015). In the Philippines, the ILO has piloted the implementation of the Just Transition Guidelines with the aim to support constituents to build intervention models for integrated and effective measures at the industry, enterprise and local levels, with key roles to be played by social partners, national and local authorities and other stakeholders (ILO, 2018d).

ILO CRISIS RESPONSE ACTIVITIES



Source: ILO in fragile situations: An overview, 2014.

WHERE DO WE GO FROM HERE?

Under the backdrop of the Decent Work Agenda and Sustainable Development Goals (SDGs), the ILO will continue to work with governments and social partners to promote jobs and livelihoods for those most affected by conflicts and disasters, and where appropriate, facilitating refugees' access to labour markets. Principal activities of engagement include:

- Supporting the Employment and Decent Work for Peace and Resilience Recommendation (No. 205), adopted at the 106th International Labour Conference, the ILO initiated the Flagship **Programme on Jobs for Peace and Resilience** in 2017, which is now generating large-scale projects in Myanmar, Sri Lanka, and Samoa. For example, Jobs for Peace and Resilience (January 2018–December 2019) is a recent project that intends to support the improvement of livelihoods by strengthening disaster resilience in flood- and landslide-affected communities in selected districts in the Southwest and drought affected communities in Northern Province. The ILO looks to increase resilience by introducing improved land and water resource management practices and supporting policy coherence within existing national rural development programmes including disaster response programmes for floods and droughts.
- The ILO is also increasingly working with countries and organizations in the region to support policy developments that support the transition to a greener economy, using the framework of the **Green Initiative** launched by the ILO Director-General in 2013. The objective of the Green Initiative is to better equip the actors of the world to understand the challenges and opportunities of the coming transition to a greener global economy, and help

them take up an active role in embedding decent work and social dialogue in the process. Recent areas of action of the initiative in the region include engaging with countries through the Partnership for Action on Green Economy (PAGE), a partnership of five UN agencies: UNDP, UNIDO, UN Environment, UNITAR and the ILO. PAGE has emerged as one of the United Nations Systems' principal responses to the call at Rio +20 call for the international community to assist interested countries in developing, adopting and implementing inclusive green economy (IGE) policies and strategies. PAGE is currently operating in 4 countries in the region: Mongolia, China, Indonesia and India.

Selected projects and events:

- Empower: Building peace through the economic empowerment of women in Northern Sri Lanka (January 2018–June 2019): This project aims to increase access to economic empowerment, social integration, resilience and peacebuilding participation for conflict affected women in Mullaitivu, one of the most conflict-affected Northern Districts of Sri Lanka. The project is funded by the UN Peace Building Fund and implemented by the ILO, WFP, and Puthukkudiyiruppu Women Entrepreneurs' Cooperative Society.
- In May 2018, a workshop on the Role of Business Organizations in Creating a Culture of Resilience and Preparedness to Mitigate the Negative Impact of Conflicts was held in the Philippines. It was co-organized by the Employers' Confederation of the Philippines (ECOP) and the ILO on the Conflict Resilience Toolkit which forms part of the Sustainable and Resilient Enterprise (SRE) Platform which is aimed at supporting enterprises in maintaining commercial operations in conflict afflicted areas, and creating neutral workplaces.

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