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## CGU Statement on the need for joint commitment on Labour Safeguards for all Investments to Rebuild Ukraine

The Russian invasion of Ukraine that began on February 24, 2022, is compounded by the estimated cost of post-war reconstruction, which the World Bank, together with the European Commission, has projected to be \$ 486 billion<sup>1</sup>, with others estimating that it may reach over a trillion Euros. These figures are staggering – the requested funds are 2.4 times the size of Ukraine's pre-war GDP and three times the total allocated funds in the 1948 Marshall Plan to rebuild all of Western Europe after World War II (\$179 billion in today's currency).<sup>2</sup>

These are only costs of physical reconstruction, while economic recovery will also necessitate robust actions for re-building human capital, industrial policies, public services, labour market and migration, as well as regional development policies.

During reconstruction, there are severe risks of labour force exploitation in construction, industrial and other sectors, as documented by the concerned Global Unions. These risks will also be connected to the significant workforce influx, which will required to assist the re-construction works due to labour shortages already present before the invasion.<sup>i</sup> Consequently, it is imperative that a comprehensive, long-term reconstruction strategy includes inherent conditionality regarding labour rights. This must encompass the protection of the Core Labour Standards of the ILO, as well as priority conventions that enable and safeguard workers' rights. As we invest in the future of Ukraine, we must prioritise the well-being of its citizens and ensure that their fundamental rights are protected and upheld throughout the reconstruction process. The risks have already been heightened as Ukraine adopted a series of regressive emergency laws that have undermined worker's rights and restricted ability of trade union to protect workers' interests.<sup>ii</sup>

We regret that so far in different rounds of investors exchange on reconstruction commitment, trade unions were not involved, even when other different civil society stakeholders were represented. Nor social partners were involved in the development of different plans presented by the state officials and international institutions. The precondition for the success of any recovery plan is a genuine social dialogue with those who will work to make this plan a reality. Trade unions must be actively involved in reconstruction of the economy to ensure decent work and fair redistribution of wealth.

With the devastating impact of the Russian invasion, Ukraine needs all possible assistance and incentives to ensure respect for labour and trade union rights in its laws and practices and the implementation of these during its reconstruction process. The adherence to these standards is also an important component of the EU's accession criteria, and therefore, ensuring compliance with these standards not only serves as an international obligation but also facilitates Ukraine's eligibility and aspiration to become an EU Member.

Hence, to ensure the respect of labour rights and subsequently facilitate Ukraine's accession to the EUT, we call for all investors in the reconstruction of Ukraine to

<sup>&</sup>lt;sup>1</sup> https://www.worldbank.org/en/news/press-release/2024/02/15/updated-ukraine-recovery-and-reconstruction-needs-assessment-released

<sup>&</sup>lt;sup>2</sup> https://diplomacy.state.gov/online-exhibits/diplomacy-is-our-mission/development/the-marshallplan/#:~:text=Under%20the%20Marshall%20Plan%2C%20the,nations%20between%201948%20and%20 1951.

commit to ensuring that the rebuilding of Ukraine is done in a way that profits its citizens and does not lead to further harm and exploitation. The implementation of the EU *acquis communautaire* cannot be limited to single market instruments and the full implementation and adherence to EU's social legislation must be a prerequisite for Ukraine's accession to the EU. This includes the full participation of Ukrainian unions to the EU Sectoral Social Dialogue.

Therefore, the Global Unions join together, calling for a joint commitment from all investors and donors to incorporate in any loan, donor, or project agreement regarding the reconstruction of Ukraine, the following labour clauses as part of the conditionalities to the government of Ukraine, multilateral institutions, and all national and multinational companies involved in the reconstruction activities:

- 1. Ensure mandatory compliance with ILO Declaration on the Fundamental Principles and Rights at Work: the Forced Labour Convention, 1930 (No. 29), the Abolition of Forced Labour Convention, 1957 (No. 105), the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), the Right to Organise and Collective Bargaining Convention, 1949 (No. 98) the Occupational Safety and Health Convention, 1981 (No. 155), and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187).
- 2. Demand that all infrastructure and construction and industrial transformation, including energy, project plans include implementation strategies which incorporate accessible trade union grievance mechanisms, that ensures prompt and effective redress, as well as reporting on decent work compliance, including decent working conditions, just wages and health and safety.
- 3. Create a mechanism for joint labour inspections in collaboration with relevant national agencies, national, European and international trade unions and social partners to ensure the implementation of ILO Core Labour Standard at all level and phases, including the supply chain, of the construction, infrastructure and industrial activities.
- 4. Warrant that all construction, infrastructure and industrial project funding and procurement processes are public / transparent / accountable and includes a budget allocation for inspections, vocational training and occupational health and safety measures and consultations with relevant stakeholders.
- 5. Guarantee that future national policies and legislation protect workers' rights and promote collective bargaining in line with the ILO Conventions and EU legislation to further facilitate the country's aspirations to become a member of the EU.

<sup>&</sup>lt;sup>i</sup> https://www.ulandssekretariatet.dk/wp-content/uploads/2022/03/LMP-Ukraine-2022-Final.pdf

ii https://www.opendemocracy.net/en/odr/ukraine-suspends-labour-law-war-russia/