



# Geneva Social Observatory Activity Report

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**Fourth Quarter  
December 2007**

## Mission

The Geneva Social Observatory (GSO) was established in Geneva, Switzerland in 2004 as a non-profit association. The aim of GSO is to provide a neutral setting for dialogue on pressing social issues, such as HIV/AIDS and social responsibility, diabetes and social responsibility, and corporate social responsibility and trade. In order to have substantive discussions on these issues, we believe that multiple points of view should be consulted, which is why representatives from the private sector, NGOs, trade unions, academia, governments and international intergovernmental organizations are invited to take part in GSO meetings and events.

## Activity Report

This activities report is developed on a quarterly basis and sent to Friends of the GSO, who support the Observatory through donations, sponsorship of specific projects, in-kind support, and/or participation in GSO events.

Dear Friends of GSO,

This first publication of GSO's Quarterly Report marks a new era for GSO. At the 4 September 2007 Committee meeting, the decision was made to stop publication of the monthly GSO e-newsletter, *GSO News*, and replace it with quarterly reports. This was seen as a way to keep supporters of GSO aware of what the association is doing while cutting down costs related to *GSO News*. We hope you find that this change is constructive, and we welcome any suggestions you may have for the spring report.

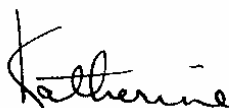
Meanwhile, GSO is maintaining a busy schedule in Geneva. Planning committee meetings for the February 2008 multistakeholder workshop to take forward Phase Two of the Diabetes and Social Responsibility program have been held on a regular occasion. Work is going on behind the scenes to stay current with up-to-date research on diabetes and corporate social responsibility, as well as on current efforts of national diabetes associations and workplace company policies and practice. Summaries of these meetings and announcements regarding the workshop due to take place in late February or early March are included in this report.

Our thanks our due to Merck, Eli Lilly and Pfizer for their generous support of Phase Two of the Diabetes program. We also look to PepsiCo and Sanofi-Aventis for further support and thank Accor Services and BD as well as Merck, Eli Lilly and Pfizer for their sponsorship of Phase One.

Work on promoting fair trade and labor standards in the post Multi Fibre Arrangement environment is in the pipeline with Brewster Grace, project manager and GSO Committee member, taking the lead. More information about the project can be found in these pages.

We encourage you to continue and to expand your support for GSO as we build our current projects and initiate new and more initiatives in coming years. For more information on how to contribute, please visit the "Support GSO" page on our website at [www.gsgogeneva.ch](http://www.gsgogeneva.ch) or write to me at [contact@gsogeneva.ch](mailto:contact@gsogeneva.ch).

Thank you,



Katherine Hagen  
Executive Director, Geneva Social Observatory

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## Diabetes and Social Responsibility

### Program Update

At the beginning of Phase Two of the Diabetes and Social Responsibility program, discussion has focused on four of the recommendations out of a total ten that were developed in Phase One. GSO began its work on Diabetes and Social Responsibility in 2006 with three multistakeholder roundtable meetings two in October and November 2006, as well as one in January 2007. The final report can be found on GSO's website ([www.gsogeneva.ch](http://www.gsogeneva.ch)) in the Diabetes section of the Projects page. Phase One was wrapped up with two briefings for health and labor delegates at the World Health Assembly in May 2007 and at the International Labor Conference in June 2007 respectively.

Since then, the planning committee has had engaged discussions on the proper collection and utilization of metrics, as well as the differences between establishing diabetes-related policies in corporations in the developed world versus the developing world. Tough questions pertaining to the nature of corporate responsibility and its relationship with diabetes have surfaced and the discussion on these topics will likely continue on to the specific events planned in Phase Two. This includes a workshop in 2008 to start the process of a drafting a comprehensive workplace strategy and two forums for refining the strategy and incorporating best practices. Our final objective is a major publication of this strategy, with the metrics and best practices.

The issue of diabetes has surfaced recently due to the surge of cases in the developing world, as these populations become more westernized. An increase in sedentary lifestyles and the consumption of sweetened, processed food and beverages has led to increased risk of developing diabetes. Currently, 246 million people worldwide are diagnosed with diabetes and it is estimated that the number will increase to 280 million by 2025. Currently, India and China are the top two countries with the most diabetes cases. This affects workplace productivity and absenteeism rates, as well as costs for healthcare programs. GSO has been collecting metrics and information on workplace policies through surveys of national diabetes associations and individual companies.

The challenge for participants in the workshop will be to use the data GSO has compiled, other relevant and available data, and NGO/company/worker experiences to develop recommendations for a workplace strategy. Participants will review the many aspects of diabetes in the workplace, including diagnosis, prevention, treatment, issues of discrimination, etc. They will be challenged to put together the appropriate framework for a workable strategy that can be applied regardless of the size of the enterprise or whether the workplace is either in the private or public sector. Of course, the sensitivities of the relationship between public health policy and the employers' role will also be addressed.

GSO is preparing the basic outline for a draft strategy based on the ILO Guidelines for HIV/AIDS in the Workplace, which could be used as a model for diabetes in the workplace. Research is being conducted of companies identified as having relevant metrics or wellness programs that could be used to determine best practices. National associations have been contacted for information and metrics they may have, as well as challenges they see on the ground when proper lines are not established in the workplace to deal with workers with diabetes. Additionally, GSO is staying up-to-date with academic research on the topic.

Anyone interested in further information or in participating in the workshop or forums should send us an email at [contact@gsogeneva.ch](mailto:contact@gsogeneva.ch). The workshop is targeted for late February or early March 2008, while the forums are expected to follow in April and May 2008.

## **Promoting Fair Trade and Labor Standards in the Post Multifibre Arrangement Environment**

### **Project Update**

GSO Committee member and project manager Brewster Grace is heading up the pipeline GSO project aimed at promoting fair trade and labor standards in the post Multifibre Arrangement environment. Brewster explains the problem and how GSO can make a contribution

The project was initiated as a result of concerns about the consequences of the elimination of the quota system of the WTO's Multifibre Arrangement (MFA) that has brought historic changes to the global textile and clothing industry. This change is prominently distinguished in world market shares. For many suppliers in Central America, the Middle East and particularly Africa, these shares are declining while Asian, especially China's, is increasing dramatically. When sourcing, buyers no longer need to look for quotas. They now look for suppliers with more advanced technologies and sophisticated and adept services. These are largely in Asia. Trade data suggest that inefficient African, Middle Eastern and Central American exporters that cannot adapt to new market demands are being seriously hurt, with their exports declining up to 30 per cent. The impact on labor is severe, especially on women workers. Jobs are being eradicated while poor working conditions and low labor standards remain stagnant.

The overall goal of the Geneva Social Observatory's (GSO) project is to identify areas where positive linkages could be formed between trade policies and labor practices in textile and clothing industries beyond current efforts to develop competitiveness, efficiency, and trade facilitation.

Three specific objectives were identified in an exploratory meeting GSO convened in collaboration with the Friedrich Ebert Stiftung at a consultative meeting for representative stakeholders, notably employers, labor, the World Trade Organization, the International Labor Organization and the UN Conference on Trade and Development, the International Trade Center and concerned non-governmental organizations. (See the GSO website project page at [www.gsogeneva.ch](http://www.gsogeneva.ch)).

These are:

1. To identify and promote trade policy options that can directly or indirectly support labor standards. These would include implementation of the Doha Development Agenda's commitment made at the WTO Sixth Ministerial Conference for duty-free/quota free market access for LDCs, minimizing or offsetting erosion of preferential tariff rates, minimizing negative impacts of rules of origin, increasing GSP positive incentives, and including labor standards and labor concerns in WTO Aid-for-Trade activities.
2. To identify, explore and promote technical assistance opportunities that can incorporate objectives and activities to promote labor standards. More inter-agency collaboration is required in planning and implementing technical assistance among its major providers and the other relevant stakeholders. It is remarkable how little collaboration does occur.
3. To identify needs and opportunities for bilateral and multilateral donors not only to increase adjustment assistance in textile and clothing sectors but also incorporate objectives and activities aimed at improving labor standards. This would include increasing participation of labor in planning and implementing adjustment assistance -- especially in vulnerable informal sectors with large numbers of women workers.

GSO is developing two strategies to meet these objectives. The first strategy is to engage key stakeholders in a dialogue on how to achieve the three specific objectives. These include the ILO, UNCTAD, the ITC, and the World Bank (both their staff and member government representatives), and industry, employers and workers organizations. Three seminars in Geneva, Switzerland will examine the main issues in each of the three objectives and make recommendations to incorporate labor standards in trade policies and technical and adjustment assistance. Three similar seminars will be convened in representative developing countries for national and regional counterparts to examine national experiences and opportunities to achieve the above objectives.

A second strategy will be to prepare and disseminate background papers on each of the three core areas for discussion in the seminars. In addition, the GSO will publish reports on each seminar that will recount areas of agreement and ways recommended to incorporate labor standards in post MFA trade policies and technical and adjustment assistance.

Sponsorship is currently being sought for the project that is due to begin in May 2008 and end by April 2009. If you would like more information about the project and would like to make a contribution, financial and/or in-kind, do please write to us at [contact@gsogeneva.ch](mailto:contact@gsogeneva.ch) or contact Brewster Grace directly at [bgrace@gsogeneva.ch](mailto:bgrace@gsogeneva.ch). We look forward to hearing from you.



Contact us:

37/39 Rue de Vermont  
Case Postale 22  
1211 Geneva 20, Switzerland  
Phone: +41 22 734 9601  
Fax: +41 22 734 9602  
E-mail: [contact@gsogeneva.ch](mailto:contact@gsogeneva.ch)