

Key intervention: Productivity ecosystems for decent work and social justice

Thematic Area of the Coalition	<p><i>Expanding access to and capabilities for productive and freely chosen employment and sustainable enterprises</i></p> <p>This area of work centres on the promotion of an enabling environment for sustainable enterprises, decent work and productivity growth. The aim of partners contributing to this thematic area is to empower businesses, particularly SMEs, and workers with the skills, technologies and resources necessary to thrive in a rapidly changing world, while ensuring fairness, equity and access to opportunities, particularly for youth and women and to accelerate progress towards the achievement of SDG targets 8.5 and 8.6. Key actions include promoting access to lifelong learning and skills development, harnessing the power of digitalization and AI for the common good and sustainable development, and developing formalization strategies along with other active labour market policies.</p>
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1. Background and context

The Productivity Ecosystems for Decent Work Programme is designed to foster a virtuous cycle of productivity growth and decent work in partner countries. Productivity growth allows for higher wages and better working conditions, and conversely better jobs make for more productive work.

By tailoring strategies to the specific needs of each country and collaborating closely with governments, social partners and other key stakeholders, the programme addresses root causes of low productivity and decent work deficits in a systemic and integrated manner, paying particular attention to small and medium enterprises and the expansion of formal, productive employment.

Under the auspices of the Coalition, the programme will focus on delivering specific outcomes, including the expansion to new countries and the implementation of targeted interventions that enhance productivity and create decent work. Based on country priorities, the programme will seek to strengthen policies for productivity and decent work, including industrial, employment, social protection, wages and enterprise policies, an enabling business environment, transitions to the formal economy, the just transition, women economic empowerment and skills development. Key deliverables will include the development of a global best practices compendium, formation of new partnerships, the contribution of new partners, and the scaling up of successful approaches from current pilot countries. The Programme works with governments and social partners to address systemic gaps in productivity and decent work, contributing to achieving SDGs 5, 8 and 9.

2. Collective ambition and rationale

Fostering economically, socially and environmentally sustainable productivity growth for decent job creation. By bringing together governments, social partners and other key actors, the approach provides an actionable way forward in identifying and strengthening the success factors for a triple win of decent jobs, sustainability and economic growth, paying particular attention to SMEs and the creation of productive and decent employment for all.

Increasing productivity as a shared priority. The relationship between productivity and decent work is an important factor for economic growth and poverty alleviation. For work to be decent, it has to be productive. Yet, productivity has been slowing in many countries over the last decades. The [World Employment and Social Outlook 2024](#) report indicates that productivity growth continues to decelerate, casting doubts on future inclusive growth and decent jobs prospects. This is placing productivity at the top of the political agenda in many countries.

The Decent Work Agenda is heavily intertwined with the agenda for higher productivity. Decent work and productivity are interconnected at different levels. At macro level, the shift of labour and capital to higher value-adding sectors of the economy (structural transformation) is decisive to achieving productivity gains. At the other end of the spectrum, productivity and decent work are connected at the enterprise level as improved conditions for workers contribute to productivity growth – while, vice versa, the ability to pay higher wages and improve working conditions is tied to enterprise performance.

A systemic and integrated approach that promotes a virtuous cycle of productivity growth and decent work is needed. The Productivity Ecosystems for Decent Work approach supports countries to develop integrated responses that cut across macroeconomic, sectoral and enterprise (especially SMEs) dimensions and that promote coherence between various policy domains (economic, social and environmental) – in order to mutually strengthen their impact on productivity and decent work. At the heart of the Productivity Ecosystems for Decent Work approach is the role of government and social partners as agents of change and whole-of-government approaches and social dialogue are therefore key to strengthening productivity growth and decent job creation.

The Productivity Ecosystems for Decent Work approach is one pathway to promoting social justice. The notion of social justice is central to the Productivity Ecosystems for Decent Work approach: When productivity growth is disconnected from the creation of decent jobs, strides to alleviate poverty, transition to formal economies and curb inequality slow down and, ultimately, reverse. The Global Coalition constitutes an important platform to amplify the importance of strengthening the productivity-decent work relationship by helping to: advance knowledge generation, forge innovative partnerships and promote strategic coherence on what works to promote productivity growth and expansion of productive, decent employment, and by helping scale the approach.

Sustainable Development Goals: The approach contributes to SDG 8: “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all” (specifically targets 8.2, 8.3 and 8.5) and SDG 9 on promoting inclusive and sustainable industrialization (especially target 9.2). More indirectly, the approach also contributes to SDG 5 on gender equality, specifically targets 5.5 and 5.a.

For more information, see [Productivity Ecosystems for Decent Work](#).

3. Actions and expected results

The work under the Productivity Ecosystems for Decent Work Programme focuses on four areas:

1. **Research and knowledge generation.** The objective is to identify what works to strengthen productivity and decent work drivers across macroeconomic, sectoral and enterprise levels. Research studies on the productivity-decent work nexus will be complimented by country-level analyses and strategic inputs from the Productivity Ecosystems for Decent Work Global Strategic Advisory Committee (which includes the ITUC, IOE, World Bank, OECD and UNIDO). Ultimately, the research will culminate in the development of a global best practices compendium.
2. **Forging innovative partnerships.** Promoting productivity growth and expanding productive, decent employment is a concern that cuts across policy domains, private and public sector, academia and international institutions. The Global Coalition will provide an important forum to identify and build strategic partnerships to amplify and advance inclusive, job-led and human-centred economic development through a Productivity Ecosystems for Decent Work approach.
3. **Promoting strategic coherence.** Although few would disagree that productivity growth and decent job creation are essential to achieving sustainable development, knowledge and guidance on effective pathways to strengthening the nexus between productivity and decent work are often dispersed and, at times, contradictory. At the country level, the approach already promotes whole-of-government approaches and social dialogue to strengthen strategic coherence on effective policy frameworks for productivity growth and the expansion of productive, decent employment. At global level, the Global Coalition constitutes an important platform to promote coherence among strategic partners on “what works” for promoting productivity and decent work drivers in a sustainable and integrated manner.
4. **Scaling up.** Together with Global Coalition partners, the ILO will identify pathways to scale the approach to more countries and within existing Programme countries. The objective is to support governments, social partners and other key stakeholders to strengthen policies for productivity and decent work, including industrial, employment, social protection, wages and enterprise policies, an enabling business environment, transitions to the formal economy, the just transition and skills development.

4. Partners’ contributions

Coalition partners are invited to contribute to all four areas of work and to propose new areas of work within the Productivity Ecosystems for Decent Work Programme.

1. **Research and knowledge generation.** Research and country examples are welcome from Coalition partners on effective policies and programmes to strengthen productivity and decent work drivers at macroeconomic, sectoral and enterprise levels.
2. **Forging innovative partnerships.** Collaboration is invited on a variety of topics associated with the Productivity Ecosystems for Decent Work approach, including (but not limited to) the role of industrial, employment, social protection, wages and enterprise policies, an enabling business environment, transitions to the formal economy, the just transition, women economic empowerment and skills development in driving productivity growth and the expansion of productive, decent employment, especially keeping in mind small and medium enterprises.

3. **Promoting strategic coherence.** The Global Dialogue on Productivity Ecosystems for Decent Work (see next section) will be an important avenue to convene Coalition partners and other stakeholders to share knowledge and experience on best practices to promote productivity growth and decent job creation. Looking beyond the Global Dialogue, opportunities are welcome to further strengthen strategic coherence on good practices for productivity growth and decent job creation, including through a Productivity Ecosystems for Decent Work approach, with Coalition partners.
4. **Scaling up.** We welcome interested Coalition partners to join the Governments of Switzerland, Norway and Italy to partner with us on the implementation of the Productivity Ecosystems for Decent Work Programme.