

The Union of entrepreneurs of small, medium and privatized enterprises of Ukraine (hereinafter – the Union) in accordance with the Programme of action of the Council and the Executive Directorate of the Union for the implementation of the Main Directions of its Development, as well as in accordance with the 10 principles of the UN Global Compact, has focused its activities for 2019–2020 on the following aims.

## 1. Human Rights

**Principle 1.** Members of the Union (enterprises, establishments, organizations, entrepreneurs) have been assuring through its actions full support and have been respecting human rights declared by the international community.

To this end the specialists and experts of the Union, the members of the Union were actively engaged in the activities that took place in Ukraine.

During 2019-2020 the Union, its members took an active part in the implementations of the projects of the International Labour Organization (ILO):

- EU Project is ILO Project “Strengthening labour administration to improve working conditions and to overcome undeclared work”;

- ILO Project “Inclusive labour markets for job creation”;

- ILO Project “The remuneration in Ukraine: the provision of technical assistance in order to set minimum wage and equal remuneration”;

- ILO Project “Towards safe, healthy and declared labour in Ukraine”.

During 2019 – 2020 the Union was actively engaged in the implementation of its own Strategy concerning the prevention of HIV / AIDS at workplaces. These were different awareness-raising activities (issue of the Newsletter, posters, organization of a round table, of trainings, dissemination of information material), advocacy, etc.

During 2019 – 2020 the representatives of the Union served on the tripartite commission on the following issues:

- on conducting social-scientific examination of a minimum food basket, non-foodstuffs and services for determining the subsistence level;

- on issues of reviewing the level of the minimum wage in due course;

- on issues concerning the payment of salary arrears (cash benefits), pensions, scholarships and other social benefits.

The representatives of the Union actively participated in the meetings of these commissions, in the discussion on issues placed on the agenda, in the decision-making on these issues.

During 2019 – 2020 the members of the Union participated in the following activities:



- public discussion of draft law of Ukraine "On amending some legal acts of Ukraine concerning the enhancement of the protection of the rights of workers and countering the use of the undeclared labour" (February 27, 2019);

- the Committee meeting of entrepreneurs and small and medium-sized enterprises with the Chambers of Commerce and Industry of Ukraine at which draft law of Ukraine "On amending some legal acts of Ukraine concerning the enhancement of the protection of the rights of workers and countering the use of the undeclared labour" (February 20, 2019)" was reviewed;

- the workshop on the arrears in provision of the material security and monthly insurance payment by the Social Insurance Fund of Ukraine was initiated by The Committee of the Supreme Council of Ukraine on Social Politics, Employment and Pensions (April 16, 2019);

- the first meeting of the working group on the preparation of a draft law of Ukraine "On amending some legal acts of Ukraine concerning the implementation a risk-based approach in the security and occupational health sphere" (July 4, 2019)";

- the 10<sup>th</sup> All-Ukrainian is the 5<sup>th</sup> International Seminar on occupational health and industrial safety "The Concept of reforming the system of management through occupational safety in Ukraine. A change of approach to the provision of education and personal protective equipment" (September 10-13, 2020);

- a meeting of the working group on finalization of the draft law of Ukraine on amending the Ukraine Labour Code related to the elimination of the norms that violate the rights and legitimate interests of the Ukrainian employers until the second reading (October 17, 2019);

- the tripartite meeting on the issues of the future pension system of Ukraine (October 24, 2019);

- a round table on the topic "The modernization of legislative regulation on the employment relationship" (October 30, 2019);

- the tripartite round table on the discussion of the issues concerning the solution of the payment of salary arrears problem in Ukraine (December 10, 2019);

- a working meeting with the first vice president, director general of the Union Bykovets V. M. and an independent evaluation expert Tom Vasser that came to Ukraine in order to evaluate the EU Project that is ILO Project "Strengthening labour administration to improve working conditions and to overcome undeclared work" that was implemented in Ukraine from July 2017 until December 31, 2019 (October 23, 2019);

- the tripartite meeting of the social partners on the review of the results of the EU Project that is ILO Project "Strengthening labour administration to improve working conditions and to overcome undeclared work" and on the presentation of the new EU Project that is ILO Project "Towards safe, healthy and declared labour" in Ukraine" (November 21, 2019);

- the parliamentary hearing on the topic "The problems of formation of the minimum subsistence level in Ukraine" (December 18, 2019);

- public consultation on the project of the Convention of public policy concerning the attainment of the objective "3.4. Conditions have been created for the elderly to keep active, to be provided with skilled and modern attendance as well as with appropriate material security. Conditions have been created for the safe voluntary pension savings" of the Programme of activities of the Ukrainian Cabinet of Ministers (February 20, 2020);



- the Committee hearing of The Parliament of Ukraine (The Verkhovna Rada of Ukraine) on social policy and protection of the rights of veterans on the topic "The status of the payment of salary arrears" (March 11, 2020);

- the tripartite round table on the topic "Salary arrears in Ukraine" (January 28, 2020);

- the tripartite round table on the topic "The minimum wage in Ukraine" (March 3, 2020);

- the tripartite training on the topic "The establishment of the minimum wage" (March 4, 2020);

- a round table on the topic "Should we be afraid of a new labour reform? A small talk with the authors of a draft law 2708" (March 5, 2020).

**Principle 2.** The Union members declare and constantly ensure their own non-participation in human rights violations.

The Administration, the Leadership and the Association Board keep these issues under review on an ongoing basis.

The Union constantly declares and supports the guiding principles of the United Nations on Entrepreneurship in the Human Rights Matters. These principles establish the scope of the authority of companies concerning human rights not only in their own actions but also in relation to power structures, business partners and other stakeholders.

## **2. Labour relations**

**Principle 3.** The Union, its members constantly support freedom of association and recognize the right to collective bargaining.

The Union has been an active participant for many years in the negotiation process between the Government, trade unions and employers, as well as the signatory of the General Agreement on the Regulation of Basic Principles and Standards for the Implementation of Socio-Economic Policy and Labour Relations in Ukraine.

The Union members took an active part in all events (roundtables, conferences, meetings) during 2019-2020 on the discussion of issues concerning freedom of associations, collective bargaining.

Consequently, a round table on the topic "The perspectives of the implementation of paragraphs of Chapter XXI of the Association Agreement between Ukraine and the EU concerning the development of public communication and social dialogue" took place on 1 March 2020 with the participation of the representatives of the Union.

**Principle 4.** The Union members actively advocate the elimination of all forced labour forms.

During 2019 – 2020 the representatives of the Union took an active part in events (roundtables, trainings, conferences, meetings) on labour migration, the elimination of all forced labour forms.

On 17 and 18 December 2019 the representatives of the Union took part in a round table with the objective of planning a new Programme of International Labour Organization (ILO) concerning the provision of a decent work in Ukraine. The focus



of this event is the issues of labour market trends, remuneration, security and occupational health, labour migration.

**Principle 5.** During 2019-2020 the Union, its members actively advocated the complete exclusion of such a disgraceful phenomenon as child labour.

To this aim the members of the Union took an active part in events (roundtables, trainings, conferences) on eradication of child labour, loss of use of child labour. Over this period, the members of the Union took part in public events on children's rights protection, maternity protection and protection of childhood.

**Principle 6.** The Union, its members actively advocated the elimination of discrimination in employment during 2019–2020.

The Union program of activities till 2020 in the sphere of employment envisages a range of the following measures:

- encouraging employers to preserve jobs and create new jobs;
- activation of the labour market policy with a view to its maximally rapid adaptation to the structural changes in the economy, development of human resources, optimization of labour potential of regions and country as a whole, stimulation of economic activity of the population;
- involvement of women, young people, people with disabilities and those who are dismissed from the military service, unemployed people, rural residents and town dwellers in entrepreneurship;
- encouragement of the actions that are taken by enterprises to improve labour productivity and are accompanied by an appropriate increase in employees' incomes.

During 2019-2020 the members of the Union took an active part in events organized within the framework of the following projects:

- ILO Project "Strengthening labour administration to improve working conditions and to overcome undeclared work";
- ILO Project "Inclusive labour markets for job creation".
- ILO Project "The remuneration in Ukraine: the provision of technical assistance in order to set minimum wage and equal remuneration";
- ILO Project "Towards safe, healthy and declared labour in Ukraine".

### **3. Ecological principles**

**Principle 7.** In their activities the members of the Union constantly adhere to a preventive approach to solve environmental problems.

In order to promote the UNIDO and UNEP preventive environmental strategy in relation to the production processes in order to increase the efficiency of production and to reduce risks to humans and the environment, the Union together with its partners has organized a number of the following activities:

- January 14, 2019 – a round table on the problematic issues of underutilization.
- June 11, 2019 – the International Conference on "Energy and Environment";
- the meeting of the Advisory Board of the project of the UN "Adaptation and Implementation Facilitation of resource-efficient and cleaner production in Ukraine".

**Principle 8.** The members of the Union suggest initiatives, take part in activities aimed at introducing resource-efficient and clean production.



On October 10, 2019 the members of the Union took part in a round table on “Implementation of energy-saving and resource-efficient technologies in the processing industry and in the agro-industrial sector of Ukraine: achievements and perspectives”.

**Principle 9.** The Union, its members comprehensively promote the development and dissemination of environmentally sound technologies.

To this aim, the following events were held during 2019–2020 with the participation of the representatives of the Union:

- April 12, 2019 – V Forum of energy-efficient partnership;
- January 12, 2019 – the conference on “Energy efficiency and renewable energy in the houses oriented on solar energy”.

#### **4. Anticorruption principle**

**Principle 10.** The Union, its members try to eradicate through all their actions any form of corruption, including extortion and bribery.

To this aim, the Union conducts a consistent focused work on reforming the legislation in the field of entrepreneurship, creating the optimal legislative and organizational prerequisites for the establishment and implementation of the entrepreneurial activity, growth and development of small and medium enterprises.

The Union agrees that it is necessary to introduce simple, convenient and comprehensible registration and permissive procedures in Ukraine that will provide favourable conditions for reporting real business and corruption erosion.

In November 2019 the Union representatives were engaged in a business breakfast on “Public procurements: what has changed since 2020? The dialogue with the initiators of the reform” (November 6, 2019).

Specialists of the Union are actively involved in drafting of bills on reforming the tax legislation base.

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Some of the practical results of the Union activities:

- the influence of the Union and its partners on the solution of existing problems significantly increased due to consistent and systematic activities, including in social councils under the central and local governments;
- The Union takes an active part in the development, discussion and elaboration of legislative initiatives. Owing to the active participation of the Union in these processes, a number of amendments has been made to the Acts of Ukraine:
  - “On Social Dialogue”;
  - “On Collective Contracts and Agreements”;
  - “On state supervision (control) in the field of economic activity”;
  - “On Licensing of Types of Economic Activity”;
  - “On registration of legal entities and of individuals-entrepreneurs”.