



International  
Labour  
Organization

# ► **Productivity Ecosystems for Decent Work in the BRICS: A synthesis of national experiences from Brazil, China and South Africa**

December 2025

## ► Executive Summary

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At the 2023 BRICS Labour and Employment Ministers Meeting in South Africa, the BRICS Employment Working Group recognized the relationship between productivity growth and the creation of decent and formal jobs as crucial to achieving inclusive and sustained economic development. To promote the generation and sharing of best practices on policies and approaches that strengthen the linkages between productivity and decent work, the BRICS Ministers called for the establishment of a BRICS Productivity Ecosystems for Decent Work Knowledge Platform.

The *Productivity Ecosystems for Decent Work* is an integrated approach developed by the International Labour Organization (ILO) to strengthen productivity and decent work drivers across the macro, meso, and micro levels. This report synthesizes evidence and insights from three national studies conducted in Brazil, China, and South Africa, applying a Productivity Ecosystems for Decent Work lens to understand how productivity and decent work inter-relate at the country level. The experiences of these three BRICS countries demonstrate that productivity and decent work are interconnected, and that their linkages are shaped by myriad factors, including industrial policies, skills systems, labour institutions, social dialogue, and support mechanisms for enterprises and workers. When aligned in a strategic and complementary manner, these elements create an enabling environment for productivity growth, enhanced competitiveness, and the expansion of quality employment, all of which are core pillars of the BRICS inclusive growth agenda.

**Brazil** is advancing coordinated industrial transformation through the New Industry Brazil (NIB) policy, linking missions for innovation, sustainability, inclusion and competitiveness with complementary programmes for skills development, formalization, enterprise support and credit mechanisms.

**China** has developed an enabling environment that encourages continuous skills development and technological innovation, in which industrial modernization, skill-based remuneration, and collective bargaining mechanisms reinforce each other to align wage and productivity growth.

**South Africa** is leveraging labour institutions and social dialogue as pillars for building a more inclusive ecosystem drawing on a combination of industrial policies, strong legislative frameworks, formal collective negotiation systems, sectoral Master Plans, and MSME development to advance inclusive productivity growth and decent work, despite persistent structural constraints.

Across the three countries, several shared patterns and good practices emerge including the importance of coordinated policy frameworks that integrate multiple policy domains, the central role of social dialogue, and the value of strong sector-level institutions, skills systems, and approaches that account for digital and green transitions. By documenting effective practices and policies and generating evidence-based recommendations, these three national studies lay the foundation for the BRICS Productivity Ecosystems for Decent Work Platform. As an initial step toward fostering South-South cooperation and knowledge sharing, the shared insights are expected to strengthen the capacities of BRICS Member States to pursue inclusive and sustainable productivity growth that also impacts on the creation of decent jobs, and promotes social justice for all.

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## ► 1. Introduction: Promoting productivity and decent work in the BRICS

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The BRICS Member States, through the Employment Working Group, recognize that the promotion of productivity growth and competitiveness alongside the expansion of decent, formal and productive employment is essential to sustainable and inclusive growth. The relationship between productivity growth and expansion of decent jobs, however, is not automatic. Rather, coherent efforts across policy domains and effective social dialogue institutions are key to creating a virtuous cycle between productivity and decent work.

The BRICS Member States have recognized the following priorities to strengthen productivity and decent work linkages :

shifting towards higher-value-added production;

addressing persistent inequalities in access to skills, technologies, and quality employment;

navigating digital and green transitions;

strengthening formalization, social protection and labour governance.

Recognizing these shared priorities, the 2023 BRICS Labour and Employment Ministers Meeting affirmed the commitment of promoting productivity and decent work, including through the establishment of a BRICS Productivity Ecosystems for Decent Work Platform to support knowledge generation, mutual learning and collaboration.

This analytical report contributes to this initiative by presenting a synthesized analysis of three national studies from Brazil, China, and South Africa, conducted in 2025 through national research institutions. The studies apply the ILO's Productivity Ecosystem for Decent Work approach. These cases illustrate diverse pathways for integrating productivity and decent work through industrial transformation, skills development, labour governance, formalization, support to MSMEs, and the digital and green transitions. Their combined insights provide an evidence base for good practices and lessons learned on promoting the productivity and decent work.

The structure of the report is as follows: Following this introduction, Section 2 presents the ILO's Productivity Ecosystem for Decent Work approach. Section 3 summaries the main findings from the national studies from Brazil, China, and South Africa. Section 4 offers a comparative analytical synthesis, highlighting convergences and strategic differences in the three countries. Section 5 outlines the key lessons that emerge across the cases, and Section 6 provides final remarks on the implications for future cooperation under the BRICS framework.

## ► 2. The ILO's Productivity Ecosystems for Decent Work Approach<sup>1</sup>

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The virtuous cycle between productivity growth and decent work is not automatic and requires a coherent effort across a range of policy domains. To support countries to increase productivity and ensure that productivity gains translate into decent work for all, the ILO developed the Productivity Ecosystems for Decent Work approach.



This approach recognizes that enterprises and their workers are embedded in an “ecosystem” in which the drivers of productivity growth and decent work are interlinked across macro, meso, and micro levels. Key productivity and decent job creation drivers are strengthened in a systemic manner through integrated interventions across these three levels.

In practice, implementing the approach in a target country entails selection of a “slice” or sub-sector of the ecosystem with the highest potential for promoting productivity growth and decent work. Based on targeted analysis, interventions for addressing the root causes of constraints to productivity growth and decent job creation are developed.

Some examples of the key factors at each level are outlined below:

**Macro-level:** National policies, regulatory frameworks, industrial strategies, labour and wage-setting institutions and skills systems.

**Meso level:** Sectoral policies, value chain governance, sectoral associations and industrial clusters.

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<sup>1</sup> This subsection draws on the publication Productivity Ecosystems for Decent Work: Glossary of Frequently Used Terminology (<https://www.ilo.org/media/365106/download>); ILO (2025): The Productivity Ecosystems for Decent Work. Unpublished Internal Document., ILO Regional Office for Latin America and the Caribbean; and the International Labour Organization — Program Productivity Ecosystems for Decent Work (PE4DW) (<https://www.ilo.org/projects-and-partnerships/projects/productivity-ecosystems-decent-work>).

Micro level: Working conditions, management practices, work organization, technological adoption, occupational safety and health (OSH), training and formalization.

The Productivity Ecosystems for Decent Work approach is based on the following principles:

Fostering social dialogue with tripartite partners at the national, sectoral and enterprise levels.

Supporting integrated approaches with interventions across macro-, meso- and micro-levels and ensuring that different policy areas (economic, social and environmental) work in coherence.

Providing demand-driven support through aligning with national policy and sectoral priorities and builds on existing frameworks and infrastructures.

Ensuring context-specific design of tailored interventions by adapting to the needs of national partners through analyses.

## ► 3. Summary of Insights from Brazil, China, and South Africa

### 3.1. Brazil: Building a productivity ecosystem for decent work through industrial policy

The report presents an analysis of labour productivity and its implications for the promotion of decent work. It examines both, the structural determinants of productivity and the institutional, policy, and programmatic responses that have been formulated to address these challenges. The relationship between productivity and decent work is assessed using a multidimensional index of job quality. Although the analysis does not allow for causal inference, the results indicate a strong correlation between productivity growth and job quality dimensions, suggesting the existence of a virtuous cycle in which productivity gains can translate into higher wages, better job security and improved working conditions – and, conversely, in which improved job quality contributes to further productivity growth.

**Figure 2:** Evolution of the Job Quality Index and Labor Productivity (2012-Q1 to 2022-Q3)



Source: PNADC; Regis Bonelli Productivity Observatory. Author's own calculations.

The report also finds that in recent history, Brazil's productivity growth has stalled. This may be linked to persistent structural challenges including resource allocation inefficiencies, skill gaps in the workforce, and slow uptake of digital and other emerging technologies.

To address these challenges, the Brazilian government has adopted a set of strategies, two of which merit particular attention. The first is the New Industry Brazil (NIB), which establishes an industrial policy framework guided by eight principles—including productive inclusion, equity, innovation, sustainability, competitiveness, and international integration. The NIB structures its actions around six cross-cutting missions aimed at overcoming structural bottlenecks through coordinated investments in technology, productive development, digital transformation, the green economy, and the strengthening of the industrial base. This strategy seeks to align economic growth, industrial modernization, and the creation of quality jobs, thereby creating a direct connection between productivity and decent work.



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In parallel, the report identifies complementary strategies that act more directly on firms and workers. These include policies to promote formalization and special regimes for micro and small enterprises, managerial and technical support for micro-entrepreneurs, sector-demand-driven vocational training programmes, expanded access to credit, and public employment services that facilitate the matching of labour supply and demand. Empirical evidence based on causal inference methods shows that these programmes have positive impacts both on firm-level productivity and on workers' income and employability. Moreover, several of these initiatives have potential for scalability, enabling them to evolve from localized actions into sectoral or national policies.

When the NIB and complementary strategies are viewed through the lens of productivity ecosystems for decent work, it becomes clear that they play distinct yet complementary roles. The NIB acts as the structural backbone, establishing long-term guidelines and systemic goals for innovation, competitiveness, and social inclusion. The complementary strategies operate at the micro and meso levels, strengthening productive capacities and creating the conditions needed for industrial policy to translate into concrete results. This combination ensures vertical coherence—an essential element for the functioning of successful productivity ecosystems. Table 2 provides a visual representation of these policies and strategies and how they can be understood as integral components of a productivity ecosystem for decent work.

Table 2: Productivity Ecosystems for Decent Work - Brazil

Level Ecosystem	Content
Macro	NIB, industrial missions, productive inclusion, innovation, sustainability, international integration.
Meso	Vocational training, public employment services, labour intermediation, worker protection policies.

Micro	Formalization, credit, support for MSMEs, productivity-oriented programmes.
Expected Results	Productivity, quality jobs, innovation, sustainability, social inclusion.

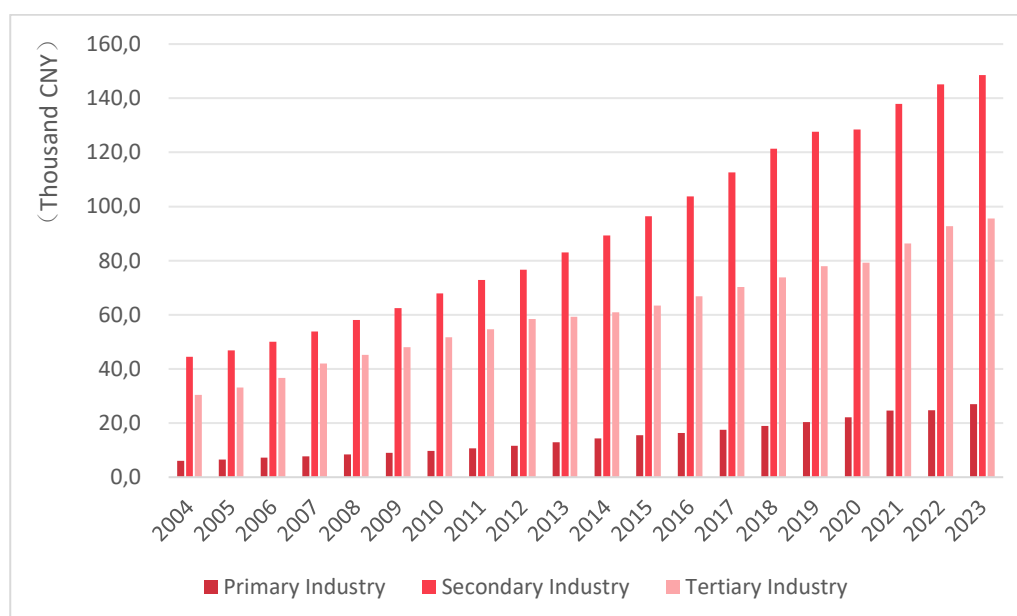
Source: Decent Work and Productivity in the BRICS: The Case of Brazil.

Note: NIB – New Industry Brazil.

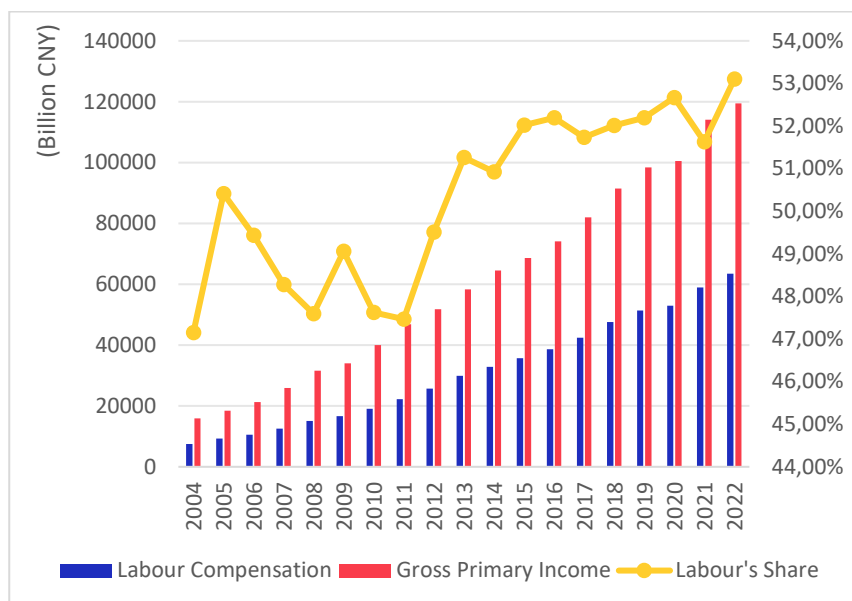
The Brazilian experience shows that strengthening the country's productivity ecosystems for decent work requires a systemic approach that integrates industrial policy, skills development, innovation, productive inclusion, formalization, and business modernization. Furthermore, the report emphasizes the importance of treating digitalization and the green transition as strategic priorities.

### 3.2. China: Promoting alignment of productivity and wages through skills and innovation systems

This report focuses on an empirical analysis of the relationship between productivity growth and wages in China. The Chinese experience reveals a distinctive trajectory of economic growth combined with consistent advances in labour productivity and improvements in labour income. Over nearly two decades, productivity has shown sustained real growth, with an average annual rate close to 8%, accompanied by continuous wage increases both in public and non-private urban units and in private enterprises. This dynamic indicates a structural alignment between productive performance and labour income, reinforced by the fact that average wages in private firms have grown at rates comparable to — or even exceeding — productivity growth, without widening disparities between groups.



**Figure 2:** Real labour Productivity by Three Strata of Industry from 2004 to 2023



**Figure 3** Labour Compensaiton and Labour's Share from 2004 to 2022

Although sectoral wage gaps persist — with higher pay in technology-intensive sectors and lower wages in traditional ones — there is evidence of narrowing inequalities in certain segments and long-term stability. Elements such as bonuses, benefits, social contributions, and housing funds have also expanded significantly, increasing the labour share of primary income and reflecting a more balanced distribution of the gains from economic growth.

The report confirms the synchronization between productivity and wages through econometric analyses showing an extremely high correlation between the two series over time. While the results point to potential mutual influence — suggesting that productivity supports wage growth, while higher wages may stimulate productivity through motivation, retention, and innovation — the empirical evidence indicates a robust structural link that favours the formation of virtuous cycles.

The report investigates the institutional and policy drivers that have contributed to the alignment of wage and productivity growth. First, it identifies China's competency-based remuneration model as an important element. Since 2017, China's competency-based remuneration model creates structured incentives to reward frontline workers, technical professionals, and innovative teams. This model establishes that greater effort, higher skill levels, and stronger contributions to innovation should be accompanied by proportional compensation. To support this, China has built a legal and institutional framework that places remuneration at the centre of labour negotiations, encourages technical upgrading, and guides firms to adopt wage structures aligned with skills development. National standards, guiding documents, and operational directives have consolidated an architecture that combines regulatory clarity, incentives for skills enhancement, and support for industrial modernization.



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Second, trade unions and employer associations have begun negotiating skill-based wage standards in specific sectors, reducing transaction costs and creating collective benchmarks for micro, small, and medium enterprises. Local examples show the implementation of performance bonuses, innovation awards, skill-level differentials, and mechanisms that encourage continuous learning.

Third, a national skills ecosystem integrates leading firms, universities, technical schools, training providers, assessors, and employment agencies, creating clear career pathways and certification systems that enhance mobility and competency development.

The result is an increasingly comprehensive system that expands the coverage of collective negotiation, strengthens incentives for innovation, optimizes costs, and drives productivity gains. The central logic of this model is that valuing skilled labour and modernizing the productive base are interdependent processes: each reinforces the other. Thus, skills development, technological upgrading, and fair remuneration form a tripod that connects economic efficiency, worker well-being, and structural competitiveness.

The Chinese experience also generates broader public policy implications. To expand productivity growth potential, the report highlights the importance of industrial modernization based on automation, digitalization, and green technologies, supported by a unified domestic market and an institutional environment conducive to innovation. Another essential pillar is the articulation between education and work, strengthening lifelong learning, school-enterprise cooperation, continuous curriculum updating, and the development of strategic skills in partnership with multilateral mechanisms such as the BRICS.

Finally, labour income is treated as a driver of virtuous cycles. Dynamic wage-setting mechanisms, strengthened collective negotiation, competency-based career structures, and expanded protection for informal and platform workers are essential components of this model. The quality of labour governance — including consultation, mediation, social dialogue, and institutional capacity — emerges as a determining factor for sustaining simultaneous advances in productivity and decent work. Together, these elements illustrate how China has built a productivity ecosystem that integrates economic modernization, skills enhancement, and the strengthening of labour income, offering valuable lessons for countries seeking to reconcile growth, inclusion, and job quality. Table 3 provides a visual summary of these policies and strategies and illustrates how they can be understood as part of a productivity ecosystem for decent work.

Table 3: Productivity Ecosystems for Decent Work

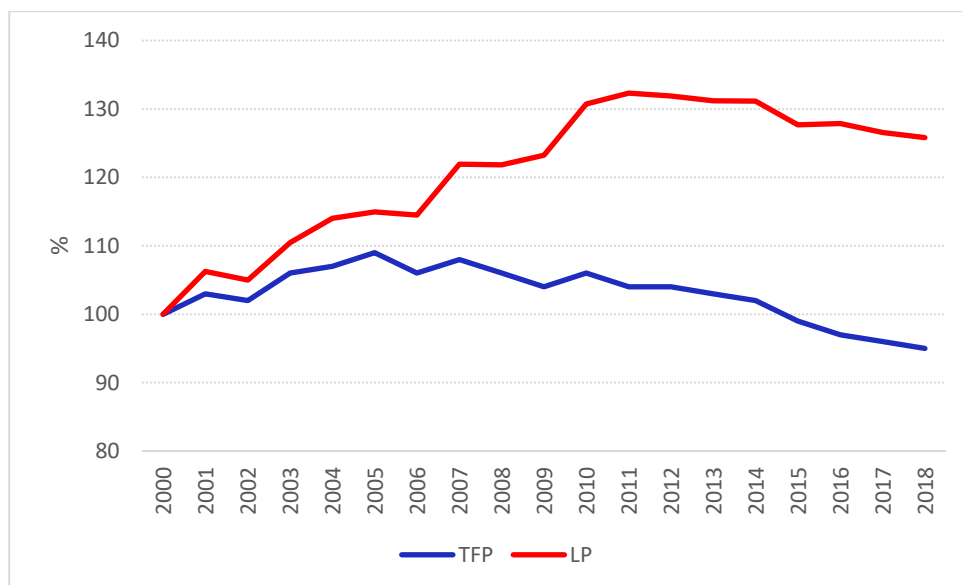
Ecosystem Level	Content
Macro	Industrial modernization, digitalization, green technologies, competency-based remuneration system, regulatory framework for collective negotiation.
Meso	Sectoral wage standards based on skills, annual guidelines, tripartite coordination, strengthening of the Technical and vocational education and training system.
Micro	Innovation-oriented collective agreements, profit-sharing linked to R&D, competency-based evaluation, awards for innovative teams.
Expected Outcomes	Higher productivity, aligned wage growth, reduced wage dispersion, continuous innovation, and strengthened decent work.

Source: BRICS Productivity Ecosystems for Decent Work – China's Report.

### 3.3. South Africa: Strengthening productivity and decent work through labour institutions and social dialogue

This report presents a policy analysis of South Africa's productivity ecosystem for decent work. The report recognizes that South Africa's economy has been shaped by profound structural transformations, significant institutional advances, and persistent challenges that continue to influence the country's economic and labour performance. Over the past decades, labour productivity has exhibited considerable fluctuations linked both to the historical legacy of apartheid and to the dynamics of subsequent economic modernization. The pre-1994 period was characterized by low productive dynamism, a direct consequence of international isolation and political instability. With the democratic transition, productivity recorded a sustained recovery driven by economic openness, macroeconomic reforms, and improvements in labour efficiency. Although these advances raised productivity levels, structural constraints remain.

**Figure 4:** Labor productivity (LP) and total factor productivity (TFP) – South Africa (1980 = 100)



Source: World Bank Group (<https://www.worldbank.org/en/research/publication/global-productivity>).

Over nearly four decades, South Africa's productive structure has undergone significant shifts, including the contraction of traditional sectors—such as agriculture, mining, and manufacturing—and the expansion of services, finance, construction, and transport. These movements reflect both opportunities and limitations: while they strengthen the role of more dynamic sectors, they also expose weaknesses in the modernization capacity of labour- and resource-intensive sectors. The shift-share decomposition of productivity reveals three distinct patterns: initially, within-sector declines in traditional activities; subsequently, considerable within-sector gains, especially in manufacturing and financial services; and, more recently, a growing contribution from between-sector reallocation, indicating the intensification of structural transformation. The strong and positive correlation between productivity and decent work (here measured through a multidimensional index of job quality) confirms the association between higher economic dynamism and improved labour conditions, reinforcing the potential for virtuous cycles between growth and decent work.

The report's policy analysis identifies a solid institutional framework that integrates labour legislation, collective negotiation systems, equity policies, and social protection instruments. The Constitution—together with legislation such as the Labour Relations Act No. 66 of 1995, the Employment Equity Act No. 55 of 1998, the Basic Conditions of Employment Act No. 75 of 1997, and the Employment Services Act No. 4 of 2014—establishes principles for fair labour practices, minimum work standards, equality policies, and public employment services. Agencies such as Productivity South Africa (PSA) play a strategic role in supporting enterprises, promoting a productive culture, and preventing job losses. Tripartite social dialogue takes place through the National Economic Development and Labour Council (NEDLAC), which brings together government, workers, employers, and civil society to formulate policies, pacts, and inclusive growth strategies. The National Development Plan 2030 (NDP 2030) organizes national priorities in employment, skills, infrastructure, and environmental sustainability, guiding long-term planning.



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Industrial and productive development policy occupies a central position in the national strategy. Led by the Department of Trade, Industry and Competition (DTIC), reindustrialization initiatives include sector-specific Master Plans—covering automotive, textile, steel, pulp and paper, sugar, and green hydrogen—and a set of financial and export incentives focused on value addition, innovation, and the creation of quality jobs.

Strengthening micro, small, and medium enterprises constitutes another foundational pillar, combining financing, incubation, formalization of informal businesses, and the integration of township and rural enterprises into formal value chains. Programmes such as the National Informal Business Upliftment Strategy (NIBUS), the National Integrated Small Enterprise Development Masterplan (NISED), the Business Incubation Support Programme (BISP), and Township and Rural Entrepreneurship (TREP) illustrate coordinated efforts to expand economic opportunities, promote productive inclusion, and stimulate entrepreneurship.

Skills development is a critical pillar of the ecosystem. Despite progress, the report finds that the country continues to face persistent gaps in technical and digital skills, high youth unemployment, and challenges in aligning Technical and Vocational Education and Training (TVET) system with productive sector needs. In response, the government has adopted initiatives geared toward digitalization and innovation, including artificial intelligence strategies, data and cybersecurity policies, and a National Skills for the Future Strategy (2020–2030). These measures aim to prepare the workforce for the demands of the Fourth Industrial Revolution while addressing the challenges of the green transition and the need for energy diversification.

Promoting equity and social inclusion remains central to decent work policies. Racial, gender, and spatial inequalities continue to shape opportunities and income distribution, requiring targeted policies for youth, women, and persons with disabilities. Social and labour programmes such as the National Health Insurance (NHI) and the Unemployment Insurance Fund (UIF) have expanded social protection, although major challenges persist for informal workers and platform workers. The transition toward a green economy also generates significant opportunities; estimates point to hundreds of thousands of potential jobs by mid-decade, provided that this transition is accompanied by skills development, innovation, and coherent industrial policies.

The external agenda complements the domestic ecosystem. South–South and Triangular Cooperation (SSTC) plays a strategic role in disseminating inclusive productivity practices, with joint initiatives among BRICS countries—such as automotive cooperation with India, renewable energy with China, and economic formalization with Brazil. These partnerships strengthen institutional capacities, promote innovation, and broaden the reach of productivity and decent work policies.

In summary, South Africa’s experience underscores that effective productivity ecosystems require coordinated interventions at the micro, meso, and macro levels; coherence among industrial, skills, and productive inclusion policies; robust labour governance; and sustained investment in innovation, digitalization, infrastructure, and social protection. The country’s trajectory shows that simultaneous progress in productivity and decent work depends on the ability to articulate economic modernization, social justice, and sustainable development—elements that are essential for building more inclusive, resilient, and future-oriented growth. Table 4 provides a visual synthesis of the policies and strategies that constitute South Africa’s productivity ecosystem for decent work.

Table 4: Productivity Ecosystems for Decent Work – South Africa

Ecosystem Level	Content
Macro	Constitution and ILO Conventions; sectoral Master Plans; industrial and digital policies (PC4IR, AI Institute); NDP 2030. Integration of international practices through South-South and Triangular Cooperation (learning exchanges with India, China, Brazil, and ILO ITC Turin).
Meso	LRA, CCMA, Bargaining Councils; BCEA; EEA; ESA; Productivity South Africa; decent work campaigns. Sector-based projects and skills development initiatives supported by SSTC (automotive with India; renewable energy with China; formalization with Brazil).
Micro	Support to MSMEs (DSBD, SEDA, SEFA, IDC); formalization initiatives (NIBUS, NISED, TREP); incubation and innovation; integration into value chains. MSME strengthening programmes supported by SSTC (credit, training, integration into regional value chains).
Expected Outcomes	Productive modernization, formal employment, reduction of historical inequalities, progress in the green transition, an inclusive and sustainable ecosystem. Dissemination of good practices and replication of models through SSTC.

Source: Linking Productivity for Decent Work in BRICS Countries: The Case of South Africa.

## ► 4. Synthesis and Implications for the BRICS Productivity Ecosystems for Decent Work

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Analysis of the three national studies — Brazil, China, and South Africa — makes it possible to identify a set of cross-cutting themes that help explain how different institutional, productive, and social contexts can converge in the construction of productivity ecosystems for decent work. Although each country presents its own trajectory and specific policy instruments, the reports reveal consistent patterns in the factors that support the alignment of economic growth, social inclusion, and productive modernization.



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The analytical synthesis yields several insights relevant to the BRICS collaboration on Productivity Ecosystems for Decent Work, including through guiding future policies, informing strategic decision-making, and intervention design.

### 4.1. Strengthening the Linkages between Productivity and Decent Work

Empirical analyses in all three countries reveal that productivity growth and decent work are interlinked. In the Brazil and South Africa studies, decent work is measured through a job quality indicator and in China, wages are used as a proxy. The studies also show that improved job quality, in turn, feeds further productivity growth. The three reports also highlight that the countries recognize productivity gains must be accompanied by social inclusion and decent work policies. In Brazil, this is reflected in the New Industry Brazil (NIB), which integrates productivity, innovation, and equity. In China, this integration appears in the skill-based remuneration framework, which links productivity to fair compensation. In South Africa, strong social dialogue institutions and re-skilling and digital inclusion policies ensure that productivity improvements also enhance employability and social equity.

Together, these examples illustrate a shared understanding among the three countries that productivity cannot be pursued in isolation from social objectives. Rather, it must serve as a vehicle for inclusive and sustainable development. This alignment between economic efficiency and social justice underscores the BRICS countries' collective commitment to advancing the Decent Work Agenda through context-specific yet mutually reinforcing strategies. It also highlights the potential of South-South cooperation as a platform for exchanging practical solutions that balance growth with fairness, fostering a more equitable global economy.

Building on the national studies, BRICS countries could draw good practices and insights for designing integrated strategies that simultaneously elevate wage growth, social inclusion and formalization, alongside productivity and working conditions.

## **4.2 Social Dialogue drives a virtuous cycle between productivity and decent work.**

The reports all conclude that effective social dialogue institutions at national, sectoral, and enterprise levels are essential to ensuring that productivity gains translate into the expansion of decent jobs and the improvement of working conditions. In turn, social dialogue also helps ensure that such decent work gains, in turn, further accelerate productivity growth.

## **4.3 Importance of Institutional Coordination**

In Brazil, coordination occurs through industrial policies and sectoral programmes. In China, the government leads the articulation among enterprises, trade unions, and educational institutions. In South Africa, the ecosystem is anchored in a strong legal framework and social dialogue mechanisms, particularly through NEDLAC.

This central role of public policies reflects a deliberate effort by BRICS countries to align national development strategies with long-term social and economic objectives. In all three contexts, effective institutional coordination ensures that productivity policies are not only technically sound but also socially inclusive and politically sustainable. BRICS countries act as conveners, bringing together key stakeholders to co-design and implement measures that promote innovation, enhance skills, and safeguard workers' rights. This multidimensional approach strengthens policy coherence and resilience, enabling each country to respond more effectively to structural challenges such as technological transformation, demographic change, and global market volatility.

## **4.4 Promoting alignment between Education, Skills, and the Labour Market**

Alignment between education, skills, and the labour market emerges as a crucial driver of inclusive productivity growth across the three countries. Recognizing the persistent mismatch between educational supply and productive demand, BRICS countries are increasingly prioritizing coordinated strategies to bridge this gap. China's competency-based pay systems seek to strengthen the link between skills development and fair remuneration, ensuring that learning translates into tangible economic rewards. Brazil's focus on expanding vocational and technical education enhances workforce readiness and innovation capacity, while South Africa's efforts to integrate TVET with employment policies create smoother transitions from training to decent work. Together, these initiatives demonstrate a proactive commitment to building dynamic, skill-responsive economies capable of sustaining equitable growth.

## **4.5 Exploring Collaborative Opportunities on Digital and Green Industrial Transformation**

All three studies conclude that digital and green transitions necessitate integrated responses across macro, meso and micro levels of the productivity ecosystem for decent work. Each country is integrating digital and environmental objectives into its key policy frameworks. Brazil, for instance, embeds green and digital transitions into its new industrial strategy. China invests heavily in smart manufacturing and green technologies. South Africa sees green industrialization as a key opportunity for the creation of decent, green jobs.



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## 4.6 Formalization and Social Protection

The formalization of the informal economy is viewed as essential for broadening the productive base and ensuring decent work. South Africa and Brazil have specific programmes to support small businesses and informal workers, while China expands protection mechanisms and collective bargaining systems to include emerging forms of employment.

## 4.7 South-South Cooperation and Peer Learning

International cooperation emerges as a key instrument for capacity building and knowledge exchange. South Africa benefits from South-South and Triangular Cooperation with countries such as Brazil and China. Brazil contributes with its experiences in formalization and inclusion, while China shares its expertise in productivity management and performance-based pay systems.

Finally, the below Table 5 compiles concrete examples from the three national reports. The table highlights areas of convergence as well as shared strategic orientations, illustrating how different policy approaches contribute to advancing productivity and decent work across the BRICS countries.

Table 5: Productivity Ecosystems for Decent Work - (Brazil, China and South Africa)

Axis / Component	Brazil	China	South Africa
Industrial Policy / Sectoral Productivity	New Industry Brazil (NIB): cross-cutting missions (productivity, innovation, sustainability, inclusion); focus on competitiveness and national autonomy; sectoral scaling through public instruments.	Industrial modernization through automation, digitalization, and green technology; unified domestic market; national guidelines for productivity and aligned wages.	DTIC and Master Plans (automotive, textile, steel, green hydrogen, etc.); EMIA/IDC/TISA/ECIC instruments for value added and exports.
Skills / TVET and Human Capital	Demand-oriented training; emphasis on workforce digitalization; public	Lifelong learning system; school-enterprise cooperation;	Central pillar (TVET/SETAs/NSDP); public-private

	intermediation and training programs.	competency-based career pathways; technical evaluation and certification.	partnerships; addressing skills mismatch and youth unemployment.
Remuneration / Collective Bargaining	Implicit linkage via NIB and programs, focusing on job quality; evidence-based policies (no detailed sectoral case provided).	Competency-based pay systems; sectoral and enterprise-level collective bargaining; collective contracts promoting innovation and profit-sharing.	LRA/CCMA/Bargaining Councils; sectoral standardization and dispute resolution; strengthening decent work through tripartite negotiation.
Innovation, Digital and AI	NIB as a driver of innovation and productive transformation; digitalization as a key workforce challenge.	Emphasis on automation, smart manufacturing, and digital transformation as productivity drivers.	PC4IR strategies, National AI Institute, data and cloud policy; STI White Paper; Digital Economy Master Plan (draft).
Inclusion / Social Protection	Equity principles (gender/color/ethnicity) embedded in NIB; programs improving job quality (formalization/support).	Rising labor share in income; guidelines for skilled and frontline workers; growing protection in new work forms.	Strong legal base (BCEA, EEA); NHI and UIF; challenges to extend coverage to informal and gig economy; regional inclusive policies.
Formalization / Informal Sector	Special regimes for MSMEs; public employment services; managerial and financial support; evidence of impact and scalability.	Guidelines to regulate new forms of employment and contracts; protection and algorithmic transparency in platforms.	NIBUS/NISED/TREP; structured agenda for transition from informal to formal with training, credit, and market access.
MSMEs / Financing and Entrepreneurship	Targeted credit, managerial support for micro and small enterprises; integration with NIB for diffusion at micro level.	Support for SMEs through competency standards and sectoral bargaining reducing transaction costs; business innovation incentives.	SEDA/SEFA/IDC/DTIC; incubation (BISP), hubs, and value chains; integration of MSMEs into high-productivity sectors.
Green Transition / Green Jobs	Green transition as a strategic NIB priority to reduce emissions and drive investment.	Pro-green technology policies tied to productive modernization and upskilling.	JET and green policies; potential of ~460,000 jobs (estimates); renewable energy and green manufacturing as key drivers.
Governance and Social Dialogue	Intersectoral coordination via NIB; vertical coherence between macro (missions) and micro (programs).	Macro coordination among government, unions, and enterprises for multi-scale guidelines and collective agreements.	NEDLAC as tripartite arena; social pacts, policy formulation and implementation; conflict reduction and predictability.

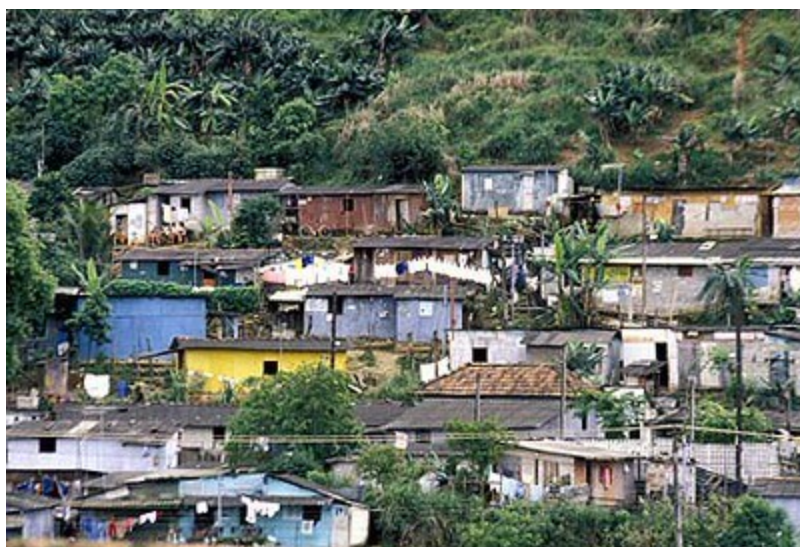
## ► 5. Conclusion

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The evidence from Brazil, China, and South Africa affirms a core insight: productivity growth and decent work are not separate agendas but mutually reinforcing components of inclusive development. The three country studies demonstrate that strengthening productivity and decent work requires coherence among industrial, educational, and social policies.

The Productivity Ecosystems for Decent Work approach provides an analytical and systemic lens for understanding these interconnections. By adopting this approach, the BRICS countries can harness their diverse experiences to build a shared knowledge base that accelerates inclusive and sustainable productivity growth.

In an era of prevailing geopolitical tensions, rapid technological change, shifting global value chains, climate change and green transition, BRICS cooperation offers a unique opportunity to pioneer new development pathways where productivity gains translate into better working conditions, reduced inequalities, and decent work for all.



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These findings also reaffirm the value of South-South and triangular cooperation as powerful mechanisms for mutual learning and innovation. By sharing policy experiences, technological solutions, and institutional practices, BRICS countries can collectively enhance their capacity to design integrated approaches that balance economic efficiency with social justice. Such cooperation not only strengthens national strategies but also contributes to shaping a more equitable global development agenda—one in which productivity gains translate into decent work, reduced inequalities, and sustainable prosperity for all.

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