

**SUMMARY PROCEEDINGS**

**Arab Employment Forum:  
A Jobs Pact for Recovery and Growth**

[www.ilo.org/arabstates/aef](http://www.ilo.org/arabstates/aef)

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## Opening Session

**Moderator:** Ms. Nada Al-Nashif, Assistant Director-General and regional Director for the Arab States

**Speakers:** Mr. Juan Somavia, Director-General of the International Labour Organization  
Mr. Ahmad Luqman, Director-General of the Arab Labour Organization  
Dr. Imad Chehab, the General Secretary for the General Union of Chambers of Commerce, Industry and Agriculture for Arab Countries  
Mr. Hassan Djemman, General Secretary for the International Confederation of Arab Trade Unions  
H.E. Dr. Khaled Qabbani, representative of the Prime Minister of Lebanon and Minister of State

**Mr. Juan Somavia**, Director-General of the International Labour Organization, opened the Arab Employment Forum by stating that the global crisis has “spared no region and no country.” He indicated that in 2009 the Arab region’s aggregate growth is projected to drop two percent, rising to four percent in 2010. Unemployment is on the rise between nine and 11 per cent for the region as a whole. Workers feel they have no responsibility in the financial management of the world economy; yet they and their families are paying the cost. In this global context, Mr. Somavia stated that it is the ILO’s responsibility to work with social partners to forge an effective response to this crisis.

“The [Global Jobs Pact](#) is our and your tripartite response to the crisis to put employment and social protection at the heart of recovery policies,” Mr. Somavia stated. The Global Jobs Pact proposes a portfolio of tried and tested policy options, the central objective of which is a rapid recovery in employment together with a basic social protection floor, which goes hand in hand with economic recovery. The objective of this forum, Mr. Somavia explained, is to forge an action agenda for the application of the Global Jobs Pact to the diverse realities of the Arab Region.

Mr. Somavia also stressed that this economic crisis is not only financial. It is a crisis of a certain model of development, of a vision of economic growth, giving prime place to what became a dysfunctional financial economy. He concluded that the challenge today is to build a new model of productive growth, which promotes sustainable enterprises and decent work.

Mr. Somavia emphasized that the most important priority is to be able to work together. Dialogue, he believed, is the strongest instrument that we have in our hands to deal with this global crisis. “Together we can move forward better and further. On our own, each of us can only get so far and we have seen this again and again,” Mr. Somavia concluded.

The full speech is available at:

<http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/speechs/somavia.pdf>

**Mr. Ahmad Luqman**, Director-General of the [Arab Labour Organization](#), stated that the Arab Employment Forum should set the policy guidelines guiding the Arab region’s response to the financial crisis in line with the Global Jobs Pact, which was adopted in June 2009. The Global Jobs Pact, he said, has stipulated that the world should do better and look different after the crisis. It has also laid a roadmap for cooperation between the ILO and the ALO. This forum stands as proof of that cooperation.

Mr. Luqman stressed that unemployment remains a serious issue in the region. The Arab Economic Summit held in Kuwait (January 2009) designated 2010-2020 as the Arab Decade for Employment. It has vowed to decrease the rates of unemployment and working poor in the region. It has also committed to increase productivity growth, support small and medium enterprises, and protect migrant workers.

As for the Arab region's priorities, Mr. Luqman noted that they were clearly defined at the Arab Summit. Priority should be given to creating employment, decreasing unemployment especially through private sector initiatives, supporting SMEs, investing in infrastructure and organizing the flow of Arab migrants. He also emphasized the region's commitment to the achievement of the Millennium Development Goals by 2015.

The full speech is available (in Arabic only) at:

<http://www.ilo.org/public/arabic/region/arpro/beirut/downloads/aef/speechs/luqman.pdf>

**Mr. Imad Chehab**, the General Secretary for the [General Union of Chambers of Commerce, Industry and Agriculture for Arab Countries](#), explained that we are living in a world of continuous crises, the latest of which is the employment crisis. He pointed out that the fiscal stimuli put in place by governments have succeeded in putting the countries back on track but emphasis needs to be placed on employment focused investments. He warned that the "situation in the Arab world is alarming," and therefore addressing this employment crisis will present a huge responsibility for Arab states.

He reminded that the unemployment situation in the region is among the worst in the world, estimating that unemployment rates will increase to 17.5 %in 2009, in comparison with 7.4% globally. To address this challenge, the region will need to create more than 50 million job opportunities from now until 2020 to contain the estimated inflow of 4 million new workers annually. To this end, Mr. Chehab stressed the importance of the role of the private sector in addressing these employment challenges, particularly that this sector has created the majority of jobs in the recent past. Private sector reform and development should therefore become a priority for Arab governments, so as to ensure that impediments to private sector development are addressed.

The full speech is available (in Arabic only) at:

<http://www.ilo.org/public/arabic/region/arpro/beirut/downloads/aef/speechs/chehab.pdf>

**Mr. Hassan Djemman**, General Secretary for the [International Confederation of Arab Trade Unions](#), also spoke of employment as one of the most pressing issues facing the Arab region today. He highlighted that one third of the active Arab population is suffering from actual or masked unemployment, while 50% of the population is in vulnerable employment. To address this challenge, more than 90 million job opportunities will have to be created by 2020.

Mr. Djemman argued that the response to the unemployment crisis must take into account economic and social considerations based on an integrated Arab economy and rooted in respect for international labour standards. This will ensure the true independence and representation of the social partners, creating an enabling environment for social dialogue. Mr. Djemmann warned that without undertaking such a comprehensive reform process, of which freedom of association and collective bargaining constitute an integral part, unemployment rates will remain the same in the region.

The full speech is available (in Arabic only) at:

<http://www.ilo.org/public/arabic/region/arpro/beirut/downloads/aef/speechs/icatu.pdf>

**H.E. Dr. Khaled Qabbani**, representative of the Prime Minister of Lebanon and Minister of State, pledged that Lebanon will stay a country of freedom and human rights. Dr. Kabbani said that this event reconfirms Lebanon as an important venue for international conferences and a crossroad of cultures.

The labour force in any country catalyzes sustainable development, he stated. Accordingly, he emphasized the need to provide adequate legislation for the social protection of workers and ensure compliance with international and regional labour standards.

He mentioned that the conference comes amidst a global crisis which has pushed the majority of countries into recession, subjecting the latter to major challenges that can only be addressed through dialogue and cooperation.

The full speech is available (in Arabic only) at:

<http://www.ilo.org/public/arabic/region/arpro/beirut/downloads/aef/speechs/kabbani.pdf>

## **Keynote address: Employment trends at the global and regional levels**

### **Objective**

The objective of the keynote address was to present overviews of the impact of the global financial and economic crisis in the region, the paths to recovery, and the different policy responses that have been employed.

**Moderator:** Azita Berard-Awad, ILO Geneva

**Speakers:** José Manuel Salazar-Xirinachs, ILO Geneva  
Talal Abu-Ghazaleh, UN Global Alliance on ICT and Development, TAGorg

**Mr. José Manuel Salazar-Xirinachs**, Executive-Director, Employment Sector of the ILO, emphasized five main issues concerning the global economic crisis, the Global Jobs Pact and the relevant implications for Arab countries. The first issue centred on the growth and employment impacts of the crisis. He reviewed the impact of the crisis in the context of the Arab countries, emphasizing the role of the Global Jobs Pact in the recovery process. He noted that two Arab countries, namely the United Arab Emirates and Kuwait, were among the 30 most affected countries in terms of economic contraction in 2009, compared to the average rate between 2000 and 2006.

Mr. Salazar highlighted several global trends resulting from the crisis according to ILO indicators and estimates. In terms of employment and decent work impacts, employment indicators are expected to worsen during the period 2007-2009. This includes the possibility for global unemployment to rise by up to 61 million, and the number of vulnerable workers to increase by up to 108 million. More than 200 million workers may also slip into extreme poverty. He pointed out that labour productivity would in turn suffer, putting pressure on earnings and working conditions, while also severely impacting youth.

The second issue dealt with the type of recovery expected, followed by a brief look at the potential policy responses. On the recovery expected, Mr. Salazar said that previous experience has shown that employment recovery normally lags over economic recovery, with a time lapse of up to 5 years, particularly in financial crises. However, this depends on the type of policies adopted in different countries and the different paths of adjustment. According to Mr. Salazar, “a process of recovery has started, but the pace and the type of this recovery remains a challenge. Any exercise of projecting into the future is surrounded by considerable uncertainty, particularly when you have a major shock like this crisis that does not follow historical regularities.” Concerning recovery, he added “At the ILO, we believe that despite recent signs that the world economy has stabilized and began to recover, the outlook is probably more fragile than many commentators believe, and that return to previous levels of employment will take a long time.”

As to policy responses to the crisis and their evaluation, Mr. Salazar referred to the ILO report “[Protecting people, promoting jobs](#)” presented at the G20 meeting in Pittsburgh, which was based on a survey that showed the following 6 most used measures in the 54 surveyed countries: (1) investment in infrastructure; (2) financial support to enterprises; (3) training programmes and facilities; (4) consultations with employers’ and workers’ organizations; (5) social protection through cash transfers; (6) microeconomic measures (including incentives to retain workers, promote new hiring, support unemployment and job seekers, and extend social protection, especially for migrant workers). Without these measures, Mr. Salazar argued unemployment would have increased further.

Mr. Salazar noted that the crisis was slower and less severe in the Arab region compared to other regions. However, the region will nonetheless likely experience slower economic growth, rising unemployment, and greater insecurity. The measures adopted by Arab countries were described as limited in scope with partial attention given to employment, social protection, women, youth and vulnerable groups. Finally, he stressed the importance of the Global Jobs Pact as a decent work response to the crisis in order to promote a fairer globalization and address structural problems.

The Power Point presentation is available at:

<http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/presentations/global.pdf>

**Mr. Talal Abu-Ghazaleh**, UN Global Alliance on ICT and Development – Chair, TAGorg, pointed out that economists, despite their expertise, were unable to foresee the crisis. He disagreed with many projections that the crisis is coming to an end, arguing instead that “this economic crisis will be felt throughout the following decade.” He noted that the latter possibility requires serious consideration as well.

The expected recovery, according to Mr. Abu-Ghazaleh will mostly be in the financial sector, rather than in the real economic sector. Therefore in analyzing economic developments utilizing financial indicators is insufficient; indicators of the real economy ought to be used instead. These include indicators on unemployment, productivity, and the accumulation of goods, which are interrelated to the extent that a deterioration of one would lead to a deterioration of the other, creating a vicious cycle.

Focusing on the Arab region, he stressed that the main problem is statistical deficiency. The lack of accurate and up-to-date data makes sound and informed policy-making difficult, since “you cannot manage what you cannot measure.” He therefore emphasized the need for a statistical agency for the region as a whole.

The second problem, added Mr. Abu Ghazaleh, is related to the social responsibility of corporations. In this context, he emphasized that unemployment is not merely an economic problem, but also a social and security challenge. In some countries, including Oman, legislation obliges corporations to invest a specific share of their budget in building capacities in the society.

Finally, he noted that the Arab region lacks adequate Technical and Vocational Educational Training (TVET) Programmes, which would provide the population with the skills needed to participate in the labour market.

## High-level tripartite roundtable: Decent work responses to the financial crisis

### Objective

The objective of the high-level tripartite roundtable was to bring together Ministers from across the Arab world alongside representatives from workers' and employers' organizations to discuss recent decent work responses to the financial crisis, and entry points for reform.

**Moderator:** Ziad Abdel Samad, Executive Director, Arab NGO Network for Development  
**Speakers:** H.E. Aisha Abdel Hadi Abdel Ghani, Minister of Manpower and Migration, Egypt  
H.E. Dr. Ghazi Shbeikat, Minister of Labour, Jordan  
H.E. Dr. Ahmad Majdalani, Minister of Labour, Palestinian Authority  
Abdeljelil Bedoui, General Union for Tunisian Workers, Tunisia  
Abdullah Dahlan, International Organization of Employers

**Mr. Ziad Abdel Samad**, Executive Director, Arab NGO Network for Development, highlighted the need for targeted policies to address employment in the region. He emphasized that the Arab world is not immune to the crisis. He quoted a recent UN Report, which reported that more than 40 million people live under the poverty line in the Arab region, while those vulnerable to poverty may exceed 90 million. A recent World Food Programme Report further reported that 31 million people in the Arab region suffer from hunger, constituting 10% of world hunger. Therefore, he emphasized the need for a new development paradigm in order to ensure fair globalization occurs based on respect for human rights, particularly the right to employment, freedom of association, and collective bargaining.

**H.E. Aisha Abdel Hadi Abdel Ghani**, Minister of Manpower and Migration, Egypt, described Egypt's progress along the President's Employment Agenda, which commits to creating 4.5 million jobs from 2005-2011. She noted, however, that the achievement of this target has been delayed in light of the recent financial crisis. To this end, the Minister related the impact of the financial crisis on the economy, and the government's response to address the pressing challenges.

She explained that GDP growth was reduced from 7.4% to 4.2%, while Egypt also lost 100,000 job opportunities in 2009. In response, the Minister mentioned a number of initiatives Egypt has rolled out to address the crisis. The Government has for instance committed 15 billion Egyptian Pounds to support infrastructure projects. To encourage female participation in the labour market, the Government is also working with international partners on "The One Business Community: Equal Opportunity" to promote gender equity in employment and earnings and enhance female participation in the Egyptian labour force. To enhance social dialogue, the government is reviewing national legislation and abolishing the clauses hindering freedom of association and collective bargaining.

The Minister emphasized the need for enhancing statistics, in order to devise a more accurate picture of the labour force and what needs to be done. To this end, Egypt has established a technical cooperation program with the ILO to assess the impact of the crisis. In collaboration with different ministries and the ILO, Egypt is also undertaking three studies on the impact of the crisis on the textiles, tourism, and contracting sectors. The Minister announced that the first assessment of the impact of the crisis in Egypt will be released in January 2010.

**H.E. Ghazi Shbeikat**, Minister of Labour, Jordan, relayed the recent measures taken by Jordan to address the financial and economic crisis. He delved into the relationship between the Ministry of Labour and general economic policy, pointing to the general absence of the Ministry of Labour in devising economic

policies across the Arab region. Jordan, for example, had achieved high growth in recent years without a parallel drop in unemployment, which remained in double digits reaching 14%. He emphasized that economic growth in Jordan was not balanced at the geographic or sectoral level, as the focus was on attracting investment not creating employment. This growth was characterized by the absence of a focus on technical vocational education and training, lack of tripartism and social dialogue and the general absence of the Ministry of Labour in economic decision-making. Dr. Shbeikat therefore concluded that the crisis now presents an opportunity for Arab countries to reconsider the role of the Ministry of Labour in economic decision making and policies. This will also guarantee tripartism, as the Ministry works in close partnership with its social partners.

Minister Shbeikat similarly called on international finance institutions like the [International Monetary Fund](#) (IMF) and the [World Bank](#) to reconsider the role of employment in their programmes and periodic reviews. Employment was never a benchmark for these institutions, he pointed out.

Many countries including Jordan are currently reducing their spending as a result of the crisis. However in reviewing expenditure and budget allocation, employment and the impact of economic policies on employment opportunities should be an important criterion. Furthermore, in order to adequately address unemployment and enhance technical vocational education and training for skills development, the Ministries of Labor will need more financial resources, as they will need to be more involved in economic decision-making.

Minister Shbeikat explained that Jordan is in the process of launching a National Employment Policy, prior to which employment was only looked at as a matter for the Ministry of Labour alone. Jordan is also undertaking a series of legislative reforms, including revising the social security law so as to extend the duration and coverage of unemployment benefits, and establish a maternity protection fund. The Ministry has also launched a series of initiatives to promote employment, through the provision of lower social protection rates for newly employed and agricultural workers. In addition, the Ministry has an initiative to encourage factory satellite units to move from industrial areas to rural areas to create job opportunities, particularly for women. The Government also has initiatives to support the agricultural and textiles industries, which have been affected by the crisis.

**H.E. Dr. Ahmad Majdalani**, Minister of Labour, Palestinian Authority, raised three central issues that need to be addressed, namely that: (1) Economic policies do not adequately mainstream employment; (2) Economic growth does not necessarily generate new job opportunities; (3) Social protection programs provide support for consumption instead of capacity development and job creation.

Minister Majdalani then focused on the impact of the financial crisis on the Palestinian economy, both directly and indirectly due to its dependency on the Israeli economy. Since the Palestinian Authority (PA) uses the Israeli shekel as one of the main currencies, fluctuations in the shekel have left Palestinians vulnerable to a decrease in living standards. Palestinians are also dependent on the Gulf for employment opportunities and on donor countries for development assistance, both of which have been impacted by the crisis. Donor countries have only met 44% of their Paris Conference pledges, when \$1-1.5 billion in aid that was promised to the PA.

The Palestinian private sector has also been directly impacted by the crisis through increased unemployment rates (300,000 unemployed). Furthermore, child labour rates are particularly high during summers. It is unacceptable but many poor families consider that child labour provides additional income. To address the issue of unemployment, the Government is working to increase the participation of women in the labour force (presently only 14%) and to reinforce Decent Work initiatives. The

government is also working to decrease public sector employment (25%) and expand private sector opportunities, while also working to improve working conditions in the informal economy and to promote formalization.

In this context, the Minister explained that for the first time, the Ministry of Labour is working to promote the employment sector and not employment or the Ministry itself, drafting a strategic plan to address employment issues. To this end, the government, is *inter alia* working to (i) promote tripartism with social partners, (ii) develop employment policies including the creation of a national employment agency, (iii) enhance TVET provision including the formulation of a national TVET strategy, and (iv) develop the cooperatives sector through the adoption of cooperative work. The objective behind these reforms, he explained, is not only to address the impact of the financial crisis, but to also seize this opportunity to address some of the underlying structural challenges to employment as well.

**Mr. Abdeljelil Bedoui**, General Union for Tunisian Workers, Tunisia, emphasized that the response to the financial crisis cannot limit itself to financial and economic considerations but should be extended to social measures as well. The response to the crisis should involve short-term and long-term measures. The focus on Decent Work therefore represents an important entry point to promote a more comprehensive reform; since decent work stipulates respect for international labour standards, social protection, and social dialogue.

A Decent Work response must come through a comprehensive long term response that combines economic, financial and social dimensions. Crises like these have benefits which must be optimized upon to make the Arab economy more immune to crisis. Crises provide an opportunity to re-consider paradigms like the neoliberal model and other common practices, which were previously taken for granted.

Arab countries have common regional trends including the hegemony of the state over society, the weak role of social partners, the reduced space for public freedoms, weak social dialogue, non-diversified economies, and weak economic cooperation and integration among Arab economies. This has developed vertical relationships instead of horizontal relationships, compounded by relatively high unemployment rates compared to other regions.

Consequently, Mr. Bedoui called for the reformulation of the relationship between the state and the society, the economy, and the environment toward a fair globalization. The objective is to concede that the economy cannot function without government intervention. Such a reformulation will ensure social dialogue, promote freedom of association and collective bargaining, and redistribute wealth, while also ensuring the rights of workers.

**Mr. Abdullah Dahlan**, [International Organization of Employers](#), mentioned that 30 years ago he also attended an AEF. “Thirty years ago I attended the first Arab Employment Forum. It is about the same problems, to address the same themes...” He stated that the region’s problems are structural and predate the financial crisis. “Youth bulge, demographics, bad education planning, unemployment, bad economic planning, these are all pre-financial crisis. Who created unemployment? We did, not the western economies and not the financial crisis. All our problems are a result of poor planning. Thirty years ago we told universities: align education policy to meet labour market demands. They said no, we are creating thinkers. Now after that they see the unemployment rates, they acknowledge their shortcomings,” Mr. Dahlan stated.

Mr. Dahlan stressed the need for social dialogue, emphasizing those social partners cannot work alone. “Employers and workers meeting alone, without the participation of the governments, is akin to the talk of the deaf. We are employers so engage us in your economic and financial decision-making.”

He related how the World Bank a few days ago convened a meeting in Turkey. Russia requested \$10 billion in loans without conditions, and received it. “When Arab countries make the same request for \$50 million, they are told to change their policies as a pre-requisite. So instead of investing our money there, why don’t we set up our own Arab Funds to fund governments to address their problems”, he asked.

Mr. Dahlan called on the ILO to support such an initiative, while he called on Arab countries to reform their education policies, and for GCC countries to inject money into the economy. He concluded that, “The crisis is not the cause, but the result of a gap in our economic, financial, educational and economic policies. Good that this crisis has come to shake things and re-direct the attention of our governments. To them we say, it is imperative that you engage us, your social partners, in the decision making process.”

## Navigation session: Introduction and brief overview of the thematic sessions

### Objective

The introductory navigation session presented the two background papers written for the Forum and sponsored by the ILO and ALO respectively. The session highlighted the state of the Arab region in the midst of the economic crisis, outlining some of the main challenges, which would be picked up again in the thematic working sessions.

**Moderator:** Mr. Maurizio Bussi, ILO Beirut

**Speakers:** Mr. Mohamed Lamine Fares, ALO  
Mr. Hussein Al-Dimasi, ALO  
Mr. Zafiris Tzannatos, ILO consultant

**Mr. Maurizio Bussi**, ILO Deputy Regional Director for the Arab States, highlighted the commitments made during the first day during a function hosted by the Prime Minister as well as the set of discussions and encouragement received by the ILO. He noted that the session is based on two background documents, which will be presented by their respective authors.

**Mr. Mohamed Lamine Fares**, from the ALO, made two comments. Firstly, he mentioned that when we talk about the crisis at the forum, we have to keep in mind the specific consequences on the Arab world and the impact on the three constituents. Secondly, he noted that we have to think in light of the Kuwait Summit, where important decisions were taken. At the Kuwait Summit Arab leaders pledged to halve unemployment, reduce the percentage of the working poor, increase productivity growth and enhance technical vocational education and training. He called on participants to focus on the proposals along those lines that could lead to a plan of action.

**Mr. Zafiris Tzannatos**, ILO consultant, emphasized that the region faced challenges even before the crisis, including high volatility, conflict, aid and donor support dependency, low productivity growth, high unemployment rates and high inactivity rates especially among youth. He further noted that the region has insufficient capacity to produce and analyze statistical information.

Focusing on the messages of [the background paper](#), he argued that the crisis is systemic and will necessitate a systemic response. "A crisis to some can be a blessing for others," Mr. Tzannatos pointed out, noting that the 1970s was a decade of economic turbulence for the developed economies, while the Arab world witnessed a period of high growth. He reminded the audience of the usual time lag involved in getting employment back to its pre-crisis level, pointing to the irregular state of economies before the crisis, and how the financial sector used to have a lot of absorption potential.

Mr. Tzannatos listed three possible scenarios for recovery (V, W or L shaped recoveries). He noted that the background paper provides an overview of the measures taken by countries to tackle the crisis. Most of those measures are in the form of public spending and financial regulation. On the other hand, some countries have initiated helpful labour and social policies, though more needs to be done in this regard. He emphasized the need for a new paradigm for development in the region, integrating the ministries of labour into the economic team of each country, so as to make them an active player in employment.

He observed that social protection systems were put in place as a reaction to different economic crises in different countries and regions. Examples include Germany during the Long Depression (1880s), USA during the Great Depression (1930s) and some Asian economies during the Asian crisis (late 1990s).

Finally, he focused on the Arab youth, who are relatively more educated and can sustain a lot of pensioners. In conclusion, he noted that the crisis is unfortunate and hoped that it will be mild on the region. "The challenge is to finish what has been started," said Mr. Tzannatos.

Power Point presentation is available at:

<http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/presentations/crisis.pdf>

**Mr. Hussein Al-Dimasi**, ALO consultant, said that if we are convinced that the root cause of this crisis comes from the obvious imbalance in power amongst the social partners, then the exit strategy can only be through the negotiation table. He focused his discussion on how to alleviate the repercussions of the crisis, proposing six concrete policy recommendations:

- The implementation of a rational wage policy based on a continuous analysis of wages to improve purchasing power, which should in turn push forward internal demand;
- The setting up of public employment programmes that will resist the effect of economic drought;
- The establishment of unemployment policies that deal with workers who have suddenly lost employment;
- The setting up of funds that will reschedule the number of laid off workers;
- The setting up of funds that will absorb migrant workers who return to their countries of origin;
- The mobilization of financial resources for social security funds.

Mr. Al-Dimasi also provided some post-crisis policy recommendations including:

- Establishing long term strategies that deal with the quantity and quality of measures to be taken to support employment;
- Addressing and eliminating food dependency;
- Establishing an alternative strategy that will exploit the financial impact of the Arab world;
- Setting up cooperation agreements between the Arab World and other regions such as the EU, including the free movement of capital and workers;
- Radically reviewing the professional relationships among social partners.

He concluded by stating that economic crises cannot be tackled at the national level, and that global solutions are needed instead.

The discussion that ensued focused on indicators and statistical resources available in the region. Progress in the field was noted, for example in Iraq. The need to more accurately define statistical terms such as employment and unemployment, and the need to rely on the private sector were also emphasized. A note was made regarding the establishment of the working group for the forum.

Note: The session was guided by the following ILO and ALO background papers respectively, "[The global financial, economic and social crisis and the Arab countries: A review of the evidence and policies for employment creation and social protection](#)," and "[The results of the Arab economic, development and social summit in Kuwait and the Doha declaration resulting from the Arab Development and Employment Forum and the contents of the Global Jobs Pact.](#)"

They are respectively available at:

[http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/global\\_eng.pdf](http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/global_eng.pdf)

<http://www.alolabor.org/nArabLabor/images/stories/Montadyat/bayrot19211009/montada-araby-leltashghel-bayrot-19211009-back-paper.pdf>

## Thematic Session 1: Decent employment and sustainable growth for Recovery: policies and institutions

### Objective

The session examined ongoing and planned efforts towards placing employment and decent work objectives in the mainstream of national government policies. The debate revolved around the measures taken to mitigate the economic crisis, examining the opportunity to address pre-existing employment challenges in Arab countries. The session drew attention to the need to reconsider priorities, emphasizing employment as a central goal for development policies in the region.

**Chair:** Mr. Alison Manani Magaya, Minister of Labour and Administrative Reform, Sudan

**Speakers:** Ms. Azita Berar-Awad, ILO Geneva  
Mr. Bayan Harb, ALO  
Mr. Khalifa Matar, Federation of UAE Chambers of Commerce and Industry, UAE  
Mr. Ahmine Chaffir, General Union of Algerian Workers, Algeria  
Mr. Lahcen Achy, Carnegie Middle East Centre, Lebanon

The Chair, **Mr. Alison Manani Magaya**, Minister of Labour and Administrative Reform, Sudan, welcomed participants to the thematic session and introduced some of the key issues for debate.

**Ms. Azita Berar Awad**, ILO, remarked that “economic growth does not necessarily translate into high numbers of employment generation.” The reason, she pointed out, is that policies and institutions matter. The Arab region, she emphasized, has the highest youth unemployment rate in the world, including for women, which cannot be explained by demographic trends only. The region features pervasive underemployment and informal employment, and women’s labour force participation remains low, although rising. Despite Arab governments’ efforts to support and reform the private sector: “The private sector hasn’t been doing its job in terms of job creation.” Ms. Berar-Awad noted that “employment cannot be a natural or systematic derivative. Economic policies need to target directly and explicitly employment generation.” According to experience, improving job quality improves access to jobs and employment creation, particularly for youth. She concluded that governments need to target employment, allocating more resources for active labour market policies.

The Power Point presentation is available at:

<http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/presentations/decent.pdf>

**Mr. Bayan Harb**, ALO, stressed that in the region, “youth have been in crises even before the crisis.” Challenges have included rapid demographic growth; increase in unemployment rates; low skill levels; decrease in oil revenues in some countries; lack of sustainable food self-sufficiency; weak levels of exports, investments, and low economic growth; cutbacks in subsidies and social protection; internal and external wars and constrained political life; impediments to trade union independence; bureaucratic and administrative hurdles. The crisis has compounded these challenges. He recalled the efforts of the ALO to promote employment and curb unemployment, consistent with the priorities of the Arab Employment Decade (2010-2020). Noting that tripartism needs to be the basis of policy and legislation, he argued for the promotion of unemployment insurance, trade union and civil society activism, comprehensive education reform, investment for employment generation, industrial cluster

development, youth training, business incubators, and innovation support, under the umbrella of strategic planning.

**Mr. Khalifa Matar**, Federation of UAE Chambers of Commerce and Industry, UAE, related the experience of his organization with the crisis. Lauding the UAE experience in building a balanced and strong economy successful in attracting foreign investors and developing trade relations, he assessed that the UAE economy has been resilient to the crisis. Behind its resilience, as proxied by expected positive “non-oil GDP growth, the real indicator of employment-generating economic activity” in 2009, was sound fiscal and monetary policy, which curbed inflation and led to a budget surplus despite the fall in oil revenues. The Federation of UAE Chambers of Commerce and Industry, he emphasized, has played a central role in studying the crisis and developing responses to it. He outlined elements of the responses, which included modernizing legislation, increasing business confidence, raising capital expenditure for development projects, launching a comprehensive stimulus package, supporting the real estate and housing sector through long-term finance and legislation. Such measures have given confidence to the private sector, particularly bank deposit and credit guarantees and pouring liquidity amounting to 135 billion dirham in the economy.

**Mr. Ahmine Chaffir**, General Union of Algerian Workers, Algeria, presented the Workers’ Group critique of the ILO thematic paper. He stressed the need for a comprehensive perspective, and noted that although the paper addresses the deficits of the past policies, its recommendations still reiterate the same policies. “The cause of the crisis,” he emphasized, “is rising social inequality between and within countries, which led to decreasing income and decreasing demand.” Accordingly, exiting the crisis necessitates overcoming the growth regime that has prevailed for more than 20 years, which was based on downward pressure on wages and working conditions. The alternative regime needs to be centered on income redistribution and improving working conditions. Instead, current proposals seek to further public spending for banks and the private sector, while disregarding the conditions of income generation for the many and their working conditions, which will deepen the crisis. He referred to a ‘double discourse’ by governments and employers regarding the informal economy, combining talk about formalization while increasing informality measures such as liberalization policies and non-declaration of workers. He pointed to the need for Decent Work Country Programmes designed through tripartism and with adequate monitoring and evaluation. According to the Workers’ Group, states need to reclaim their socioeconomic role in the context of good governance. Strategic planning requires credible and transparent labour market information systems that are shielded from political interference. Social dialogue should be the basis of comprehensive employment policy. The Workers’ Group proposed the formation of a tripartite committee on the informal economy, and another on decent work. In conclusion, he linked economic development to democratic development.

**Mr. Lahcen Achy**, Carnegie Middle East Centre, Lebanon, summarized his comments in six points. First, he reiterated the need for an alternative growth regime that generates employment and improves living condition, which in his view requires restricting the role of the state to regulation rather than production. Second, the size of the public sector is large in terms of budget and employment while its services are poor, and public sector workers are inadequately allocated and unfairly remunerated. Third, youth employment is related to the quality of education, not just its mismatch, as indicated by the poor performance of Arab students in mathematics and science, and the absence of Arab universities from the global ranking of the top 500 universities. Fourth, since rigid legislation and procedures give incentives to SMEs to work informally, he suggested that flexible regulations that are implemented were more desirable than rigid regulations that are circumvented. Fifth, he pointed out that the outcomes of a social dialogue that includes only trade unions, employers’ organizations, and governments may be detrimental to specific groups. “Who represents the unemployed? Who represents workers in informal

sectors?” he asked. Finally, he remarked that “given the diversity of economic structures and policies within Arab countries, country-level studies are of great importance” to complement regional studies.

Participants recognized that the challenges ahead remained daunting; as one participant commented: “The title of the session, referring to ‘recovery’, is provocative. When was there prosperity in the Arab region for it to be recovered?” The discussion emphasized the importance of comprehensive socioeconomic policy, matching education to labour market needs including through technical and vocational education and training, unemployment insurance, and measures to formalize the informal economy and respect international labour standards. Participants also dwelled into the diversity of circumstances in the region and the role of violent conflicts, and the meaning of decent work in different contexts. Good practices were shared, particularly on promoting employment for persons with disabilities.

Note: The Panel was guided by the following thematic paper: “[Growth, employment and decent work in the Arab region: key policy issues.](#)”

It is available at: [http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/growth\\_eng.pdf](http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/growth_eng.pdf)

## Thematic session 2: Improving management of labour migration, employment and development

### Objective

The panel session was designed to discuss the different ways in which the management of labour migration, employment and development could be improved in Arab countries. Panelists discussed the main challenges confronting migrant workers, the impact of the financial crisis on labour migration, as well as actions needed to improve the working conditions of migrant workers.

**Chair:** H.E. Dr. Ahmad Majdalani, Minister of Labour, Palestinian Authority

**Speakers:** Ibrahim Awad, ILO Geneva  
Mustapha Tlili, International Trade Union Confederation  
Sayed Salman Mahfough, General Federation of Bahrain Trade Unions, Bahrain  
Baquer Al-Najjar, University of Bahrain, Bahrain  
Iman Zakaria, Ministry of manpower and Migration, Egypt

**H.E. Dr. Ahmad Majdalani**, Minister of Labour, Palestinian Authority, noted that the topic of migration and labour force movement is interlinked with a number of other issues, namely social protection and the free and smooth movement of labour. This also includes inter-regional Arab migration, migration to Europe and return migration. He further noted that the issues were significant in the framework of migration in the Euro-Med region, highlighting the association that is often made between irregular migrants, crime and terrorism, with the political and social consequences of the latter. He therefore emphasized the importance of discussing these issues, with the objective of better organizing migration flows from and within the Arab States, with particular attention to Arab migration to European countries.

**Mr. Ibrahim Awad**, ILO, introduced the thematic background paper for this session, "[\*International Labour Migration and Employment in the Arab Region\*](#)" prepared for the Forum. He pointed out that there were different complex systems that characterize migration in the Arab region. The region, for instance, includes countries of origin, countries of destination, countries which essentially serve as conduits for transit migrants and countries which are at the same time origin, transit and destination countries. Refugees also, added Mr. Awad, often become migrant workers in the destination country in case they are not granted official refugee status. The paper however, did not look at refugees, focusing on migrant workers specifically.

Mr. Awad shed light on the different types of labour movement, including regular migration, irregular migration, and brain drain, distinguishing them by their implications on origin and destination countries. He noted the particular situation of the [Gulf Cooperation Council](#) (GCC) States, where the significant presence of migrant workers has been accompanied by high unemployment rates among nationals. He attributed this phenomenon to labour market segmentation, with a primary market for migrant workers and a secondary market for nationals.

In addition, Mr. Awad noted the correlation between working conditions, the rights of these workers and the recruitment system embodied in the kafala sponsorship system. He reflected that the inter-relationship of these factors has led to a situation, where the interests and rights of the workers are compromised. He laid particular importance on the protection of the rights of migrant workers, not just with regard to working conditions, including issues of income, employment protection and occupational

safety and health, but also with regard to the right to freedom of association and collective bargaining. In this regard, he felt that there was an urgent need to reform the kafala system.

He further noted that there were gender and temporal concerns associated with the different forms of migration. He specifically mentioned the case of domestic workers, many of whom were women, who in most Arab countries, particularly the GCC countries, were not covered by national labour laws. Under the circumstances, and given the absence of any institutional protection, the vulnerability of these workers to violations of their rights is more pronounced. Mr. Awad concluded by emphasizing the importance of the relevant [ILO Conventions on migration](#), particularly Convention No 97 and Convention No 143, which can be used as guidelines when developing, implementing and monitoring laws and policies.

**Ms. Iman Zakaria**, Ministry of Manpower and Migration, Egypt suggested that a coherent and unified approach is required for studying migration in the region. She emphasized the need for a comprehensive social dialogue, especially in the Maghreb countries. In this context, she called for the strengthening of social dialogue in order to shape a migration policy for Arab States to regulate migration flows, particularly to Europe.

**Mr. Mustapha Tlili**, [International Trade Union Confederation](#), remarked that the ILO paper did not sufficiently address the legal implications of migration and the governments' responsibility and duties towards migrant workers. The paper instead focused more on the economic aspects of labour migration. He also noted that the paper did not sufficiently address the issue of the rights of migrant workers and the latest trends in the region, most notably the migration flows from East Africa to the Maghreb countries. He observed that "the current situation and working conditions of migrant workers are not acceptable." He stressed that agreements between unions should not replace bilateral and multilateral agreements between countries of origin and destination, which meet demand for labour through organized legal channels, promote right-based regular migration and limit irregular migration and the dangers that they pose for migrant workers.

**Mr. Sayed Salman Mahfoudh**, General Federation of Bahrain Trade Unions, Bahrain, focused in his intervention on the GCC countries. Mr. Mahfoudh emphasized that protecting all workers is a basic human rights principle, and that all workers, migrants and nationals, should be treated equally, according to the International Labour Standards regardless of color, race or religion. Mr. Mahfoudh further noted that the nationalization of jobs is a goal, which does not contradict the principle of protecting migrant workers. He concluded by proposing the adoption of the decent work agenda to improve the situation of migrant workers.

**Mr. Baqer Al-Najjar**, University of Bahrain, Bahrain, pointed out that the major receiving countries in the region were situated in the Gulf. He attributed the increase of foreign workers in the Gulf to economic reasons, namely cheaper labour. In his discussion, Mr. Najjar raised the issue of the rights of migrant workers focusing on the need to reform the kafala system and grant migrant workers the right to unionize.

The discussion that followed focused on the need to develop policies in the region to retain workers and prevent brain drain. The discussion also highlighted the role of trade unions in lobbying to reform the Kafala system through institutional means with due consideration to the implementation of the international legal framework, as framed by the relevant ILO Conventions, the Multilateral Framework on International Migration and national legislations.

Another issue that was raised was the need to provide basic social protection benefits and pensions to migrant workers, stressing that “work should not be considered as a commodity.” The issue of the access to civil rights for migrant workers was again emphasized, in addition to their right to freedom of association and collective bargaining. Some participants also raised the issue of the precariousness associated with temporary work contracts, where countries of destination would rather define foreign workers “temporary” workers rather than “migrant” workers.

Note: The Panel was guided by the following thematic paper: [“International labour migration and employment in the Arab region: Origins, consequences and the way forward.”](#)

It is available at:

[http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/migration\\_eng.pdf](http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/migration_eng.pdf)

### Thematic Session 3: Building adequate social protection systems and protecting people

#### Objective

The session surveyed the status of social security in the Arab region in the context of the global financial and economic crisis. The speakers highlighted the need to improve the provision of social security focusing on four priority areas: (a) an effective social protection floor, (b) comprehensive and coordinated social protection policies, (c) the relation between social security and employment (mainly pensions, unemployment protection, and maternity protection), and (d) social security governance.

**Chair:** Mr. Jameel Humaidan, Ministry of Labour, Bahrain

**Speakers:** Mr. Zaki Al Ayoubi, Jordan Chamber of Industry, Jordan  
Mr. Ghassan Ghosn, Lebanese General Workers Union (CGTL), Lebanon  
Mr. Mohamed Chaabane, Centre de Recherches et d'Etudes de Sécurité Sociale (CRESS), Tunisia  
Mr. Alejandro Bonilla García, ILO Geneva  
Ms. Christina Behrendt, ILO Beirut

The Chair, **Mr. Jameel Humeidan**, Ministry of Labour, Bahrain focused the discussion on building adequate social protection systems and protecting citizens and workers alike. The significance of the topic is derived from the fact that it relates to the segments of the population that are most impacted during times of crises.

Sketching out the current global context, **Mr. Alejandro Bonilla García**, ILO, noted that history has shown that people have always been able to overcome crises and use them to advance development. Experience in many parts of the world has shown that one of the key elements of rapid recovery from the current crises is having modern comprehensive social protection schemes combining traditional and innovative social security instruments. The Global Jobs Pact and establishing a social protection floor for both developed and developing countries, Mr. Bonilla argued, not only contribute to addressing the current financial crisis, but also provide lessons to address other crises in a coordinated approach. Mr. Bonilla highlighted that the best investment of an economy is in its people. "Supporting and implementing the social protection floor in the framework of the Global Jobs Pact is one small step, but it is a step necessary to move to development," he concluded.

Providing an overview of the specific challenges for the Arab region, **Ms. Christina Behrendt**, ILO, noted that, despite the heterogeneity of the region, there are some priorities and issues that are relevant to all Arab countries. First, there is a need to step up the existing efforts to establish a "basic social protection floor," which would provide a guarantee for at least a basic level of social security for all, while at the same time strengthening higher levels of protection through adequate social insurance and other means. A second priority for the region is to enhance the effectiveness of social protection policies through strengthening coordination and monitoring mechanisms and improving the knowledge base of policy makers. A third important issue is the relation between social security and employment, particularly with respect to adequate and sustainable pensions, protection against the risk of unemployment and maternity protection. Finally, ensuring better governance of social security would help to increase trust in the system and enhance public support. Increased efforts would be necessary to

ensure that international social security standards, such as [the Social Security \(Minimum Standards\) Convention, 1952 \(C.102\)](#), are ratified and applied by more Arab countries.

**Mr. Jameel Humaidan** delved into the example of Bahrain, to illustrate some trends in the impact of the global economic crisis on the labour market and social protection. First, he highlighted that Bahrain initiated some policies before the crisis that worked well to mitigate the adverse impact of the crisis, though they were not originally devised for this purpose. These policies included the introduction of unemployment insurance, instated through a national law adopted in 2006. This new law provides unemployment benefits for those who have lost their jobs as well as for new jobseekers, while also establishing a good labour market information system. According to Mr. Humaidan, there have also been significant national efforts to combat youth unemployment. Given the relatively high level of Bahrain's integration in the world economy, many sectors were affected by the crisis. In sectors like banking, initially the lay-offs have been mainly among nationals. Since then, there have been national campaigns to limit the lay-off of Bahraini and Arab nationals, in hope that labour markets will see an improvement in the near future.

The importance of regional meetings in their capacity to provide space for comparison on the level of the Arab region was highlighted. **Mr. Zaki Al Ayoubi**, Jordan Chamber of Industry, Jordan, noted that Arab countries need to employ a comprehensive economic strategy in order to achieve higher growth levels and integration in the world economy. The key to addressing the challenge of job creation in the Arab region, he added, depends on the interaction between the social, cultural, political, and economic environments. Employment policies should aim for building effective and responsive labour markets, building and improving national and Arab systems for education and training, and putting policies, laws, and projects to support the private sector and to increase safety nets for people. He noted that social protection policies need to take several elements into consideration: the financial dimension, horizontal (geographic) expansion, the level of protection, and complementarity with other concerned institutions. He stressed that one of the main policy priorities is to improve existing social protection systems before introducing new elements. Indeed, added Mr. Al Ayoubi, more attention needs to be given to the issue of good governance in social security organizations in the region.

**Mr. Ghassan Ghosn**, Lebanese General Workers Union, noted that given the diversity of the Arab region, appropriate social protection solutions are needed to fulfill the obligations of social security institutions to contributors and to maintain social consensus. He put forward a number of generic proposals, including considering all wage components for social security purposes and prioritizing wage negotiations. He also called for the implementation of sound tripartite governance and effective management of social security funds, considering basic social protection as a social right, in light of the [ILO Social Security \(Minimum Standards\) Convention, 1952 \(C.102\)](#). He also touched on the issue of seasonal and temporary employment, while encouraging workers and employers to declare true wages. Mr. Ghosn addressed the phenomenon of early retirement as it represents a burden on social security funds, calling for a reconsideration of the retirement age. He warned against mixing social solidarity and social insurance. Other proposals included adapting the distribution system; considering the ratification of the relevant conventions on migrant workers; improving statistics; requesting ILO assistance in social security reform; considering the extension of social security coverage to all citizens; and ensuring the optimal investment of social security funds. Finally Mr. Ghosn stressed that Arab unions need to put more efforts, in collaboration with the ILO, in improving and extending social security to all, including promoting the ratification of the Conventions related to social security (including [Convention 102](#)).

Adding to the comments of previous panelists, **Mr. Mohamed Chaabane**, Centre de Recherches et d'Etudes de Sécurité Sociale (CRESS), Tunisia, argued that the global crisis clearly demonstrated the

importance of public social security schemes as the only guarantee against social risks during crises. He added that social security funds have endured high financial losses in the previous period due to the financial and economic crisis. Therefore, in his view, any social security scheme or programme needs to be based on four basic principles: universality, sustainability, provision of adequate protection against contingencies, and the adaptation of the schemes to the requirements of the covered groups of the population and the socio-economic context. According to Mr. Chaabane, bank employees and seasonal agricultural workers, for instance, do not need to be part of the same social security scheme. The general rule, he added, is that there is no “one size fits all” social security scheme. Mr. Chaabane noted that North African countries have taken the direction of the French model of social security systems, and for instance, both Morocco and Tunisia have implemented extended the coverage of social protection.

The discussion that followed focused on the issue of social security reform in the Arab region. Several participants noted that the ILO is well placed to provide technical advice on the reform of social security systems. Furthermore, given that many Arab countries were undergoing reform processes, more opportunities will be needed to share experiences and lessons learned. The discussion also addressed the role of the state in guaranteeing the financing of social security schemes, particularly in light of the financial difficulties that are currently being faced by these schemes. Participants also noted the need to extend social security to all, as a right within the framework of decent work, and to ensure that the systems are also conducive to promoting employment.

Note: The Panel was guided by the following thematic paper: [“Building adequate social protection systems and protecting people in the Arab region.”](#)

It is available at: [http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/social\\_eng.pdf](http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/social_eng.pdf)

## Thematic Session 4: Strengthening respect for international labour standards and workers' rights

### Objective

The session addressed the role of [International Labour Standards \(ILS\)](#) and workers' rights in the context of the current global economic and financial crisis, providing a platform to identify and support recovery policies through respect for ILS and workers' rights. These cover fundamental aspects of decent work such as: full, productive and freely-chosen employment; tripartite consultations; the rights of employers and workers; the means of settling disputes between them freely through their representatives; social protection and the basic rights to non-discrimination and freedom from forced and child labour.

**Chair:** H.E. Mohammad Mohsen Al-Afasi, Minister of Social Affairs and Labour, Kuwait

**Speakers:** Mr. Abdoullah Zouhair, ILO Beirut  
Mr. Kamran Fannizadeh, ILO Geneva  
Mr. Rida Kaysouma, ALO  
Mr. Abdel Sattar Mansour, International Confederation of Arab Trade Unions  
Mr. Thabet Anwar, Employers

**Mr. Abdoullah Zouhair**, ILO, noted that the primary goal of the ILO today is to promote, in the framework of its [2008 Declaration on Social Justice for a Fair Globalization](#), opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and human dignity. This is both a personal goal for individuals and a development goal for countries. Decent work is the converging focus of all its four strategic objectives: the promotion of rights at work; employment; social protection; and social dialogue. In adopting the Declaration, the ILO's constituents have committed themselves to making social justice and fair globalization key drivers of the future. This Declaration reinforces the role of international labour standards in the world of work, for a fair economic and social development. Following this Declaration, all strategic objectives should be covered by the relevant international labour standards and fundamental principles and rights at work.

He recalled the [Director-General's Report to the International Labour Conference in June 2009](#) according to which the different elements of the way forward are to be found in the international labour standards adopted, promoted and supervised by the ILO. They cover fundamental aspects of decent work, such as full, productive and freely chosen employment; tripartite consultations; the rights of employers and workers; the means of settling disputes between them freely through their representatives; the basic rights to non-discrimination and freedom from forced and child labour; and social protection.

Finally Mr. Zouhair stated that the conclusions to be adopted by the Arab Employment Forum should rely on an effective and efficient promotion and realization of standards and fundamental principles and rights at work as one of the four pillars of ILO action. Guidance from the ILO supervisory bodies constitutes a key resource in monitoring and promoting a rights-based approach to development in a globalized labour market currently affected by economic crisis. Therefore, there is a particular need to focus efforts on national capacity building on ILS with a view to improving Arab countries' ability to fulfill their obligations with respect to international labour standards. There is an equally urgent need to review how international labour standards not yet ratified by individual countries can contribute to constructing the foundation for a solid recovery and a sustainable economy for the future.

**Mr. Kamran Fannizadeh**, ILO, referred to the [ILO Declaration of Fundamental Principles and Rights at Work](#) as innovative in the context of ILO history. He explained that there are [four sets of principles and rights which are considered fundamental](#): (1) freedom of association and collective bargaining; (2) abolition of forced labour; (3) gradual elimination of child labour; and (4) promotion of non-discrimination in employment and occupation. They are “fundamental in the sense that they need to be respected, promoted, [and] realized, irrespective of the ratification of the relevant conventions.” Unlike conventions which create legal obligations for ratifying member States, he pointed out that the declaration is not a legal instrument. It is rather a political statement by the ILO, and thus encompasses all member States, creating an obligation for the ILO to assist member States. He noted that the technical cooperation programme to promote fundamental principles and rights at work has been successful in increasing the number of ratifications and conducting assessments in case of non-ratification. Mr. Fannizadeh concluded by underlining the commitment of Arab countries to fundamental principles and rights at work, and thanked constituents in the region that have worked with the Declaration department, which is evidence of their good will and openness.

**Mr. Rida Kaysouma**, ALO, presented the role of the ALO in protecting women workers through Arab Labour Standards. The participation of women in the labour force, he suggested, is inadequate in comparison with their importance in society and their level of education. Accordingly, labour standards can help improve the balance between economic and social development. He considered Arab Labour Standards compatible with International Labour Standards. Their added value is that they take into account the specificities of the Arab region. The ALO, he explained, has adopted to date [19 conventions and 8 recommendations](#). Women have received attention across ALO conventions, particularly Convention No. 5 of 1976. Sometimes “some measures may be considered as discriminatory in favor of women; they are in recognition of their roles as mothers, educators of future generations, and women workers.” Arab labour standards, he explained, have tackled gender equality issues including terms and conditions of work, legal protection, equal opportunity, and pay equity. ALO recommendations to promote women’s employment include changing the traditional view to technical and vocational education and training and legal protection for women compared with men in areas such as maternity protection and family benefits.

**Mr. Abdel Sattar Mansour**, International Confederation of Arab Trade Unions, recalled the words of Mr. Somavia on how the unemployment crisis in the region predates the global economic crisis. He outlined the alternative course needed for development regimes in the region, based on Arab economic integration, basic freedoms and the provision of an environment conducive to social dialogue by lifting state control of social partners. The Workers’ Group, he stressed, considers International Labour Standards as fundamental in this regard to ensure respect of workers’ rights and promote sustainable employment generation. “We need to be frank and talk about reality as is; we cannot [...] praise good intentions while avoiding the major question: how far the reality of Arab countries is from compliance with International Labour Standards”, he declared. He classified Arab countries in three groups: countries that have not ratified, those that have ratified but have not harmonized legislation, and reality in practice. He criticized the ILO thematic paper for not dwelling on the violations of workers’ rights in law and practice across the region. ILO cannot bestow praise based on intentions, he said, it needs to address realities. The Workers’ Group proposed within a comprehensive strategy to promote the ratification and application of ILO conventions, particularly those related to social dialogue, develop the capacity of social partners, and strengthen labour inspection.

**Mr. Thabet Anwar** surveyed some of the major changes in recent years, with the advent of globalization, increasing unemployment rates, and the transformation of the role of the state. The financial crisis has created uncertainties, fear, and even irrationality across economic sectors. He

illustrated the impact of the crisis on employers with an analogy: “an old poster had the following message: ‘every time I learned the answers, they changed the questions.’ In recent times the curriculum has been fully replaced.” He maintained that each Arab country has its specificity; hence successful interventions are not entirely replicable. Moreover, flexibility and gradualism in implementation are necessary to ensure sustainability. Although the responsibility is on governments, he pointed out that consultations with social partners were needed. He noted that problems often did not emanate from legislation, but from implementation, which can lead to problems for the private sector. Underlining the importance of the private sector in economic development and employment generation and preservation, he called on the Workers’ Group to support the Employers’ Group’s request for the ILO to expand its support to social partners.

The ensuing discussion covered a broad range of issues including the importance of implementing international labour standards and not just ratifying conventions, violations of workers’ rights in practice across the region, gradualism versus indivisibility of rights, the role of the ILO between encouraging ratification and confronting non-compliance, and the need for further cooperation between the ILO and ALO in promoting the ratification and application of International Labour Standards.

Note: The Panel was guided by the following thematic paper: “[Supporting recovery policies through international labour standards and respect for workers’ rights: Issues and challenges for the Arab region.](#)”

It is available at: [http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/ils\\_eng.pdf](http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/ils_eng.pdf)

## Thematic Session 5: Social dialogue and tripartism for crisis analysis and response

### Objective

The objective of this session was to assess the role of social dialogue in promoting employment and enhancing labour market governance in the region. It surveyed the various forms and structures of social dialogue in the Arab World, examining the capacity of social partners and the political will and commitment of Arab governments to engage in social dialogue. The Panel also traced the evolution of social dialogue mechanisms, including Arab country ratifications of ILO conventions addressing social dialogue over the decades. It shed light on regional experiences and lessons learned, concluding with a set of recommendations for better social dialogue and tripartism in the region.

**Chair:** Mr. Roger Nasnas, Economic and Social Council, Lebanon

**Speakers:** Mr. Tayo Fashoyin, ILO Geneva  
Mr. Rashid Khedim, ILO consultant  
Mr. Abdullah Dahlan, International Organization of Employers  
Mr. Abid Briki, from UGTT, Tunisia

**Mr. Roger Nasnas**, of the Economic and Social Council of Lebanon, thanked the ILO and ALO for organizing the meeting and commended their efforts. He put forward questions such as the role of social dialogue in understanding the current crisis and the role of the different constituents.

**Mr. Tayo Fashoyin**, from the ILO, identified the basic cornerstones of social dialogue, mainly freedom of association and the right to collective bargaining. He said that such associations should be independent and that governments should have the will to discuss economic and social issues. He mentioned that the goal of social dialogue is to reach consensus among governments, employers' and workers' organizations. Consultation, the sharing of information and negotiation are all essential elements for social dialogue. He cited Ireland as an example where in the late 1980s, effective social dialogue led to sustainable growth in the 1990s. He emphasized that social dialogue should not be exclusive to economic crises and has creative power to build consensus in matters that are important, such as labour market concerns, wages and employment. Mr. Fashoyin cited Japan, the Netherlands, Singapore and South Africa as countries that have successfully benefited from social dialogue.

**Mr. Rashid Khedim**, ILO consultant, emphasized that social dialogue has become the most efficient method to achieve social justice and stability. He noted the different possible participation levels and structures of social dialogue. Issues such as national wages, minimum wages and training are all issues that may be addressed through social dialogue. He mentioned the economic and social councils already existing in some Arab countries such as Lebanon, Jordan, Mauritania and Tunisia. He noted the need for reliable statistics through a national institution acceptable to all parties. Mr. Khedim mentioned four key elements for successful social dialogue. First, there needs to be the political will that adopts and actively works in favor of social dialogue. Second, the legal framework based on core ILO conventions needs to be put in place to regulate social dialogue. There also needs to be a reliable representation of workers and employers, alongside an independent judiciary to mediate any conflicts that may arise between the social partners.

Regarding the situation in the Arab world, Mr. Khedim observed a notable improvement, though he cautioned that the mere creation of economic and social councils does not necessarily imply that serious social dialogue is in fact taking place.

**Mr. Abdullah Dahlan** stressed that social dialogue is an essential topic and many countries have been suffering due to a lack of effective social dialogue. He expressed regret that there are many countries in the Arab region that do not have effective trade unions. “The strongest voice is that of the government,” he said, while “workers’ voices are marginalized.”

He proceeded to announce the creation of a bipartite joint committee between the employers’ and workers’ organizations during the first day of the AEF, and invited governments to join the committee. He hoped that ILO and ALO would support this initiative to ensure its sustainability.

**Mr. Abid Briki**, from UGTT, Tunisia, mentioned that social dialogue is integral and that alternatives cannot effectively alleviate social problems. He presented a historical perspective by focusing on the conditions of ILO’s creation, drawing parallels between the state of the world in 1919 and today. He emphasized the need for wealth distribution, restoring the purchasing power of workers so as to promote social stability. He criticized privatization’s capacity in offering employment opportunities and mentioned the need to prioritize strategic decisions. Mr. Briki noted that workers, aside from being consumers, are also producers and contribute to the development and growth of nations.

Mr. Briki divided Arab countries into three categories: (1) those that have not ratified fundamental conventions; (2) those that have ratified, but these conventions are not reflected in national legislation and finally, (3) those that have ratified fundamental conventions, which have been reflected in national legislation but the latter are not implemented. Mr. Briki emphasized the need for individual freedoms which would sustain collective freedoms. He called for the need to stay away from fictional organizations and from situations where governments interfere in unions’ and syndicates’ work. He further suggested refraining from electing officials who are nationals of countries that have not ratified fundamental conventions in organizations like the ALO.

**Mr. Roger Nasnas** presented a historical overview of the creation of the Economic and Social Council of Lebanon, listing the participating members of the council (employers, workers, academics and diaspora representatives). He emphasized the need for cooperation and consensus building, coupled with a clear economic and social vision for social dialogue institutions such as the Economic and Social Council, for the latter to function properly.

The discussion that ensued focused on the need for results, since without results social dialogue would be demoted to an exchange of opinions. The need to distinguish between the concept of social dialogue and the concept of collective bargaining and conflict settlement was also mentioned.

“Economic life cannot be restored through the confrontational tactics of the 20<sup>th</sup> century,” a participant pointed out. He further noted that besides civil and social peace, there are a number of issues that require coalition-building through social dialogue mechanisms, particularly as relates to matters of energy and climate change.

The need to institutionalize dialogue and place it in a legal framework was therefore emphasized. The Economic and Social Council was seen as a tribute to dialogue and as a very developed platform, which serves society as a whole.

The establishment of a joint database with labour market indicators was also recommended. Discussants further welcomed the resolution taken by the workers and employers to form a bipartite committee, and urged governments to support and actively participate.

ILO, on its part confirmed, its willingness to support countries that want to set up social institutions and strengthen their capacities, though it was cautioned that this cannot be done overnight. Social Dialogue must have a purpose and should produce concrete outcomes. Convention 144 was seen as a foundation for social dialogue. Countries were accordingly encouraged to ratify and integrate conventions 87, 98 and 144 into their national legislation.

Note: The Panel was guided by the following thematic paper: ["The Crisis and Labour Market Governance: A Social Dialogue Response"](#)

It is available (only in Arabic) at:

[http://www.ilo.org/public/arabic/region/arpro/beirut/downloads/aef/dialogue\\_ar.pdf](http://www.ilo.org/public/arabic/region/arpro/beirut/downloads/aef/dialogue_ar.pdf)

## Thematic Session 6: Promotion of sustainable enterprises for job creation and retention

### Objective

The objective of this session was to investigate policies and strategies to generate decent and productive jobs through the promotion of micro, small and medium sized enterprises in the Arab region. The discussion addressed the challenges impeding SME development in Arab countries, while outlining specific policy responses and entry points for reform.

**Chair:** H.E. Ibrahim Omar al-Hugari, Minister of Technical Education and Vocational Training, Yemen

**Speakers:** Mr. Saadeddine Oueni, Association of Lebanese Industrialists  
Mr. Abdubakr El-Siddig, Sudan Workers Trade Union Federation, Sudan  
Mr. Mohamed Mounji Amami, USTMA, Morocco  
Ms. Rania Bikhazi, ILO Beirut  
Mr. Abdel Karim Kebiri, ILO consultant  
Mr. Bayan Harb, Arab Labour Organization  
Mr. Ramzi Hafez, Infro Pro, Lebanon

**H.E. Ibrahim Al Hugari**, Minister of Technical Education and Vocational Training, Yemen, stressed that “Ninety percent of enterprises in the Arab region are micro and small enterprises. Sustainable development is therefore contingent upon the success of these enterprises.” The Minister spoke of the importance of the creation of a conducive business environment to facilitate enterprise startups and the development of an entrepreneurship culture to empower women and youth to choose self-employment as a career option. He emphasized the importance of technical vocational education and training (TVET) matching labour market needs, while also noting on a regional level the need for “economic integration instead of competition among Arab countries.”

**Ms. Rania Bikhazi**, ILO, explained that ILO Recommendation no. 189 [“Job Creation in Small and Medium-Sized Enterprises \(1998\)”](#), as well as the Global Jobs Pact and the conclusions of the 2007 International Labour Conference on sustainable enterprises frame the ILO’s approach to SME development. To this end, the ILO’s focus is on the promotion of sustainable enterprises for the creation of decent work opportunities.

In the Arab world, challenges to SME development did not begin with the onset of the financial crisis, she explained. These inherited challenges to SME development today persist and have been made worse by the crisis.

**Mr. Abdel Karim Keberi**, ILO consultant, delved into these pre-existing structural challenges that SMEs faced even before the crisis, with his presentation entitled [“Sustainable Enterprise Development and Employment Creation in the Arab Region.”](#) He presented these challenges as five-fold:

(1) Economic and institutional environment: a large number of SMEs are in the informal sector, without social protection, amidst heavy bureaucratic procedures.

(2) Educational System: Thirteen million Arab youth are illiterate; TVET institutions are failing to provide the needed vocational skills, as illustrated in the Arab countries’ performance in the World

Competitiveness Report.

(3) Labour Market: 74 million job opportunities within the next 15 years will have to be created to absorb the 3.3% annual increase in labour force, which is equal to what has been accomplished between 1950 till 2000.

(4) Cooperation and regional integration: Intra-regional trade is only 10% among Arab countries in comparison with 50% in Western countries.

(5) Competitiveness and productivity: Importance of quality assurance and promotion of fair trade in products.

The crisis has exacerbated these pre-existing structural challenges by making it harder for SMEs to access credit, and by reducing the demand for goods in the first place.

Mr. Kebiri recommended as a matter of priority that Arab countries focus on: (1) the development of an entrepreneurship culture; (2) social and economic reform so that the business environment is conducive to SME development; (3) fostering the requisite political will to promote SMEs.

Full Power Point presentation available at:

<http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/presentations/enterprise.pdf>

**Mr. Bayan Harb**, from the Arab Labour Organization, explained that SMEs are not a Western concept and have been in existence since the inception of Arab civilizations. However, most Arab countries do not have a clear definition of what constitutes a micro, small and medium enterprise. It is difficult to therefore speak of SMEs without benchmarks to clarify what constitutes micro, small and medium-sized enterprises in the Arab context.

Mr. Harb emphasized the importance of SMEs for job creation and income generation, where they form over 90% of enterprises in the region. If small enterprises are not promoted, it will be difficult to establish medium-sized and large enterprises in the region, he pointed out.

Mr. Harb listed several impediments to SME development in the Arab region, namely (1) Management skills deficit; (2) Difficulty in accessing credit; and (3) Legislative obstacles where entrepreneurs may at times need as many as 20 permits in certain Arab countries to start up a business.

His main recommendations included:

1. Skills development and entrepreneurial skills through TVET;
2. Access to finance, perhaps without interest or with reduced interest for SMEs;
3. Industrial and agricultural incubators particularly in rural areas to assist start up businesses;
4. Assistance in marketing and linking MSMEs with a network of large enterprises;
5. A comprehensive SME national policy/vision;
6. Networks to exchange experiences and lessons learned between established MSMEs and newly founded MSMEs.

**Mr. Saadeddine Ouieni**, representing the Association of Lebanese Industrialists, also reiterated that SMEs in the Arab region have faced structural problems that pre-dated the financial and economic crisis.

To address these structural challenges, incentives should be put to formalize MSMEs in the informal economy. This would create jobs, and provide social protection for their employees. Governments

should in this context partner with the private sector to encourage the development of MSMEs, giving them the financial and tax incentives, while creating an enabling legislative and TVET environment. Oueini emphasized the deficiency in vocational skills, which is forcing employers to recruit foreign workers from outside Lebanon at higher prices.

He listed the Kafalat initiative in Lebanon, which provides insurance on loans taken by SMEs, as a success story. However despite these efforts, difficult conditions on loans continue to discourage entrepreneurs from taking out credit. Access to credit therefore remains a challenge for MSMEs.

Competitiveness is also not on level ground in the region. The cost of production amidst Arab countries is not equal. Lebanon for instance has the highest electricity, energy and labour costs, which is undermining its competitiveness. Through trade agreements like the Greater Arab Free Trade Area (GAFTA) and other free trade agreements, imports have increased inside Lebanon, while the country has failed to increase its exports. Lebanon is thus unable to compete. Arab governments, international and Arab labour organizations, as well as the private sector should look at the modalities for promoting fair trade, not merely just free trade between Arab countries.

He continued to speak of custom duties between Arab countries. Lebanon is one of the countries that has eliminated custom duties between itself and other Arab countries, only to find that many Arab countries have replaced the latter with other hidden fees, which if accumulated are in fact higher. This needs to be addressed as these trade agreements were signed with the purpose of promoting a common Arab regional market and market integration, which has not been the case thus far.

**Mr. Abdubakr El-Siddig**, representing the Sudan Workers Trade Union Federation, emphasized that the development of SMEs is important, but this needs to be framed under a comprehensive industrial policy, grounded in private public partnerships, and comprehensive national planning.

Mr. El-Siddig emphasized the importance of Arab economic integration. He noted that most MSMEs were created in response to the needs of non-Arab countries for products. Therefore their revitalization would in turn remain contingent upon the recovery of these external markets. However, if Arab economies prosper through economic integration, this may itself contribute to the revitalization of these MSMEs.

Mr. El-Siddig emphasized the importance of promoting an entrepreneurship culture, through such programmes as ILO's Know About Business (KAB), Start and Improve Your Business (SYIB), and Expand Your Business (EYB). He related Sudan's successful experience with these programmes, highlighting the need for such programmes to be pro-actively promoted and localized across the region.

Mr. El-Siddig also stressed the need to strengthen social protection, particularly in the informal sector, and to reinforce social dialogue as an entry point to promote sustainable enterprises.

**Mr. Mohamed Mounji Amami**, representing USTMA Morocco, noted that addressing the challenges confronting SMEs cannot take place outside the context of national development frameworks and comprehensive national industrial policies. Amami emphasized that SMEs are now benefiting from national support and are therefore required to show results. As such, Amami called for a study to evaluate the performance of those SMEs that are benefiting from national funds. We need to conduct a cost-benefit analysis for the funding MSMEs receive and the results or value-added they provide, he stated.

Mr. Amami also emphasized the need for transparency in the management of MSMEs. As such, the

Workers Group calls for the launching of a regional campaign to promote decent work and its benefits on the social and economic levels.

**Mr. Ramzi Hafez**, Executive Director of Info Pro Lebanon, lauded the transition from viewing the public sector as the main provider of jobs, to now emphasizing the role of the private sector in job creation. Mr. Hafez agreed with Amami's call for an evaluation of the performance of SMEs.

Mr. Hafez made the argument that effectively there is no proof in any country or in any study that micro and small enterprises increase income or decrease unemployment. Of course entrepreneurship is better than unemployment, however it should still be noted that the majority of SMEs (in the range of 80%) fail in the first three years. Therefore, since we do not live in a world of infinite resources, the trade-off becomes whether to allocate resources toward the establishment of more micro and small enterprises, or to expand existing small enterprises into medium size enterprises.

Mr. Hafez made the case for supporting the second option, particularly if the objective is job creation. MSEs need 3-5 years to start creating jobs; therefore if the objective is job creation, then this is more likely to succeed with MEs than MSEs.

Furthermore, entrepreneurship, research and development and innovation are more likely to happen in existing MSMEs than in new MSMEs. Medium and large enterprises are also the ones that are able to train workers beyond the basic skills. As such, Mr. Hafez's main recommendation is to allocate resources for small enterprises to transition to medium and large enterprises.

In the rich discussion that followed a number of important issues were raised. There was a strong consensus that the creation of a culture of entrepreneurship is pivotal to the promotion of sustainable enterprises in the Arab region. In this context, participants highlighted the role of governments in fostering enterprise development through creating the conducive legislative and business environment, while promoting decent work conditions and technical vocational education and training.

There was also a debate as to the efficiency and success of incubators. While some participants expressed support for incubators, others advocated providing financial and technical support for SMEs, while leaving them to pave their own path without creating the dependency of incubators. The merits and demerits of incubators were discussed at length, including in the areas of job creation, innovation, public private partnerships, and partnerships between the private sector and academia.

The discussion also addressed the relevance of decent work in the SME context. Some were of the opinion that decent work is a luxury SMEs cannot afford. The ILO, however, emphasized that decent work is a human rights principle that is non-negotiable. Nothing can justify a worker not being able to benefit from social security, adequate remuneration and a safe working environment.

It was, however, cautioned that there is no single solution or one size fits all approach: studies and success stories from other regions and countries may not be valid in the Arab context. The concept of a one-stop-shop for instance succeeded in some countries, while it did not prove a suitable solution in others. The steps for registration and obtaining the necessary licenses remained too many and still required people to process them. Similarly in the case of SMEs in Bahrain: in response to high unemployment rates, the government decided to promote micro and small enterprises. The policy proved counterproductive, as instead of decreasing unemployment, the policy merely succeeded in increasing the number of expats hired. Therefore, while baring in mind success stories SME policies need to be rooted first and foremost in the national context.

Note: The Panel was guided by the following thematic paper: ["Sustainable Enterprise Development and Employment Creation in the Arab Region: A Review of Issues."](#)

It is available at:

[http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/enterprise\\_eng.pdf](http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/enterprise_eng.pdf)

## Plenary – Feedback from the thematic sessions

### Objective

The objective of this session was to receive feedback from each of the six rapporteurs nominated in the six different thematic sessions. The rapporteurs made a presentation detailing the conclusions of their respective session.

**Speakers:** Mr. Youssef Qaryouti, ILO  
Mohammed Lamine Fares, ALO  
Rapporteurs

### Session 1: Decent employment, sustainable growth and recovery

Rapporteur: Mr. Salah al-Zaroo

**Mr. Salah al-Zaroo**, from the Ministry of Labour for Palestine, stated that in Session One the recommendations included promoting social dialogue, tripartism and economic development. Mr. al-Zaroo noted that it was highlighted in the session that the framework of employment is a problem and in particular social protection needs to be looked at. It was agreed that improving the education system is an important part of creating employment. Further to this, fiscal incentives are needed to encourage people to join training schemes. Innovation is very important for new start ups and accurate statistics are needed. In the conclusion of the session it was agreed that in the globalised world of today economic integration is very important in the region, as is international cooperation.

In response to the presentation by Mr. al-Zaroo, participants expressed concern that employment will not recover in the short term. The participants stated that there were certain points that should have been discussed in this forum including green jobs and funds for scientific research at the level of the ILO and ALO. Participants also called on enterprises to allocate a sum for innovation in the public and private sector.

### Session 2: Improving management of labour migration, employment and development

Rapporteur: Ms. Iman Zakaria

**Ms. Iman Zakaria**, from the Labour Ministry Egypt, highlighted the consensual points that came out from Session Two. Ms. Zakaria stated that it was agreed in the session that the Kafala regime needed urgent reform. Ms. Zakaria explained that the Bahrain representative showed the improvements in the Kafala regime through institutional tools while taking into account the relevant ILO conventions and multilateral negotiations. Establishing bilateral relations with the migrant's home countries to the destination countries was also called for. Promoting social protection of migrant workers and agreeing on the provisions of social security was also agreed upon in the session. Social dialogue and tripartite negotiations were deemed necessary and active trade union participation critical, the session concluded. Bahrain and Kuwait were showcased as two GCC countries that granted immigrant workers the right to join trade unions, Ms. Zakaria stated.

Following the presentation, the discussion among participants noted that the topic of protecting workers rights without exception was agreed upon in the session but was not fully reflected by the

rapporteur. Further to this, the participants also stated that the subject of a minimum wage for migrant workers requires continued attention.

### Session 3: Building adequate social protection systems and protecting people

Rapporteur: Mr. Abid al Breiki

**Mr. Abid al Breiki**, from the Union of Tunisian Workers, said that during Session Three it was agreed that development can only occur through dialogue. Most importantly, social protection shouldn't be limited to some social categories. It was also discussed that a mechanism is needed to help the unemployed and that is why we need social protection to provide unemployment benefits. Mr. Breiki also explained that the importance of social protection was stressed and recognized by all social partners. Social protection is important to ensure people remain consumers in their own societies.

Recommendations from the floor focused on making sure that Arab states benefit from the experience of the ILO globally. It was stated that the best way to respond to the crisis is to promote social protection and that protection centers must become decentralized. In this context, the experiences of Algeria and Bahrain could be of use to the whole region. It was concluded that promoting protection against unemployment and expanding social protection should also reflect social resources.

### Session 4: Strengthening respect for international labour standards and workers rights

Rapporteur: Mr. Kadhum Shamkhy Amer al-Sudani

**Mr. Kadhum Shamkhy Amer al-Sudani**, Ministry of Labour and Social Affairs in Iraq, stated that two recommendations were agreed upon in the session. Firstly, that a plan of action is needed for regional cooperation to promote the basic fundamental rights of work including collective bargaining, equal pay, freedom of association, non discrimination against women and migrant workers, and anti- trafficking. Secondly a plan of action is needed to promote international labour standards including improved labour inspection, protection of migrant labour, social dialogue mechanisms and tripartism.

The discussion that ensued highlighted the difficulty that Arab states have had in implementing international labour standards. Participants stressed that new mechanisms need to be found in order to make the full implementation of international standards a reality. Further to this, participants stressed that occupational safety and health standards in particular need to be focused upon.

### Session 5: Social dialogue and tripartism for crisis analysis and response

Rapporteur: Mr. Abid al Breiki

**Mr. Abid al Breiki**, from the Union of Tunisian Workers, stated that in Session Five there was consensus as to the importance of social dialogue in curbing the effect of the financial crisis. Today we need social stability based on dialogue and this was at the core of the debate. During the session the participants focused on the dialogue tools and agreed that productive social dialogue can promote strong workers and employers organizations that are transparent and effective.

Some participants in Session Five, Mr. Breiki explained, articulated how social dialogue in their countries has benefited their societies. It was agreed in the session that social dialogue at the national and regional level needs to be promoted. The ILO convention on social dialogue must be ratified by all countries in the region. The session also agreed that there needs to be greater public freedoms in particular freedom of expression.

## Session 6: Promotion of sustainable enterprises for job creation and retention

Rapporteur: Ms. Khoulood al-Khalidi

**Ms. Khoulood al-Khalidi**, from the Enterprise Development Specialist ILO-Cairo, stated that in Session Six it was established that the role of SMEs in the economy was not just to promote jobs but to improve the economy as a whole. We need more information on SMEs particularly as most are in the informal economy. SMEs were already before the crisis facing issue of financial resources but this is now getting worse with the onset of the crisis.

Recommendations agreed were creating a national economic plan, promoting entrepreneurship and capacities to allow men, women, youth and those with special needs to be self employed. To overcome the crisis the government needs to cooperate with the private sector and design plans to protect the owners of businesses through specific funding programs.

Following the presentation, participants stated that while SMEs can be important in solving unemployment, social and economic development cannot occur without political reform and good governance. Participants stressed that a comprehensive approach must be taken. Further to this, it was concluded by participants that it is important to design policies and strategies including rehabilitation and capacity for those with disabilities.

## **Closing Panel: A Jobs Pact for the crisis and beyond: priorities for effective employment policies and Decent Work for Arab countries**

**Objective:** The objective of the session was to present the main conclusions of the tripartite Forum deliberations. [The Arab Action Agenda for Employment](#) was presented, and vetted by representatives from governments, workers and employers who established regional priorities in the areas of decent employment, social protection, international labour standards, social dialogue and sustainable enterprises. An impasse in discussions around enhancing management of labour migration, led to deferring the debate to a separate follow-up meeting(s).

**Speakers:**

- Mr. Ghassan Ghosn, Lebanese General Workers Union (CGTL), Lebanon
- H.E. Aisha Abdel Hadi Abdel Ghani, Minister of Manpower and Migration, Egypt
- Mr. Hassan Djemam, General Secretary, International Confederation of Arab Trade Unions
- Mr. Abdullah Dahlan, from the International Organization of Employers
- Mr. Salman, General Union of Workers, Bahrain
- Mr. Ahmed Luqman, Director-General of the Arab Labour Organization

**Mr. Ghassan Ghosn**, Lebanese General Workers Union (CGTL), Lebanon, read the full text of [the Arab Action Agenda for Employment](#) agreed upon between the government, employers' and workers' representatives of the 22 Arab countries taking part in the Arab Employment Forum.

The Agenda emphasized "the relevance of the Global Jobs Pact for the region, as a comprehensive portfolio of tried and tested policy measures addressing the social and employment impact of the global financial and economic crisis." The Agenda advocates a new development paradigm, which places employment as a central objective of economic strategies, promotes a bigger role for Ministries of Labour and calls for reorienting the financial sector to serve the needs of the real economy. "This agenda is based on the belief that crises create opportunities. In this regard, the Agenda supports the re-thinking of development strategies."

**H.E. Aisha Abdel Hadi Abdel Ghani**, Minister of Manpower and Migration, spoke on behalf of the Governments' group, lauding the efforts taken to reach consensus among the tripartite partners on an action plan forward. She noted a few linguistic nuances and editorial suggestions in the text of the Agenda of Action in the Arabic language that could be improved. However, all in all, she expressed, on behalf of the governments' group, full commitment to the essence of the text. The Minister also welcomed the creation of a tripartite committee that meets periodically to review the implementation of the decisions of the Forum, through the development, monitoring and evaluation of operational programs for the Arab Action Agenda for Employment. Speaking on behalf of the Government of Egypt and the Ministry of Manpower and Migration, she invited the Committee to hold its first meeting in Egypt.

**Mr. Hassan Djemam**, General Secretary, International Confederation of Arab Trade Unions, reiterated the importance of fair democratic social dialogue, an objective that was rarely reached in the past due to the virtual absence of social partners from the decision-making process. He, however, congratulated the tripartite partners on this "rarely reached common understanding," through the unanimous endorsement of the Arab Action Agenda for Employment.

He conceded that the workers' organizations did not reach consensus on the issue of improving management of labour migration, employment and development. He therefore called for a workers' group meeting to continue the discussion and establish a way forward with other social partners, balancing the interests of the various groups.

**Mr. Abdullah Dahlan**, from the International Organization of Employers, emphasized the need to boost investments and create a conducive business environment in the Arab region, as "creating employment opportunities cannot take place without boosting investment opportunities."

On behalf of the employers' group, he welcomed the formation of the bipartite committee between employers' and workers' organization, calling on Arab governments to also participate so as to ensure tripartite dialogue which will not be political in nature, as much as it will address the common interests of the three social partners.

He congratulated the workers' group for their collegiality. "It seems we have agreed to work together. We will not work against the governments but with the governments toward our common objectives."

**Mr. Sayed Salman Al Mahfood**, General Federation of Bahrain Trade Unions, Bahrain, lauded the spirit of cooperation among social partners on the various issues including decent employment, social dialogue, social protection, international labour standards, and sustainable enterprise development. He regretted that the parties have failed to reach a common consensus on the issue of improving management of labour migration, employment and development. On behalf of the workers' group, however, he emphasized the need to apply international labour standards to migrant workers, including social protection and freedom of association and collective bargaining. To this end, he called for continued dialogue between the social partners to achieve a common agenda forward.

**Mr. Ahmed Luqman**, Director-General of the Arab Labour Organization, thanked the tripartite partners and participants, on behalf of both the ALO and ILO for a rich three days of deliberations. He confirmed that job creation, improving management of labour migration, building adequate social protection systems, strengthening respect for international labour standards and workers rights, promoting a culture of social dialogue, and developing sustainable enterprises are at the forefront of regional priorities and recovery strategies.

Mr. Luqman announced that the outcomes of the Forum determine the programmatic policy direction of both the ILO and ALO for the next biennium, in line with the Global Jobs Pact, the decisions of the Kuwait Summit, the Doha Summit and the Arab Employment Decade (2010-2020).

He anecdotally related that he has been attending Arab Employment Forums for more than three decades now. While huge discrepancies in opinion existed then, today there are a lot more commonalities and convergence in objectives.

In this context, Mr. Luqman emphasized that perhaps one of the clearest outcomes coming out of this Forum, is that addressing employment is beyond the capacities of Ministers of Labour, and Employers' and Workers' organizations alone. Employment should instead be at the forefront of economic, social and development policies. If employment is not mainstreamed in this way, then education outcomes will continue not to meet labour market needs, as has been revealed in the significant unemployment rates for the Arab region as a whole.

The Arab Action Agenda for Employment is available at:

[http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/conclusion\\_eng.pdf](http://www.ilo.org/public/english/region/arpro/beirut/downloads/aef/conclusion_eng.pdf) (English)