Challenges in the Arab World: An ILO response

Creating decent work opportunities in the Middle East and North Africa
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The popular uprisings in Arab countries have many common causes. Structural impediments to equitable growth and social justice have exacerbated poverty, unemployment, inequality, and exclusion, themselves the results of a long-term deficit of democratic governance, essential freedoms and social dialogue.

**Social justice and decent work** are central to the demands of the current wave of popular movements, and the ILO is ideally situated within the UN system to support Arab countries and place decent work and employment at the core of socio-economic policies and strategies. This ILO strategy responds to the immediate challenges while addressing the structural issues that require medium to long-term responses. It entails policy and downstream support to re-examine structural aspects of unemployment, low productivity and limited access to decent work opportunities and social protection, as well as respect for rights at work. It focuses on labour market challenges and decent work deficits, and presents an integrated response strategy based on the ILO’s comparative advantages and potential areas for technical cooperation.

In all countries covered by this strategy, there are major local disparities in the degrees of **poverty** within individual countries. The significant progress made at the national level by many countries in the Middle East and North Africa (MENA) towards MDG 1 masks severe disparities at the local level. Lack of infrastructure, limited access to services and education, and unequal access to information technologies are some of the causes of such inequality within countries. The disadvantaged countries are caught in a vicious cycle: their situation hinders improvements in productivity and output, leaving no room for income increases, thus exacerbating their weakness. More generally, the region also faces problems in such areas as trade, migration, and climate change patterns which affect all MENA countries.

**Unemployment** is central to the crisis. Recent economic growth in the countries concerned has either not created enough jobs to absorb the new labour market entrants, or has fostered only low quality jobs, some of which have been taken by migrant labour. **Labour market challenges** in the region are structural rather than cyclical, and in particular the youth employment challenge persists: there is no comprehensive approach to integrating young women and men into the labour market, nor are efforts in this regard normally linked to any national job-centred economic framework, and there is limited policy coordination and coherence between the main government bodies, national stakeholders and international agencies.

The main decent work deficits include –

- **Low employment-to-population ratios and high unemployment rates**, especially for **young people and women** and across all levels of education: The employment-to-population ratio for North Africa and the Middle East stood at 46.6 and 45.4 per cent respectively in 2010 (compared to a world average of 61.1 per cent). This means that out of 100 people that could work, not even half of them do. Levels of unemployment stood at 9.8 per cent in North Africa and 10.1 per cent in the Middle East in 2010, with high figures especially for women (15.0 and 17.0 per cent in North Africa and the Middle East respectively, compared to a world average of 6.5 per cent). Unemployment among Arab youth is the highest in the world (23.6 per cent in North Africa and 25.1 per cent in the Middle East, compared to a world average of 12.6 per cent). Young people’s risk of unemployment is four times higher than that for adults; in Egypt this figure is six times bigger. Significant levels of **under-employment and poverty** persist: the absence of employment opportunities in the formal sector and underemployment often push individuals into the informal economy, which is large. The lack of high-quality jobs means that more than four out of ten people working in the MENA countries in 2009 had a **vulnerable job**, working either as own-account workers or as unpaid contributing family workers, and in all countries the share is considerably higher for women than for men –the MENA countries were alone in the past decade in witnessing an increase in women’s agricultural employment, mainly as vulnerable workers. Some 70% and 60% of young working men and women respectively in several countries are not covered by an employment contract.

- **Public employment services** are chronically understaffed and do not have the means or the expertise to provide good services. The absence of a regulated framework for **private employment agencies** is also a problem.
• Lack of a conducive environment for the growth of **micro, small and medium-sized enterprises**, the result of a weak entrepreneurship culture and insufficient knowledge of how to start and run a business, and of an environment that does not encourage business start-ups.

• **Unregulated migration**: many migrants end up with poor quality jobs, no social protection and no respect for their rights. This is the result of poor migration policies and insufficient or defective migration management systems.

• The increase in **productivity levels** has been minimal in recent years in the MENA countries, since most of the jobs created have been low productivity jobs in the informal sector, and increases in productivity in MENA countries are usually capital-intensive, despite achievements in **education**. There are large differences in the **quality of education** in the countries covered in the strategy. Schools, universities, and **vocational education and training** institutions are turning out graduates lacking the skills that are needed in competitive labour markets. Diplomas are often not recognized internationally. The percentage of young people who are both out of school and out of work is higher in Arab countries than in any other developing region (60 per cent).

• Arab countries have established pension schemes and the related institutions in recent decades, but few have developed a coherent national **social security** policy encompassing social insurance and non-contributory transfers and services. An effective **social protection floor** is lacking.

• Weaknesses in **social dialogue** are a manifestation of broader weaknesses in governance, respect for the rule of law, and development of a space and role for civil society. Key actors are largely unable to play effective roles in social dialogue institutions or processes. Organizations of employers and workers remain weak, and the role of the State in promoting and participating in social dialogue is relatively little understood. Functioning national institutions for social dialogue are few.

• There are problems with **labour standards** in all MENA countries. All the Maghreb countries have ratified ILO Conventions Nos. 87 & 98, except for Morocco, which has not yet ratified Convention No. 87, 1 but problems with several fundamental Conventions are widespread in many MENA countries.

**ILO response**

The ILO response is focused on **promoting employment opportunities** through the increased use of local resources, labour-intensive investment and environmental protection-related jobs, enhancing the capacity of countries to reduce **vulnerability**, and building on the existing coping strategies of social and employment safety networks to ensure implementation of the concept of a wider social protection floor. Another challenge is to **strengthen and broaden social dialogue** to ensure a democratic transformation process in the subregion; and to **strengthen the rule of law**, since the strategy is rights-based, taking international labour standards and their promotion as benchmarks and aiming to use them to guide development.

ILO programmes to promote youth employment are expanding in many MENA countries, working with ILO constituents on a multi-faceted approach to improve school-to-work transition, active labour market policies, and entrepreneurship promotion. The ILO is engaged in restructuring labour market governance and institutions, supporting the emergence of democratic trade unions and employers’ organizations.

The ILO response is guided by the 2008 ILO Declaration on Social Justice for Fair Globalization, and includes a number of **cross-cutting considerations**; the re-orientation of capacity-building initiatives to focus on supporting the transition to pluralism and democracy, in particular with regard to labour market governance, revitalizing the involvement of the social partners and social dialogue and the strengthening of civil society; promoting aspects of a **social economy** approach; **gender equality**; and the elimination of **child labour**.

Support for the **private sector** is a major concern, with emphasis placed on the promotion of a conducive enterprise environment and assistance to the development of micro and small enterprises. The ILO is seeking additional funding for specific proposals in Algeria, Bahrain, Egypt, Jordan, Morocco, Oman, Tunisia, and the Syrian Arab Republic.

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1 C87: Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); C98: Right to Organise and Collective Bargaining Convention, 1949 (No. 98).
The largest proposals concern decent jobs for young people; employment-intensive investment in capacity building and pilot programmes; employment-intensive public works; promoting inclusive and equitable social dialogue for consensus-building in Arab States; and strengthening workers’ organizations.

The successful implementation of these proposals will do much to provide the key elements of improved governance that will lay the foundations for sustainable economic recovery and enable democratic processes to guide national development.
I. ADDRESSING URGENT NEEDS

The Arab region is witnessing an unprecedented tide of popular uprisings that reflect the rejection of a decades-old model. These revolts underscore the urgent need for Arab governments to address chronic development failures and structural impediments to equitable growth and social justice, in line with Arab aspirations. These core development challenges include the nexus of unemployment, poverty, and inequality; and the deficits of democratic governance, freedoms and social dialogue.

The task is clearly one that the international community, including the United Nations, needs to collectively and carefully support. This should entail a review of current regional policies, particularly assistance to the articulation of a new people-centred development paradigm that addresses these interlocking challenges and their underlying causes. In doing so, the UN should build on its accumulated global knowledge and draw on best practices and lessons learnt from across the world in order to ensure the effective sustainability of the transformational change under way.

Given the centrality of the notion of social justice and decent work to the demands of the current wave of popular movements, the ILO is ideally situated within the UN system to support Arab countries in shaping this new development paradigm that would place employment at the core of socio-economic policies and strategies. This would entail providing policy and downstream support for revisiting structural problems of unemployment, low productivity and limited access to decent work opportunities and social protection, as well as respect for rights at work.

This inter-regional ILO strategy for the MENA region presents a set of policy and downstream interventions that respond to the immediate challenges in relation to the wave of popular movements, while addressing the structural issues that require medium-to long-term responses. It starts by analyzing some of the key underlying causes for the development failures, with a particular focus on labour market challenges and decent work deficits. It then presents an integrated response strategy based on the ILO’s comparative advantages and potential areas for technical collaboration. The final section provides concrete interventions by country.

While the situation in each of the MENA countries has its own special features, the recent wave of protests, unrest and uprisings has been triggered by similar root causes in all of them –

• the high incidence of unemployment, particularly among educated youth and its nexus with poverty, compounded by the rapid growth of the labour force and worsened by the skills mismatch between supply and demand in the labour market

• the lack of social justice in the distribution of wealth and income between the ruling elite and ordinary citizens, leading to growing inequality and the disenfranchisement of socio-economic and ethnic minorities.

• the failure or absence of democratic governance and dialogue, unchallenged by a civil society that is weak and dispersed, and social partners that are not fully independent from government

• the growth of communication and spread of knowledge, in many cases through new social media, at all levels of society, which has created a new culture of spontaneous social engagement and freedom of expression.

Further persistent challenges in the countries where changes have taken place or where the challenges have been aired prominently (Algeria, Bahrain, Egypt, Iraq, Libya, Morocco, Jordan, North Sudan, Oman, Syrian Arab Republic, Tunisia and Yemen) include inequality and exclusion. Gender discrimination and considerable local differences in economic development within countries, and unequal access to services and education continue to be the reality. Both challenges – inequality and exclusion – were among the driving forces behind the street protests, and much of this is related to labour market issues and the lack of access to decent work for many people in the region.

While the economies of the region have been growing, this has either not created enough jobs to absorb the new labour market entrants, or has fostered only low quality jobs, many of which have been taken by migrant labour. It is widely recognized that labour market challenges in the region are structural in nature rather than cyclical. While the ongoing political transformation processes are certainly positive for long-term development, they have negative short-term impact, which adds to the challenges faced by labour markets. For this reason public spending on active labour market policies in the Arab Region may be higher than in other regions. Yet despite these efforts, the impact has not always been immediately obvious, and the youth employment challenge persists. General and
youth unemployment rates have persistently hovered in the same range for the last decade or so, despite economic growth, because many job creation efforts remain segmented and limited in scale, and there is no comprehensive approach to integrating young women and men into the labour market. Moreover, such efforts are not normally linked to any national job-centred economic framework, and there is limited policy coordination and coherence between the main government bodies, national stakeholders and international agencies.

Other issues include migration, trade, and ethnic and linguistic identities which may reach beyond national borders, as well as climate change patterns which affect all MENA countries. All countries have seen economic progress, albeit to different degrees, but Tunisia has had the lowest GDP and GDP per capita growth rates over the last decade.

The short-term effects have been damage to infrastructure, especially in the case of Libya; losses following serious disruptions in production and exports; stock market turbulence; capital flight; and uncontrolled migration flows.

1. **Unemployment, underemployment and the labour market**

Unemployment is acknowledged as a key issue underlying the crisis. Employment-related projects account for almost 75% of ILO expenditure in the Arab States. The following are the main challenges faced in the labour market.

- **Low employment-to-population ratios and high unemployment rates, especially for young people and women and across all levels of education.** The employment-to-population ratio for North Africa and the Middle East stood at 46.6 and 45.4 per cent respectively in 2010 (compared to a world average of 61.1 per cent). This means that out of 100 people that could work, not even half of them do. Despite some variations between countries, levels of unemployment are extremely high in the whole of the MENA region (9.8 per cent in North Africa and 10.1 per cent in the Middle East in 2010), especially for women (15 per cent) and young people (23.6 per cent). The employment challenge in the MENA region is even more pronounced for women and youth. Indeed, women in the MENA region have the poorest labour outcomes in the world. In 2010, the unemployment rate for women was 15.0 and 17.0 per cent in North Africa and the Middle East respectively, compared to a world average of 6.5 per cent. Moreover, unemployment among Arab youth is the highest in the world (23.6 per cent in North Africa and 25.1 per cent in the Middle East, compared to a world average of 12.6 per cent). Young people’s risk of unemployment is four times higher than that for adults; in Egypt this figure is six times bigger.

Unemployment affects all income and education groups. In Algeria, Egypt, and Morocco people with secondary education have a higher risk of being unemployed. For university graduates, the risk is only slightly lower.

The high incidence of **youth unemployment**, particularly among graduates, compounded by the rapid growth of the labour force and worsened by the skills mismatch between supply and demand in the labour market, fuelled major unrest. Young people’s risk of unemployment is four times higher than that for adults. In Egypt this figure is six times higher. Youth unemployment rates have persistently hovered in the same range for the last decade or so, despite economic growth, because many job creation efforts remain segmented and limited in scale, and there is no comprehensive approach to integrating young women and men into the labour market. Moreover, such efforts are not normally linked to any national job-centred economic framework, and there is limited policy coordination and coherence between the main government bodies, national stakeholders and international agencies.

- **Insufficient number of high-quality jobs.** More than four out of ten people working in the MENA countries in 2009 had a vulnerable job, working either as own-account workers or as unpaid contributing family workers. This ratio is more than 50 per cent in Morocco, and in all countries the share is considerably higher for women than for men. Indeed, while deindustrialization took place in other parts of the world, the MENA countries were alone in witnessing an increase in women’s agricultural employment, mainly as vulnerable workers. \(^2\) Wage and salary work – the type of job with a higher likelihood of being decent – has not increased considerably over time. Informal sector shares are also large. According to the ILO School to Work Transition Surveys conducted for three countries in the region (Syria, Jordan, and Egypt), most of the young people were in transition –

\(^2\) Thematic brief on gender, ROAS, March 2011.
either unemployed, or employed in a job that is temporary or unsatisfactory, or inactive but planning to look for work. A further 70% and 60% of young working men and women respectively in the three countries do not have a contract.

**High share of public sector employment.** According to 2004 data, in MENA countries the public sector accounted for some 29 per cent of total employment, with wages representing around 38 per cent of current expenditure, which is almost double the world average (excluding China). Young people and women continue to prefer jobs in this sector. Women in particular show a preference for employment in the public sector, which is mainly related to the more favourable terms and conditions in this sector in comparison with the private sector, making such jobs more socially acceptable.

**Weak performance of public employment services and absence of a regulated framework for private employment agencies.** Public employment services are chronically understaffed and do not have the means or the knowledge to provide good services. In a situation where neither labour demand nor labour supply works properly, an insufficient matching system makes it even more difficult for people to find jobs and employers to find good workers. The absence of a regulatory framework for private employment services increases the risk of abuse and fraudulent practices and favours underperforming public services and informal networks.

**Unconducive environment for MSMEs.** Creating their own business is only rarely a viable option for people in MENA countries. This is the result of a weak entrepreneurship culture and insufficient knowledge of how to start and run a business, and of an environment that is unconducive to business start-ups.

**Significant levels of under-employment and poverty.** Underemployment (where total income is insufficient for ensuring a decent living and/or raising the worker above the poverty threshold) and work in the informal economy highlight the low quality of employment and the decent work deficits that affect a large number of the employed and push them to migrate. The absence of employment opportunities in the formal sector and underemployment often push individuals into the informal economy. The *Arab Human Development Report 2009* estimates the proportion of the population under the national poverty line (1990-2004) at much higher rates for the Maghreb than the Mashreq countries; 22.6 per cent in Algeria, 19 per cent in Morocco, 16.7 per cent in Egypt, 14.2 per cent in Jordan and 7.6 per cent in Tunisia (UNDP, 2009).

**Lack of reliable labour market statistics in the MENA countries** also hampers the ability to adopt evidence-based policies.

### 2. Political frustration: Inequality and exclusion

The lack of *social justice* in the distribution of wealth and income between the ruling elite and ordinary citizens has led to growing inequality, the polarization of societies and the disenfranchisement of socio-economic and/or ethnic minorities. Slow political liberalization processes have fuelled discontent and social alienation and exclusion, particularly among young people, and the enlargement of disenfranchised and vulnerable groups, such as migrant workers and refugees, has intensified tension by amplifying inequalities. The political arena in most of the MENA countries is largely characterized by the failure or absence of democratic governance or change, unchallenged by a civil society that is weak and dispersed, and social partners that have not been fully independent from government. In response, the growth of communications technology and spread of knowledge, in many cases through new social media, has created a new culture of spontaneous social engagement and freedom of expression at all levels of society.

**Inequality and exclusion** are related to labour market issues and the lack of access to decent work for many people in the region. Economic growth has either not created enough jobs to absorb the new labour market entrants or has fostered only low-quality jobs, many of which have been taken by migrant labour. Labour market challenges in the region are structural in nature rather than cyclical. While the ongoing political transformation processes are certainly positive for long-term development, they have negative short-term impact, which adds to the challenges for labour markets. For this reason public spending on active labour market policies in the MENA countries may be higher than in other regions. Yet despite these efforts, the impact has not always been immediately obvious and the youth employment challenge persists.

**Mismanaged migration flows:** Migration in the MENA countries could offer possibilities for many people. However, it is often unregulated and migrants often face difficulties, both those coming to the
region and those moving within and out of the region. Many migrants end up with poor quality jobs, no social protection and no respect for their rights. This is the result of poor migration policies and insufficient or defective migration management systems. The situation is further complicated by the large numbers of people moving to escape conflict. Over 100,000 people have crossed the border from Libya into Tunisia.

Considerable local disparities. In all countries covered by this strategy, local disparities become obvious through the various degrees of poverty in the same country. Indeed, in terms of achievement of the MDGs, it is well established that the significant progress made at the national level by many countries in the MENA region, particularly the middle income countries (MICs), masks severe disparities at the local level. Lack of infrastructure, limited access to services and education, and unequal access to information technologies are some of the causes of such inequality within countries. The disadvantaged countries are caught in a vicious cycle: their situation hinders improvements in productivity and output, leaving no room for income increases, thus exacerbating their weakness.

Other features of the failure to make significant political progress include persistent gender discrimination, considerable local differences in economic development within countries, and unequal access to services and education. More generally, the region also faces problems in such areas as trade, ethnic and linguistic identities which may reach beyond national borders, and climate change patterns which affect all MENA countries.

3. Skills and economic performance

The increase in productivity levels (measured as output per worker employed) has been minimal in recent years in the MENA countries, especially when compared to other regions. The majority of jobs created have been low productivity jobs in the informal sector. This is reflected in the high share of working poverty at the $2 a day level, which stands at around 40 per cent. Increases in productivity in MENA countries are usually achieved through investment in technology, often accompanied by shedding of labour, and there is only rarely recourse to increasing productivity through better working conditions, organizational innovations, pro-worker policies and practices, respect for workers’ rights, an improved enabling environment for sustainable enterprises, gender equality, social dialogue or fundamental investments in health and physical infrastructure. Achievements in education have not led to adequate productivity growth. This is particularly ominous, since it is the basis for improved wages and living standards.

There are large differences in the quality of education in the countries covered in the strategy. Despite these differences and the heavy government investments across the region in education, the results have been disappointing across the board. Schools, universities, and vocational education and training are turning out graduates lacking the skills that are needed in competitive labour markets. Diplomas are often not recognized internationally, which makes migration difficult, especially for highly educated young people. Despite impressive improvements in education indicators over time and near universal enrolment in primary education in most countries in the region, the percentage of young people who are both out of school and out of work is higher in the Arab region than in any other developing region (60 per cent). ³

Across North Africa employers have frequently identified the lack of the right skills as a barrier to expanding business and employment. However, this level of concern does not appear to be matched by a similar level of commitment to providing on-the-job learning opportunities. The MENA countries have the lowest incidence of formal training at the workplace.

Vocational training in the North African subregion was already at a significantly lower share compared to secondary education (with vocational training only attended by 27% of young people in education in Egypt, 22% in Libya, 12% in Algeria, 8% in Tunisia, and 6% in Morocco). The relatively large share of academic secondary education reflects social preferences for academic pathways, but also indicates the low quality of vocational training.

4. **Social protection**

While most Arab countries have established elaborate pension schemes and the related institutions over the last decades, few have developed a coherent national social security policy encompassing the various components of social security, including social insurance as well as non-contributory transfers and services.

One of the main challenges for the Arab region is thus to build an effective social protection floor that would guarantee a minimum level of social protection for the population, and which would contribute to realizing the universal right to social security. In many Arab countries there is increasing recognition that the fruits of economic growth need to be distributed in a more effective and equitable way in order to foster broad-based and sustainable economic and social development, and that more effective protection from poverty is indispensable.

Experience from other parts of the world shows that social security schemes which aim at building a social protection floor (such as social security pensions, child benefits and better access to essential health services), have contributed to enhancing income security, education and health outcomes, reducing the incidence of child labour, and encouraged engagement in productive activities. International experience also shows that guarantees under the social protection floor would benefit women in particular, and would partly compensate for their limited access to contributory schemes.

**Challenges regarding wages**

Given low productivity growth, there has been very little room for wage increases in the past decade in any of the countries where data is available. Most of the jobs created were in the informal economy, with wages too low to even guarantee that people can live with their families outside poverty. Even in the fastest growing sector, the service sector, many jobs were of low quality and in the informal economy. Even formal service sector jobs, especially in the education and health sector, are low paid compared to international levels. Given that these jobs are mainly occupied by women, the result is another form of discrimination. In all countries where information is available, wage gaps between men and women are evident, signalling gender discrimination in employment.

Minimum wage legislation is operational only in Tunisia. In Egypt, due to a court decision, the statutory minimum wage has been increased after 25 years of being far below the level that could enable people to escape poverty, but so far this has not been implemented. Despite the creation of a Supreme Council for Wages (SCW) and the modernization of the Labour Code in 2003 that introduced a revision of the minimum wage through tripartite dialogue every three years, the Council has not been able to meet its objectives, thus preventing the necessary adjustments to be made. A tribunal decision late in 2010 forced the SCW to meet and set a new minimum wage level, but this was done in a way that raised objections as to its interpretation, and the resulting lack of clarity has had a negative impact on contributions to the social security scheme.

5. **Social dialogue: Challenges in collective bargaining and freedom of association**

Social dialogue, which should be based on the principles and rights of freedom of association and collective bargaining, is generally not well developed in the region. Even though all countries have ratified all or some of the related ILO Conventions, implementation and enforcement is often lacking.

This is a manifestation of broader weaknesses in governance, respect for the rule of law, and development of a space and role for civil society. Key actors are largely unable to play effective roles in social dialogue institutions or processes. Organizations of employers and workers remain weak, and the role of the State in promoting and participating in social dialogue is relatively little understood. The very few functioning national institutions for social dialogue exist mainly in the Maghreb countries of North Africa, with limited examples of good practice in Kuwait, Bahrain and Oman in the Middle East.

North African countries have more prominently addressed issues of social dialogue. The Maghreb countries (excluding Libya) were strongly influenced by the French system of social dialogue. Laws derived from French legislation guarantee the right to organize, to strike and to negotiate. In Tunisia, Algeria and Morocco trade unions have enjoyed a degree of independence that has enabled them to play a key role in gaining independence and, after that, in building state institutions and formulating labour legislation, thus ensuring the recognition of basic rights for workers. Employers’ organizations have been relatively developed and active compared to others. All the Maghreb
countries have ratified ILO Conventions Nos. 87 and 98, except for Morocco, which has not yet ratified Convention No. 87.  

There has hence been some degree of social dialogue. Trade unions in these countries have acquired the right to peaceful strikes and to the expression of their opinion. Nevertheless, the right to organize has in the past been violated on several occasions. Not all trade unions have been able to work legally and gain recognition. In some cases employers have rejected the principle of negotiation. Trade union activists have been harassed, pursued legally and some of them imprisoned. In Tunisia, trade unions maintained an internal culture of dialogue while seeking to co-exist with the authorities. Significantly, the central trade union body UGTT was one of the key actors in the revolutionary change of January 2011.

A critical deficit throughout the region is the lack of social dialogue institutions and mechanisms. Governments have tried to control the avenues and processes of social dialogue and restrict it to questions of wages or working conditions, with little regard to labour rights or legislation, larger socio-economic development goals, or other issues such as employment, education or the State’s role in society and the economy. Perhaps a more fundamental deficit is in the nature of workers’ and employers’ organizations: dialogue pre-supposes the existence of strong, independent and representative organizations, and the capacity-building challenge in this regard is a key priority.

In Egypt until recently limitations on trade union activities ranged from compulsory membership of a single trade union to executive interference in all union activities through the Ministry of the Interior. Independent trade unions started to come into being only a few years ago, and the ILO has been promoting trade union pluralism in accordance with recommendations by its standards supervisory bodies.

Egyptian trade union legislation was, and still is, in conflict with international labour standards, although recent amendments have been prepared to guarantee trade union pluralism and organizing rights. Workers who were dissatisfied with this situation founded the first independent union in the Real Estate Tax Collectors (RETA) in 2008, and three other unions have been created in the health, teaching and pension sectors, establishing a new independent federation. Some other independent unions are in the process of being created.

During the recent movement and demonstrations, the trade unions played a leading role in Tunisia. In Egypt change has been accompanied by a bitter confrontation between new independent trade unions and the union structures of the old trade union federation (ETUF). In Bahrain, the trade unions have been a key element of the demonstrations, which has also led to a conflict between them and the authorities. The established trade union organizations of Syria and Yemen have expressed their support to the Presidents of the two countries.

6. Labour standards

North African countries have ratified more international labour Conventions than the Gulf States. Egypt has ratified 64 Conventions, of which 63 are in force. Algeria has ratified 59 Conventions (53 in force). Tunisia has ratified 58 (52 in force), Morocco 51 Conventions (50 in force), Syria 50 Conventions, Yemen 30 Conventions (29 in force), Libya 29 Conventions (28 in force), Jordan 24 Conventions (23 in force), and Bahrain 9 Conventions (all in force). All those Member States have ratified the Worst Forms of Child Labour Convention, 1999 (No. 182). Bahrain and Saudi Arabia have not yet ratified the Minimum Age Convention, 1973 (No. 138).


There are problems with labour legislation in all these countries, since laws and practice are not entirely in accordance with international labour standards, or the ratified standards are not

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4 C87: Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); C98: Right to Organise and Collective Bargaining Convention, 1949 (No. 98).
implemented. This can further explain some of the labour market deficiencies observed. Generally speaking, in North Africa, trade union organizations have traditionally had some degree of accommodation with the State. This has ranged from factual dependency and a legally established monopoly, such as in Egypt, to a situation where internal autonomy has been balanced by a degree of accommodation, as in Tunisia (as explained above). In the Gulf Countries, trade union organizations have traditionally existed only in Kuwait and, with ILO assistance, in Bahrain. In Oman, ILO support has helped the creation of a trade union structure.

During the recent movement and demonstrations, the trade unions played a leading role in Tunisia. In Egypt, change has been accompanied by a bitter confrontation between new independent trade unions and the union structures of the old order. In Bahrain, the trade unions have been a key element in the demonstrations, which has also led to conflict with the authorities. The established trade union organizations of Syria and Yemen have expressed their support to the Presidents of the two countries. In fact, the International Confederation of Arab Trade Unions (ICATU) is divided and has not taken a position on recent developments.

IPEC has been present in the MENA countries since the late 1990s. However, it is difficult to estimate the extent of child labour. Due to the lack of data, the Middle East and North Africa region was not included in the ILO global estimates on child labour in 2004 and 2008. Yet the issue is being mainstreamed in national development policy frameworks and also Decent Work Country Programmes (Jordan, Syria, Yemen). Child labour is correlated with household poverty, unemployment, inequality, discrimination and social exclusion. It is also affected by the lack of freedom of association and collective bargaining and shortcomings in the educational system. Most child labour is in agriculture, fishing, informal manufacturing, trade and other services, including child domestic labour.

II. THE ILO’S INTEGRATED RESPONSE STRATEGY

Countries in this region have common features that justify a common approach. Cultural similarities and language are binding factors. Many of the countries are currently undergoing various social and political transformations. The challenges that all these countries face have been discussed above. All countries have and will continue to have a high proportion of young people in their population. Weak and undemocratic governance has contributed to the mismanagement of resources (especially ODA) and high debts. All countries have identified youth employment as a top priority on the political agenda, and have taken various measures, so far with only limited success. In this situation sharing experience and learning lessons from one another is essential.

Careful analysis has shown that mainly due to the comparable development levels in North Africa, similarities are strongest among countries there; yet an inter-regional perspective will be useful for some activities. Lessons learned in the Arab world and within Africa on how to successfully tackle the challenges involved will be used as a valuable knowledge base. An inter-regional perspective is also key: the Arab Labour Organization, the League of Arab States, the African Union, the African Development Bank all address issues at the regional level, and cooperation with them will be essential for the success of the strategy chosen. The regional institutions need to be well informed about this strategy and should play an active role in promoting it and drawing on it as a source of knowledge and experience. Furthermore, the Regional United Nations Development Group (R/UNDG) for the Arab States, of which the ILO is a core member, covers all the countries of the Arab League. This Group has recently been requested by the UN Secretary General to develop a socio-economic strategy for the Arab Region that addresses the structural issues related to development failures and builds on the comparative advantages of the participating agencies. One main challenge cannot be ignored: migration flows occur not only from one country to another within the region, but also between regions. This can only be addressed through an inter-regional approach. Certain occupational safety and health issues are also better tackled from an inter-regional perspective. Many sectoral activities require an inter-regional approach, such as trade agreements and value chain development.

Despite these common features, there are considerable differences between countries that need to be taken into consideration in the selection and scale of the measures foreseen. All activities will be based on a solid evaluation of each country situation.

The two subregions have developed flourishing trade relations, and migration between them has reached considerable proportions. People speak the same language, and share ethnic ties and a
common history. The extension of the ILO programme on “Employment for Peace, Stability and Development in the Greater Horn of Africa” to adjacent countries of the Middle East should be envisaged in due course.

1. Creating opportunities for people while empowering and protecting the most vulnerable

The virtuous triangle of empowerment, protection and opportunities serves as the logical framework of the strategy and underpins all measures to be implemented in the short, medium and long term. This conceptual framework will ensure an integrated approach with mutually reinforcing activities. It will ensure employment-led development embedded in the ILO goal of decent work for all and Millennium Development Goal No. 1. It addresses the fact that full employment would not automatically lead to what people desire; this is only one of three equally important components that ensure free and democratic societies in which people have a chance of finding a decent job.

- **Creating opportunities** – The strategy promotes employment opportunities through the increased use of local resources, labour-intensive investment and environmental protection-related jobs.

- **Protecting the most vulnerable** – The strategy will enhance the capacity of countries to reduce vulnerability by building on the existing coping strategies of social and employment safety networks and on community-based practices of mutuality, reciprocity and solidarity, ensuring the implementation of the concept of a wider social protection floor.

- **Empowering people and communities** – The strategy will strengthen and broaden social dialogue to ensure a democratic transformation process in the subregion. It will strengthen the social partners, civil society as a whole, and local communities in the process of transformation towards societies that eradicate inequalities, discrimination and restrictions on freedom of expression.

- **Strengthening the rule of law** – The strategy is rights-based, taking international labour standards and their promotion as benchmarks and aims; it seeks to use them as tools which communities, including the judiciary, will use to guide the development process.

By applying the strategy, the most important and pressing challenges and the ones where ILO interventions can really make a difference will be tackled. The ILO response should include a number of **cross-cutting considerations**, such as the following:

- The promotion of an integrated response in the spirit of the 2008 ILO Declaration on Social Justice for Fair Globalization, leading to a new development paradigm; the **Global Jobs Pact** and the **CEB Toolkit for Mainstreaming Employment and Decent Work** could be useful in this context.

- The re-orientation of capacity-building initiatives to focus on supporting the transition to pluralism and democracy, in particular with regard to labour market governance, revitalizing the involvement of the social partners (in particular through respect for freedom of association and functioning collective bargaining) and social dialogue and strengthening civil society, in line with recommendations of the Rabat Regional Conference on Social Dialogue.

- The prominence of knowledge generation, management and sharing, through research, data collection, policy briefs, country reports, targeted training activities, regional meetings and thematic conferences.

- Focusing on refugees, returnees, people with disabilities, women and people working in the informal economy.

- Environmental aspects (including the promotion of green jobs).

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6 The key recommendations of the ILO/ALO Regional Conference on Social Dialogue in the Arab States (Rabat, December 2010) revolved around the need to provide a general climate that is conducive to serious and effective social dialogue through representative and independent employers’ and workers’ organizations; to develop legal and institutional frameworks for social dialogue; and to support social dialogue through equitable regulatory frameworks for workers and employers.
• Aspects of a social economy approach.
• Gender equality.
• Elimination of child labour.

2. Implementation and collaborative mechanisms

Country-specific activities will be designed, implemented and monitored by the respective country offices and Decent Work Teams under the supervision and guidance of the relevant Regional Office: the ILO response in North Africa will be coordinated by the Country Offices in Algiers and Cairo, the DWT in Cairo and the Regional Office for Africa; in the Mashreq (countries to the east of Egypt) and GCC countries, the Regional Office for Arab States in Beirut will coordinate activities, with the technical support of DWT-Beirut. Headquarters sectors will be actively engaged through the twinning mechanisms outlined below.

Where possible, the ILO response will be embedded into existing programming instruments – the existing DWCPs and those being formulated. Since none of the DWCPs in North Africa has been finalized, this provides an excellent opportunity for ILO constituents to adapt the DWCPs to the prevailing national context and challenges. Where drafts exist (e.g. Algeria, Egypt and Tunisia) tripartite processes will be supported to review the initially identified priorities and outcomes. In countries such as Libya, where the process has not yet started and the prevailing situation makes consultation difficult, the focus will be on emergency response and alignment with UNDAFs, most of which are either being formulated or extended for a transition period.

In the Middle East, Bahrain and Oman are the only countries with an ongoing DWCP. Depending on how the situation unfolds, the ILO will realign the DWCP-planned interventions with a view to consolidating existing efforts and focusing on key priorities. Special emphasis will be given to strengthening social dialogue mechanisms and empowering the social partners to be better engaged in the development process and ensure that the rights of workers and employers are addressed. In Jordan, ILO ROAS has developed the framework of priorities for the second DWCP based on the findings and recommendations of the Global Jobs Pact Country Scan. This framework is being discussed with constituents in order to agree on outcomes and strategy for the next DWCP. The regional context and the country-specific developments in Jordan will be addressed extensively to ensure that the root causes of DW deficits are addressed. In Syria the first DWCP was recently subject to an independent evaluation. Based on the findings and lessons learnt from the evaluation and the unfolding current situation, a new DWCP will be developed. In Yemen, a recent Country Programme Review underscored key lessons learnt that are being reviewed to inform the next round of consultations with constituents.

Where feasible, the ILO response will use existing technical cooperation projects as a basis, in particular in countries where the ILO is not resident. Where necessary those projects will be reoriented in the light of the new environment and requirements; successful projects will be up-scaled and replicated to cover a greater number of beneficiaries.

3. Possible areas of technical cooperation

A regional approach, involving crisis response, would offer opportunities for synergies and replication. Such regional approaches may concern the following.

**Empowering**

• **Empowering the social partners and other stakeholders through social dialogue and respect for international labour standards.** The programme will improve governance through a bottom-up approach with enhanced social dialogue and strengthened civil society and communities, while at the same time working from the top down through the application and enforcement of international labour standards, especially regarding Conventions on freedom of association and collective bargaining. This will include strengthening the currently feeble enforcement of the right to freedom of association and collective bargaining and promoting robust social dialogue.

[7](http://www.ilo.org/jobspact/resources/lang--en/docName--WCMS_151885/index.htm)
structures and institutions that can exercise effective checks and balances and thus enforce fair and participative governance.

- **Enhancing social justice**, including the creation of a Trade Union Network for Equality in the Arab Region as a platform for information and knowledge sharing between individuals and groups struggling for democracy and social justice.

- **Strengthening workers' organizations through socioeconomic and legal literacy.** The project aims to respond to the needs of workers and their organizations in Bahrain, Jordan, Kuwait, Lebanon, Oman, Syria, Yemen, and the occupied Palestinian territory. A socioeconomic and legal literacy training programme will be developed in the first year in close coordination with the national, regional, and international counterparts.

**Protecting**

- **Extending and improving social protection**: this includes social security and conditions of work, especially for the most vulnerable. The programme will enhance the capacity to reduce vulnerability and adapt the concept of a universal social protection floor by building on existing structures of social protection and helping them to increase in size and scope.

- **Managing migration**: The programme will promote the protection of migrant workers in their countries of destination and the socio-economic reintegration of returning migrants in their countries of origin through skills development, enterprise development and microfinance. This could involve collaboration with the newly established African Remittances Institute ⁸ set up by the African Union. This area of work should also include facilitating the transferability of social protection benefits accumulated by migrant workers. Migration is an area that could attract particular interest from the international donor community. This would also be of major relevance to the new ILO international labour standard on domestic workers. ⁹

**Creating opportunities**

- **Creating opportunities for young women and men and the most vulnerable** will involve the increased use of local resources, labour-intensive infrastructure investment, environmental protection-related public works, and the creation of MSMEs. This will create opportunities for youth, women, populations affected by displacement and conflict, and other disadvantaged groups. In a number of cases in the Middle East, this could involve partnerships in the area of local development with other UN agencies, such as UNDP.

- **Developing national action plans on youth employment**: The process will be highly inclusive and participatory, and will provide ILO constituents (governments, employers and workers) with a comprehensive approach to youth employment that builds on the contribution of multiple actors.

- **Improving understanding of labour market conditions**: This will give young people knowledge of the labour market on which to base their choice between waged work and self-employment.

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⁸ For background, see: [http://blogs.worldbank.org/peoplemove/node/1229](http://blogs.worldbank.org/peoplemove/node/1229)

III. CONCRETE ILO RESPONSE STRATEGIES AND POSSIBLE AREAS OF COOPERATION

1. Algeria

As in other countries in the subregion, the situation in Algeria is changing with every week. Social unrest (strikes, protests, sit-ins) is controlled, but is forcing the authorities to speed up reform.

In response to the wave of protests, the President announced reforms to several areas of a political, economic and social nature. These include a revision of the Constitution, the participation of civil society in national debate and economic recovery, and in particular the ways and means of strengthening support to enterprises and favouring the investment environment.

Employment remains a major concern in Algeria and the issue has been made a national priority by the President.

To address the many challenges, the social partners are called on to play a key and increasing role in the current process of change. It is hence important to ensure the involvement of effective social partners and their institutions in well-structured social dialogue in order to jointly steer national social and economic recovery and ensure stability and create jobs.

ILO activities in Algeria will focus largely on the issues of employment – and youth employment in particular – social protection, and social dialogue.

Employment

Activities in this field may be summarised under the following headings:

- studies of the employment situation, covering also the informal sector
- promoting employment through the development of micro and small enterprises in the framework of local development and development in under-privileged regions of the country
- promoting women’s employment, particularly in rural areas
- sectoral activities.

Social security

This is a major programme supporting the establishment of a social security training centre covering the subregion for French-speaking countries.

Social dialogue

Two main activities are called for:

- strengthening the structures for social dialogue
- strengthening social dialogue
- studies in various fields.

Labour administration

Support will be given for the organization of a national tripartite workshop to discuss the “Resolution and Conclusions concerning labour administration and labour inspection”, 10

Possible areas of technical cooperation

- Improving labour market information, analysis and monitoring

• Developing an enterprise culture among young people
• At the sectoral level: enterprise promotion and development in agriculture, handicrafts, tourism, etc.
• Promoting the development of women’s entrepreneurship
• Promoting women’s rights
• Strengthening labour inspection related to aspects of decent work (child labour, conditions of work, employment services)
• Promotion of OSH in the workplace (sectoral approach)
• Strengthening the link between training and the world of work
• Promoting migrants’ rights.

**Key ongoing initiatives**

<table>
<thead>
<tr>
<th>Active projects in Algeria</th>
<th>Budget (US$)</th>
<th>Donor</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALG 103 Gender equality and empowerment of women in Algeria</td>
<td>631,300</td>
<td>MDTF/UNDP</td>
</tr>
<tr>
<td>ALG 103 Promoting decent work in Algeria through the development of micro and small enterprises for young people</td>
<td>1,023,980</td>
<td>Italy</td>
</tr>
<tr>
<td>ALG 102 Promoting productive employment and decent work for young people in Algeria, Mauritania, Morocco, and Tunisia (forthcoming)</td>
<td>400,000</td>
<td>Spain</td>
</tr>
</tbody>
</table>

**Main ILO activities**

• In the framework of the MDG programme –
  o a large-scale study will be conducted on women’s employment
  o support to the design and implementation of a labour market monitoring tool within the National Employment Agency
• Management training for human resource managers and heads of public and private enterprise on *knowledge sharing in enterprises to improve work performance*. The aim here is to transfer the skills of managers facing retirement so as to prevent losses in productivity.
• A support mission for the establishment of a centre for higher social security training has already taken place.
• Social partners: support for the conduct of studies on social dialogue, migration, and the promotion of women.

**Decent Work Country Programme (DWCP)**

A DWCP for the period 2011-2014 is about to be signed. Priorities include the creation of decent work for young people through the development of micro and small enterprises; social protection through the establishment of a social security training centre; and learning from experience in Algeria through the creation of an active decent work observatory.

2. **Bahrain**

The ILO currently aims to promote dialogue between the Government and the trade unions on solutions to the conflict. An integrated response package will be implemented once the situation permits, along the following lines.

1. **Improving national capacity and mechanisms for social dialogue**

The capacity of employers and workers to negotiate and come to mutually beneficial terms will be of key importance to avoid intractable labour disputes. Collective bargaining, conciliation, mediation
and arbitration remain the principal modes of dispute settlement; and new and innovative tools, techniques and approaches to conflict management and dispute resolution need to be introduced.

2. Promoting fundamental principles and rights at work

The ILO will support the promotion of freedom of association as a core enabling right that is essential to the meaningful attainment of all other rights at work and goes hand in hand with respect for basic civil liberties and human rights. ILO interventions will include the right to organize and bargain collectively for informal workers, migrant workers, women, and youth.

3. Management and policy dialogue for social security

The ILO will support the Government of Bahrain in further developing its social security system through technical assistance in enhancing national statistical capacity to monitor the performance of the various components of its social security system and its wider socioeconomic context. This will provide the Government and social partners with a better knowledge base on social security coverage and possible gaps, and will help to inform future policy. High-level policy dialogue roundtables will be organized to ensure commitment to the comprehensive and coherent policy approach necessary for the establishment of a social protection floor.

Possible areas of technical cooperation

In order to implement its programme of work, the ILO will need to mobilize extrabudgetary technical cooperation resources in the following priority areas.

- promoting fundamental principles and rights at work through strengthened social dialogue and industrial relations
- strengthening workers’ organizations (as part of a subregional initiative supporting the socioeconomic and legal literacy of trade unions)
- mainstreaming gender in trade unions
- strengthening the capacity of parliamentarians on decent work issues and labour standards.

Key ongoing initiatives

*Establishment of an Unemployment Insurance Act*: the first law of its kind in Arab States of the Middle East, and the second within Arab League countries. The objective of the Unemployment Insurance Scheme created by it is to support labour market reform and the accompanying legislation. In this regard it is intended to provide incentives to Bahraini first-time jobseekers to enter the labour market and for unemployed workers to return to employment.

Bahrain was the first GCC country to significantly reform the sponsorship system, allowing migrant workers to change jobs without the consent of their employer. This should slowly help narrow the cost gap between expatriates and nationals. The ILO provided technical support to its constituents in supporting labour market mobility policies in line with the ILO's *Multilateral Framework for Labour Migration*. A model unified contract was developed for endorsement by the social partners.

*Social dialogue and tripartism*: Tripartite consultations in Bahrain occur, but need further institutionalization. Bahrain adopted reforms that brought improvements in freedom of association and the right to collective bargaining. There are still some limitations in the legislation, however, such as the absence of the right to organize in the public sector and limitations on strikes.

*Decent Work Country Programme*

A DWCP was signed in March 2010. It covers the period 2010-13 and focuses on (i) promoting and realizing the Fundamental Principles and Rights at Work; (ii) enhancing income security; (iii) improving the integration and employability of women.

Currently, the ILO is considering realigning the DWCP’s planned activities. The DWCP might also become a tripartite tool which the Government and the social partners could use for rebuilding trust after acrimonious conflict.

3. Egypt

The Director-General of the ILO, accompanied by high-level ILO officials, conducted a mission to Egypt to identify needs and determine ILO assistance. As follow-up to this mission as well as two
visits by the Minister of Manpower and Migration to the ILO (GB and ILC) a Roadmap for Recovery and Decent Work in Egypt was developed in close collaboration with the Ministry of Manpower and Migration and the Ministry of Finance. In terms of support, two possibilities were agreed on: additional funding could be used to 1) upscale ongoing activities; and 2) establish new areas of intervention and cooperation in the areas of need identified.

Believing in an integrated approach, the ILO ensures that several missions met ministries and partners beyond the traditional ILO constituents who all showed interest in ILO’s crisis response support.

The areas of intervention and cooperation include:

1. **Strengthening freedom of association, social dialogue and collective bargaining**

   Underpinning the Government’s decision on respect of freedom of association, assistance will be provided to translate legislative amendments into practice to end the single union monopoly situation and assist in the creation of laws and institutions that guarantee the right to freely organize and bargain collectively. In this regard, special support will be given to newly established independent trade unions.

2. **Creating opportunities for young people and other vulnerable groups (especially women, people with disabilities, university graduates and informal sector workers)**

   The lack of decent jobs for young people was seen as one driving force behind the revolution. It is a common societal understanding not only that young people have a right to such an opportunity, but also that decent jobs are the basis for democratic transition in the country. Unfortunately, the situation has further deteriorated in recent months. There is an urgent need to assist the Government through an integrated approach, working in parallel on the supply and the demand side of labour, as well as matching the two at the national and the local levels.

3. **Increased awareness and implementation of labour standards**

   In the current context of change there is renewed interest in international labour standards as a means to ensure decent work for all. It is necessary to help translate this into concrete implementation processes.

4. **Enhancing social protection**

   With the increasing lack of decent employment opportunities for most Egyptians, the need for social protection is twofold: protection is needed for those who have suffered as a result of recent events, while at the same time existing social protection systems need to be strengthened and improved in size and scope. This includes issues such as minimum wages and conditions of work.

**Possible areas of technical cooperation**

- Employment creation through employment-intensive public works programmes, MSMEs and sectoral approaches (specifically in agriculture, tourism and textiles), with a specific focus on green jobs and social economy approaches (cooperatives, etc.)
- An integrated approach to decent work for all through parallel work on skills development, improvement of job intermediation processes and MSME creation and support, with a specific focus on green jobs and social economy approaches.
- Supporting the Government in setting up a proper minimum wage and ensuring the restructuring of the existing wage fixing system.
- Promoting fundamental principles and rights and assisting their implementation.
- Capacity building support for independent trade unions and enhancing women’s participation in the trade union movement.
- The economic empowerment of women, especially in rural areas and among the highly qualified who have left the labour market for societal and other reasons
- Enforcing social dialogue.
- Restructuring and strengthening the Ministry of Manpower and Migration and Labour Administration (including labour inspection).
- Managing migration (including return migration as well as inward and outward migration).
- Elimination of child labour through modern apprenticeship schemes, skills development programmes, and assistance for the parents of working children.
• Support for the Ministry of Manpower and Migration in the development of a financially approved employment-skills development fund.
• Widening the knowledge base through improvements in labour market information and analysis.

**Key ongoing ILO activities**

<table>
<thead>
<tr>
<th>Active ILO projects in Egypt</th>
<th>Budget (US$)</th>
<th>Donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>EGY103 Effective Schools to Work Transition through Career Information and Guidance for Youth</td>
<td>850,385</td>
<td>Italy</td>
</tr>
<tr>
<td>EGY103 The Dahshur world heritage site mobilization for cultural heritage for community development</td>
<td>408,618</td>
<td>MDTF/UNDP</td>
</tr>
<tr>
<td>EGY826 Promoting Fundamental Principles and Rights at Work and Social Dialogue</td>
<td>2,026,082</td>
<td>United States</td>
</tr>
<tr>
<td>EGY101 Decent jobs for Egypt’s young people</td>
<td>10,454,080</td>
<td>Canada</td>
</tr>
<tr>
<td>EGY828 Combating Worst forms of Child Labour by Reinforcing Policy Response and Promoting Sustainable Livelihoods and Educational Opportunities in Egypt (CWCLP)</td>
<td>2,562,115</td>
<td>WFP</td>
</tr>
<tr>
<td>EGY153 Pro-Poor Horticulture Value Chains in Upper Egypt</td>
<td>1,005,800</td>
<td>UNDP</td>
</tr>
</tbody>
</table>

**Main ILO activities**

• The ILO has guided the process of developing a National Action Plan for Youth Employment (NAP). The NAP facilitates policy coherence and provides an umbrella for all activities in Egypt contributing to the creation of decent work opportunities for young people. The CIDA-funded NAP implementation project will ensure the implementation of the plan in three governorates as well as at the national level.
• The ILO has contributed to the widening of the knowledge base on labour markets in Egypt through several studies and surveys (e.g., several studies on the impact of the financial crisis on labour markets in Egypt, a study on discouraged workers in the textile sector, a nationwide child labour survey, a study on green jobs, a study on the informal economy, etc.).
• The ILO provides continuous, intensive advisory services on international labour standards, with a focus on fundamental rights and including specific areas, such as migrant workers, gender equity in remuneration, etc.
• An analysis was conducted in Egypt that led to a Roadmap to better occupational safety and health.
• Through several projects the ILO supports the creation of MSMEs with a special focus on vulnerable groups and working with a community-based and social economy approach.
• The ILO organized an international conference on women’s entrepreneurship in 2009, where experts exchanged knowledge and built a roadmap for action.
• Through the ILO tool *Know About Business* the ILO contributed to the creation of an enterprise culture by promoting awareness among young people of the opportunities and challenges of entrepreneurship and self-employment, and of their role in shaping their future and their country’s economic and social development.
• To ensure an effective school to work transition, the ILO works with employment services to help young people to find jobs.
• To contribute to the elimination of exploitative child labour in Egypt, the ILO facilitates the rehabilitation and integration of child labourers into formal and non-formal education.

**Decent Work Country Programme**

A DWCP (2010-2013) had been drafted prior to the 25 January revolution. Its priorities are youth employment (tackled through labour market policies, employment creation through MSMEs, skills enhancement and sectoral work in tourism and textiles), social protection (with a special focus on wages) and social dialogue (with an emphasis on the institutional setting and capacity building, and
priority attached to freedom of association and collective bargaining). Despite recent developments, these priorities remain, with some changes in the emphasis on different elements and some new elements to be included in the months to come. A stronger focus on gender issues is needed.

4. Jordan

While opposition has progressively escalated in 2011, the monarchy still has room to weather the storm and have relatively rapid impact on the ground in response to opposition demands. Effective social dialogue requires representative and strong social partners, which is not currently the case in Jordan. For this reason developing the capacity of the social partners and reactivating social dialogue mechanisms and platforms are seen as key priorities for the ILO in the next DWCP.

The ILO expects that employment and social protection will also feature prominently in the upcoming DWCP, which will be framed around the following building blocks.

1. **Enhancing employment opportunities for young women and men for a jobs-led recovery**

   Consolidating the work begun in 2006 towards a national employment strategy in Jordan, and building on the roll-out of the Global Jobs Pact and tripartite national priorities, the ILO will work on –
   - youth unemployment: the ILO will develop an action plan for youth employment, with the aim of skills development for youth and enhancing their employability
   - the assessment and revitalization of active labour market policies in Jordan
   - SME development.

2. **Social dialogue and collective bargaining**

   Developing the capacity of the social partners and reactivating tripartite machinery and processes to revitalize social dialogue in Jordan, a paramount concern in the current political deadlock in Jordan, will be a key priority for the ILO in the upcoming DWCP. Following the amendment of the Labour Code in July 2010 to allow collective bargaining, the ILO can further assist in the development of sector-based collective bargaining. This would significantly help labour market institutions to negotiate collective agreements. As regards the application of the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144), the ILO will assist in setting up structures for regular and efficient national consultations.

3. **Improving respect of labour standards in the workplace, including for migrant workers, and for enhanced competitiveness and productivity**

   In addition to the two current technical cooperation projects under way in Jordan (Combating Child Labour and Better Work), the ILO can provide improved institutional capacity for labour administration focusing on capacity building for the labour inspectorate (in accordance with the recommendations of the final independent evaluation of the ILO’s Fundamental Principles and Rights at Work project). Following completion of its anti-trafficking project (2006-2010) which strengthened government law enforcement capacity to identify, investigate and prosecute offences involving forced labour and human trafficking and resulted in the development of the National Strategy against Trafficking in Persons, the ILO will further support the enforcement of anti-trafficking measures, with a specific focus on the Aqaba Special Economic Zone.

4. **Enhancing social protection**

   In response to requests by the Social Security Corporation, the ILO will work to develop an integrated social protection strategy for Jordan and will provide assistance in establishing a social protection floor, starting with a rapid assessment of the SPF and a tripartite social protection workshop. The ILO will also carry out the seventh actuarial evaluation supporting the revision of social security legislation, and will provide technical support towards the ratification of the Social Security (Minimum Standards) Convention, 1952 (No. 102), which was pursued in the DWCP 2006-2009.

**Possible areas of technical cooperation**

In order to implement its programme of work, the ILO will need to mobilize extrabudgetary technical cooperation resources in the following priority areas:
• promoting fundamental principles and rights at work through strengthened social dialogue and industrial relations
• an action plan for youth employment
• eliminating forced labour and trafficking in Jordan
• strengthening workers’ organizations (as part of a subregional initiative supporting socioeconomic and legal literacy among trade unions)
• revaluing women’s work – promoting pay equity in Jordan
• increasing the capacity of ILO constituents to undertake gender-neutral job evaluation processes.

Key ongoing initiatives

<table>
<thead>
<tr>
<th>Active ILO projects in Jordan</th>
<th>Budget (US$)</th>
<th>Donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOR102 Better Work Jordan</td>
<td>5,788,466</td>
<td>Canada, Direct Trust Fund, United States</td>
</tr>
<tr>
<td>JOR128 Promoting Fundamental Principles and Rights at Work in Jordan</td>
<td>1,417,618</td>
<td>Spain</td>
</tr>
<tr>
<td>JOR101 Entrepreneurship Education, Know About Business/KAB in the National Company for Employment and Training</td>
<td>64,000</td>
<td>Business Development Centre (BDC) of Jordan</td>
</tr>
<tr>
<td>JOR153 Moving towards a Child Labour-Free Jordan</td>
<td>1,705,290</td>
<td>United States</td>
</tr>
<tr>
<td>JOR152 Supporting the launch of the NCPE</td>
<td>100,000</td>
<td>RBSA¹¹</td>
</tr>
<tr>
<td>JOR 103 Strengthening Jordan’s labour migration governance and inspection mechanisms</td>
<td>112,000</td>
<td>RBSA</td>
</tr>
</tbody>
</table>

Main ILO activities

• **Social Security:** The ILO continues to provide technical assistance to the Government and the Social Security Corporation for the implementation of actuarial valuations, and on pension and social security reform. A feasibility study on a maternity cash benefits scheme and a draft social security law have been developed. The ILO carried out the sixth actuarial evaluation for the Social Security Corporation and has trained SSC staff in actuarial techniques.

• **Better Work Jordan:** launched in February 2008 as a partnership between the ILO and the International Finance Corporation (IFC) with funding from USAID, HRSDC/ILA Canada and the Ministry of Labour, the programme aims to improve the competitiveness of the garment industry by improving compliance with Jordanian labour law and the ILO’s core labour standards, and enhancing economic performance at the enterprise level. In December 2010 the Ministry of Labour (MOL) issued an instruction to enforce a Cabinet decision mandating the participation of all apparel factories in Jordan in the Better Work Programme. BWJ will work closely with the MOL and the apparel employers’ associations to register factories with the goal of ensuring full factory participation by the end of 2011. As at February 2011, 27 out of 80 garment factories, accounting for 80% of exports, had joined the Better Work Programme.

• **Moving toward a Child Labour-Free Jordan (2011-2014):** The Project will support the implementation of the National Framework on Child Labour in Jordan. The project has secured funding from the US Department of Labor (USDOL) for $2 million over a period of 4 years, part of an overall USDOL allocation of $10 million earmarked for the elimination of child labour in Jordan.

• **Pay Equity:** The MOL approved the formation of a tripartite-plus National Committee for Pay Equity in January 2011. The Committee, to be co-chaired by the MOL and the Jordanian National Women’s Commission, will be launched in May 2011. The Committee will be tasked to develop a Jordanian National Strategy and action plan to Promote Pay Equity.

¹¹ Regular Budget Supplementary Account
Jordan was the first Arab country to sign a DWCP (2006-09), with the following priorities: (i) enhanced employment opportunities and economic integration for young women and men; (ii) improved governance and social dialogue; and (iii) enhanced social protection. A second DWCP is currently being drafted in consultation with the tripartite partners and based on the findings and recommendations of the Global Jobs Pact Country Scan.

5. Morocco

Like its neighbours in the Maghreb, Morocco is undergoing a series of economic and socio-cultural changes that have altered its demographic landscape and dynamics. To this is now added a desire for major political reform, with Moroccans requesting more democracy, more employment and more social justice of their King, Mohammed VI, who as a result has accelerated the process of reform that began several years ago. This includes in particular reform of the Constitution, which was the subject of a referendum on 1 July 2011 whereby voters approved the reform.

As in neighbouring countries, to address the major changes demanded by the population and by demonstrators, the country needs strong and functioning institutions of social dialogue to ensure active and effective participation in national debate and in the current process of change.

In this context the ILO has been requested by the social partners in Morocco to provide assistance in various fields.

International labour standards

Support has been requested to assist in the application of newly ratified Conventions.

Employment

Requests for assistance in this field include –

- various studies on employment issues for the forthcoming “Employment hearings” to be held at the end of 2011, which are intended to evaluate employment policies
- the resumption of the ALICE/E project (Acteurs Locaux et Initiatives pour la Création d’Emploi et d’Entreprises – Local actors and initiatives for the creation of jobs and enterprises) – halted in 2008 – in new provinces.

Occupational safety and health (OSH)

There are major needs in several sectors, particularly construction and public works.

Social dialogue

ILO assistance has been requested mainly regarding –

- strengthening the structures of social dialogue, particularly in rural areas
- strengthening existing collective bargaining structures.

Possible areas of technical cooperation

International labour standards

- Support for the application and operationalization of Conventions currently being ratified: the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87); the Tripartite Consultation (International Labour Standards) Convention, 1976 (No. 144): the Social Security (Minimum Standards) Convention, 1952 (No. 102); and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)
- Support to strengthen the capacity of officials responsible for monitoring the application of Conventions.
Employment

- Analysis of prospects for the evolution of the labour market and strengthening the capacity for analysis and monitoring of the labour market
- Projects for the development of micro and small enterprises in under-privileged regions of the country (ALICE/E).

Social dialogue

- Strengthening the institutions of social dialogue in urban and rural areas
- Promoting freedom of association and collective bargaining, in particular in export processing zones and the agricultural sector.

Key ongoing ILO activities

<table>
<thead>
<tr>
<th>Active ILO projects in Morocco</th>
<th>Budget (US$)</th>
<th>Donor</th>
</tr>
</thead>
<tbody>
<tr>
<td>MAR 827</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combating gender-based violence through the empowerment of women and girls in Morocco</td>
<td>650,735</td>
<td>MDTF</td>
</tr>
<tr>
<td>Consolidating national progress in combating domestic work of young girls in Morocco</td>
<td>684,404</td>
<td>RBSA</td>
</tr>
<tr>
<td>Freedom of association and collective bargaining in export processing zones and the agricultural sector</td>
<td>1,700,000</td>
<td>Sweden</td>
</tr>
<tr>
<td>Promoting productive employment and decent work for young people in Algeria, Mauritania, Morocco, and Tunisia (forthcoming)</td>
<td>569,741</td>
<td>Spain</td>
</tr>
</tbody>
</table>

Key ongoing initiatives

Apart from the above operational projects, the main activities currently being conducted include support to the Ministry of Employment in pension reform. The ILO is–

- providing support for a review of the *study on reform of the pensions sector in Morocco* conducted by a Study Group mandated by the World Bank
- strengthening the capacity of the Tripartite Technical Commission responsible for the reform of pensions through training activities.

Decent Work Country Programme (DWCP)

Begun in 2006, the process of formulating a DWCP could not initially be completed. In Morocco the social partners are now finalizing the selection of priorities for the DWCP for the period 2012-2015.

6. Oman

A multidisciplinary programming mission was fielded to Oman in June 2011 in order to discuss the implementation plan of the DWCP and the realignment of some of its priorities in light of the commitments made by the Government to increase employment opportunities. Recent changes in its labour law, the strengthening of its labour inspectorate operations and staff capacity, the establishment in 2010 of a national tripartite social dialogue committee and the creation of a trade union confederation in the same year, further indicate the willingness of the country to establish a legal and institutional framework for the promotion of labour rights and sound industrial relations.

1. Supporting the nascent trade union movement in Oman

The successful establishment of the new General Federation of Oman Trade Unions through its founding congress held in February 2010 is an important milestone for the region and is the result of several years of ILO support to its constituents in Oman. It has laid the foundations for a genuine
social dialogue process in the country. However, the trade union situation remains far from conformity with ILO standards; more efforts are hence needed to ensure the prerequisites for genuine social dialogue. Moreover, the trade union movement remains largely dominated by men, nationals, and formal workers in the private sector. In this context, the ILO carried out the first phase of a workers’ education programme for Oman in 2010. The second phase of the programme is set to be carried out in 2011, and will cover topics related to non-discrimination, forced labour and trafficking, in addition to organizational issues. The ILO also aims to support the development of sectoral unions in Oman.

2. **Strengthening the institutional and legal framework for social dialogue**

Enhancing social dialogue institutions and developing the capacity of government and the social partners to participate effectively in these institutions will contribute positively to the development of sound social and economic policies and good governance in Oman. The promotion of collective bargaining to ensure that economic development matches social development is also a way of ensuring social peace. In addition, there is political commitment and consensus among the social partners on the importance of the imminent ratification of Conventions Nos. 87 and 98.

**Possible areas of technical cooperation**

In order to implement its programme of work, the ILO will need to mobilize extrabudgetary technical cooperation resources in the following priority areas:

- strengthening the capacity of the General Federation of Oman Trade Unions to support its members and engage in social and policy dialogue
- promoting fundamental principles and rights at work through strengthened social dialogue institutions and industrial relations
- supporting the inclusion of women in the labour market.

**Key ongoing initiatives**

<table>
<thead>
<tr>
<th>Active ILO projects in Oman</th>
<th>Budget (US$)</th>
<th>Donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMN102 Enhancing vocational rehabilitation and employment services for people with disabilities</td>
<td>132,744</td>
<td>AGFUND</td>
</tr>
<tr>
<td>OMN130 Enhancing the Capacity of the Omani Government and Social Partners to combat Trafficking in Persons</td>
<td>85,331</td>
<td>Netherlands</td>
</tr>
</tbody>
</table>

**Main ILO activities**

- The Workers’ Congress was launched in February 2010 with financial and technical assistance from the ILO. This was followed by the implementation of a programme of assistance to the newly established Oman General Federation of Trade Unions, designed within the context of the DWCP.
- The ILO has since 2007 undertaken a range of activities to train and strengthen labour inspectors on international labour standards issues, including forced labour and trafficking. Some 170 labour inspectors have been recruited and trained by the ILO. In 2010 the number of inspected establishments reached 12,000. A Royal Decree was issued in November 2008 enacting new anti-trafficking legislation prohibiting all forms of trafficking. The legislation was supplemented by an amendment in 2009 to intensify sanctions against employers and sponsors who violate the law. A technical cooperation project on anti-trafficking is currently supporting this process.
- Know About Business (KAB) curricula, developed with the assistance of the ILO, have now replaced the national curricula in all vocational training centres and technical colleges. An extension of the KAB Programme to public and private universities is envisaged within the context of the DWCP. This supports national efforts to create employment opportunities (mainly in the private sector) for young Omani labour market entrants. The Start and Improve Your Business (SIYB) training package will also be integrated in the main national Business Development Service Centre.
Decent Work Country Programme

A DWCP was signed in June 2010 by the tripartite constituents during the International Labour Conference. It covers the period 2010 to 2013 and focuses on 1) Enhancing the integration of the national labour force into the economy; 2) Ensuring the effectiveness of social dialogue in compliance with international labour standards; 3) Enhancing social protection. A tripartite national social dialogue committee has been established and is in charge of monitoring the implementation of the DWCP.

7. Syrian Arab Republic

The capacity of the Government to address the economic and social challenges will entail the promotion of an alternative economic development model, including drastic reforms of the public sector. It will require human capital development policies and new skills for a country with a population of around 20 million. In the new eleventh five-year plan, skills, SME development and privatization remain major priorities for the economic reform process. In this context, strengthening social protection will require the sustained commitment of the Government, the social partners and other stakeholders, based on shared knowledge and social dialogue.

1. Strengthen social security in the framework of the current transition to a social market economy

The structure of the Syrian labour market, with a considerable number of jobs in the informal economy, leaves the majority of workers without basic social protection. This contributes to the fact that a significant proportion of the population is either living in poverty or just above the poverty line. The ILO will support the Government to extend social protection to workers in the informal economy, strengthening self-monitoring mechanisms and coordination, supporting a national dialogue process on social security reform, and building institutional capacity for the (re-)integration of the unemployed and other vulnerable groups into the labour market. These initiatives will be part of an EC-funded project to be launched in the coming months.

2. An integrated package in support of youth employment

The objective will be to assist the Ministry of Labour, the social partners and other key stakeholders to develop and implement integrated policies and programmes to promote decent work for young women and men and build the necessary capacity to implement them through –

- interventions focusing on policy dialogue, coordination, formulation and capacity building for policy implementation, in order to tackle deficits in policy coherence and know-how regarding methods of tackling the youth employment challenge
- scaling up access to entrepreneurship development
- ensuring that the key determinants affecting youth unemployment and child labour are addressed (e.g. reorienting the demand for labour)
- improving working conditions and the enforcement of international labour standards activities under this priority will be mainly supported by the two ongoing technical cooperation programmes focusing on the strengthening of the labour inspection system and support to the national programme on the elimination of the worst forms of child labour
- strengthening social dialogue and labour market governance: the ILO will support the development and implementation of a comprehensive social dialogue strategy addressing the following issues:
  - the capacity of the social partners and of the labour administration to deliver sound social dialogue outcomes (tripartite consultations and consensus on national development policies, collective agreements, and the prevention and smooth management of labour disputes)
  - strengthening the legal and institutional framework for social dialogue and collective bargaining currently in place and strengthening the dispute resolution system
- strengthening the capacities of employers’ and workers’ organizations to represent and service their members effectively and engage in tripartite social dialogue with the Government and in autonomous bipartite social dialogue and collective bargaining at national, branch and company levels

This strategy will be complemented by technical support on labour market information and analysis, social security and migration statistics.
Possible areas of technical cooperation

In order to implement its programme of work, the ILO will need to mobilize extrabudgetary technical cooperation resources in the following priority areas:

- developing and implementing an integrated package in support of youth employment
- strengthening social dialogue and labour market governance
- strengthening workers’ organizations (as part of a subregional initiative supporting socioeconomic and legal literacy among trade unions)
- improving working conditions and the enforcement of international labour standards
- creating employment opportunities for young women and men and the most vulnerable through local and community development initiatives in partnerships with other UN agencies.

Key ongoing initiatives

<table>
<thead>
<tr>
<th>Active ILO projects in the Syrian Arab Republic</th>
<th>Budget</th>
<th>Donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYR101 Strengthening labour administration and inspection in Syria</td>
<td>200,000</td>
<td>RBSA</td>
</tr>
<tr>
<td>SYR103 National study on the worst forms of child labour in Syria</td>
<td>49,970</td>
<td>UNICEF</td>
</tr>
<tr>
<td>SYR103 National Programme on the Elimination of the Worst Forms of Child Labour (WFCL) in Syria</td>
<td>175,565</td>
<td>UNICEF</td>
</tr>
</tbody>
</table>

Main ILO activities

- The ILO conducted a financial and policy review of the proposals for pension reforms and an assessment of social security legislation. It also enhanced national capacity in social security statistics and self-monitoring mechanisms. A series of national seminars was organized on pension reform, social security legislation and social security statistics.
- A National Programme on the Elimination of the Worst Forms of Child Labour in Syria has been developed and launched in partnership with UNICEF and the Ministry of Social Affairs and Labour, focusing on the prevention, withdrawal, and rehabilitation of working children and children at risk to work. The inception phase of the project started in August 2010 and resulted in the completion of a national study on child labour and the development of a National Plan of Action to combat child labour.
- The ILO supported the Ministry of Social Affairs and Labour in the consolidation and review of labour legislation and in strengthening and modernizing the Labour Inspection Directorate, based on a labour inspection audit.
- Syria has ratified a total of 50 international labour Conventions, including all eight fundamental Conventions. The DWCP Steering Committee has also expressed the Government’s readiness to ratify the Employment Policy Convention, 1964 (No. 122) and Social Security (Minimum Standards) Convention, 1952 (No. 102).

Decent Work Country Programme

The DWCP in Syria completed its first cycle (2008-2010) in December 2010. The DWCP priorities focused on improving the capacity of tripartite constituents to implement labour policies and legislation, increase employment opportunities and enhance social protection. The ILO is currently finalizing an independent country programme evaluation which will inform the next steps in programme development.

8. Tunisia

Following two high-level ILO missions to Tunisia and discussions with the Tunisian delegation to the International Labour Conference, a Roadmap for Recovery and Decent Work in Tunisia was developed. The areas of intervention and cooperation agreed include the following.
1. Creating decent employment opportunities for young people and other vulnerable groups

The call for decent jobs, especially for young people, was often repeated during the revolution, and especially afterwards. Decent work is seen as a prerequisite for stability and economic progress. It is the main challenge and at the same time the top priority of the Government and all Tunisian society. An integrated approach has been adopted, working in parallel on the supply and demand sides of the labour market and matching the two at national and local levels. Areas identified for key action to tackle the challenge include entrepreneurship development, social economy approaches, local economic development, labour-intensive works programmes, coaching young entrepreneurs, skills development, strengthening employment services, job creation for migrant workers and for workers who lost their jobs in the crisis, and sectoral approaches with a focus on tourism. All such activities need to be based on solid knowledge of the labour market, for which reason a transparent labour market information system is urgently needed.

2. Social protection, including working conditions, occupational safety and health and wages

Finding wages that motivate workers to take the job and perform well while at the same time maintaining competitiveness will be key to social justice and economic growth. The establishment of a social protection floor will also add to social justice by ensuring a minimum of social protection to all Tunisians. This includes the extension of social protection systems to the informal economy. Including people with special needs and ensuring occupational safety and health are further steps for sustainable and inclusive growth.

3. Labour legislation and international labour standards

As stated in the draft DWCP, there is interest in revising the current labour law to ensure the inclusion of the most vulnerable groups while at the same time increasing the competitiveness of the Tunisian economy. Tunisia recognizes the important role of labour standards on the road to inclusive growth and decent work for all and is therefore willing to ratify a series of Conventions.

4. Social dialogue, freedom of association and collective bargaining

Unlike other countries in the region, social dialogue in Tunisia was and continues to be relatively strong. There is however potential to improve it. This need is especially expressed by workers who were the driving force behind the revolution. Social dialogue needs to be extended beyond wage bargaining and to a wider group of participants, and needs to be extended beyond Tunis, where it is mainly focused. Trade unions need new members, especially young people and women. All social partners need to increase their capacity for social dialogue, and institutions need to be strengthened.

Possible areas of technical cooperation

- Employment creation (especially for people who lost their jobs due to the revolution, university graduates, returnees from Libya, people in the poorest regions, people with special needs and other vulnerable groups) through:
  - social economy approaches (such as cooperatives, social enterprises, etc.) and local economic development approaches for sustainable and social employment creation
  - entrepreneurial skills development through a continuation of the "Know About Business", "Start and Improve Your Business", "Grow Your Business", "Get Ahead" and similar training programmes
  - MSME development and coaching (especially for the rehabilitation of MSMEs destroyed or damaged in the revolution)
  - employment-intensive approaches (especially in the rehabilitation of enterprises, infrastructure and public buildings damaged during the protests)
  - sectoral approaches, especially in agriculture and tourism
  - assistance in the area of skills development, with a specific focus on languages and computer skills
  - upscaling public employment services to enable them to fulfil their intermediation mandate
  - development of regional action plans for youth employment (as piloted in the MDG-F project)

- strengthening and extending social dialogue through capacity building, institution strengthening, and promotional activities, including the organization of a tripartite national conference entitled...
“Justice sociale et la lutte contre la pauvreté” [Social justice and combating poverty], reaching out to more sectors and more regions and ensuring proper collective bargaining

- the extension of social protection to ensure a minimum of social protection for all (including the informal sector)
- improving the working conditions of factory workers, especially in the area of occupational safety and health
- improving the labour market information and analysis system, working with national and regional players
- assistance in the development of a wage policy to ensure appropriate motivation of workers, while maintaining the competitiveness of enterprises, and the fair sharing of productivity gains.

Key ongoing initiatives

<table>
<thead>
<tr>
<th>Active ILO projects in Tunisia *</th>
<th>Budget</th>
<th>Donors</th>
</tr>
</thead>
<tbody>
<tr>
<td>TUN102 Engaging Tunisian Youth to Achieve the MDGs</td>
<td>553,466</td>
<td>MDTF/UNDP</td>
</tr>
</tbody>
</table>

* Regional Maghreb projects on youth employment and child labour, funded by Spain and France, also operate in Tunisia.

Main ILO activities

- Through the ILO tool *Know About Business* (KAB) the ILO has contributed to the creation of an enterprise culture by promoting awareness among young people of the opportunities and challenges of entrepreneurship and self-employment, and of their role in shaping their own future and their country’s economic and social development. The entrepreneurial KAB skills building package was introduced successfully through the Ministry of Training and Employment and the Ministry of Higher Education.
- In developing the capacity of national and regional actors in the areas of labour market policies and labour market information, the ILO built a base for the development of regional action plans in the three regions of Greater Tunis, El Kef, and Gafsa. It was agreed with the former Minister of Labour to extend the development of the plans to all regions.
- As regards international labour standards, the ILO fostered a discussion on the Private Employment Agencies Convention, 1997 (No. 181).
- Activities also included training of trainers, and training and coaching of young entrepreneurs with high education levels in Greater Tunis.
- The ILO has contributed to the widening of the knowledge base on labour markets in Tunisia through several studies and surveys (e.g. a study on the effectiveness of youth employment funds in Tunisia, a study on skills for green jobs in Tunisia, a study entitled “Tunisia: Strengthening the Social Contract”, etc.).

Decent Work Country Programme

A decent work country programme was under discussion and close to finalization prior to the revolution. Its priorities were employment creation (through SME development, reduced mismatch between skills and labour market demand, and modernized labour legislation); social protection (improvement of the situation of people with special needs and improvement of OSH); social dialogue (improvement of capacities of social dialogue at the national, regional and sectoral level). From preliminary discussions after the revolution it became clear that new areas need to be added and shifts in the emphasis of the old priorities might occur. The DWCP will be revised during the course of 2011.

Appendix I

Proposed additional technical cooperation projects

In response to requests from constituents, ILO offices in the MENA countries have developed a series of concept notes for additional technical cooperation projects to be undertaken subject to availability of funding. In some cases a country-specific approach is followed; in others a subregional focus is proposed to allow exchanges of experience and shared learning. These concept notes could be developed into comprehensive project documents if there is an indication that funding may be available.

<table>
<thead>
<tr>
<th>Reference</th>
<th>Title</th>
<th>Countries</th>
<th>Duration</th>
<th>ILO coordinating office / unit</th>
<th>Budget (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>MENA-1</td>
<td>Strengthening social dialogue for Maghreb countries</td>
<td>Algeria, Morocco, Tunisia</td>
<td>3 years</td>
<td>ILO Algiers / DIALOGUE</td>
<td>2,000,000</td>
</tr>
<tr>
<td>MENA-2</td>
<td>Strengthening the capacities of the social partners for successful transition</td>
<td>Algeria</td>
<td>4 years</td>
<td>ILO Algiers / DIALOGUE</td>
<td>2,000,000</td>
</tr>
<tr>
<td>MENA-3</td>
<td>A forgotten potential: Women in social dialogue in Egypt and Tunisia</td>
<td>Egypt, Tunisia</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>1,000,000</td>
</tr>
<tr>
<td>MENA-4</td>
<td>Building a comprehensive social security system for social justice in North Africa</td>
<td>Egypt, Tunisia, Morocco, Algeria</td>
<td>3 years</td>
<td>ILO Cairo</td>
<td>1,500,000</td>
</tr>
<tr>
<td>MENA-5</td>
<td>Coaching young entrepreneurs</td>
<td>Tunisia</td>
<td>3 years</td>
<td>ILO Cairo</td>
<td>2,000,000</td>
</tr>
<tr>
<td>MENA-6</td>
<td>Creating jobs around undeveloped tourist attractions in Egypt through local economic development and social economy approaches</td>
<td>Egypt</td>
<td>3 years</td>
<td>ILO Cairo</td>
<td>5,000,000</td>
</tr>
<tr>
<td>MENA-7</td>
<td>Decent jobs for young people in Egypt</td>
<td>Egypt</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>3,000,000</td>
</tr>
<tr>
<td>MENA-8</td>
<td>Decent jobs for young people in Morocco</td>
<td>Morocco</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>10,000,000</td>
</tr>
<tr>
<td>MENA-9</td>
<td>Decent jobs for young people in Tunisia</td>
<td>Tunisia, three selected governorates</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>10,000,000</td>
</tr>
<tr>
<td>MENA-10</td>
<td>Employment-intensive investment in Tunisia: Capacity building and pilot programmes</td>
<td>Tunisia</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>5,000,000</td>
</tr>
<tr>
<td>MENA-11</td>
<td>Employment-intensive public works programmes in Egypt: Capacity building and pilot programmes</td>
<td>Egypt</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>5,000,000</td>
</tr>
<tr>
<td>MENA-12</td>
<td>Increasing the job intermediation capacity of public employment services in Egypt</td>
<td>Egypt</td>
<td>3 years</td>
<td>ILO Cairo</td>
<td>6,000,000</td>
</tr>
<tr>
<td>MENA-13</td>
<td>Know About Your Business: Preparing and assisting Tunisian’s youth to become successful entrepreneurs</td>
<td>Tunisia</td>
<td>3 years</td>
<td>ILO Cairo</td>
<td>3,500,000</td>
</tr>
<tr>
<td>MENA-14</td>
<td>Managing Migration in North Africa</td>
<td>Tunisia, three selected governorates</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>5,000,000</td>
</tr>
<tr>
<td>MENA-15</td>
<td>Occupational safety and health in Egypt</td>
<td>Egypt</td>
<td>2 years</td>
<td>ILO Cairo</td>
<td>500,000</td>
</tr>
<tr>
<td>Reference</td>
<td>Title</td>
<td>Countries</td>
<td>Duration</td>
<td>ILO coordinating office / unit</td>
<td>Budget (US$)</td>
</tr>
<tr>
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</tr>
<tr>
<td>MENA-16</td>
<td>Promotion of collective entrepreneurship and social enterprises</td>
<td>Algeria, Egypt, Morocco, Tunisia</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>10,000,000</td>
</tr>
<tr>
<td>MENA-17</td>
<td>Reactivating an untapped potential in Egypt: how women can (re-)enter labour markets</td>
<td>Egypt</td>
<td>2 years</td>
<td>ILO Cairo</td>
<td>2,000,000</td>
</tr>
<tr>
<td>MENA-18</td>
<td>Supporting the establishment of an Employment Fund in Egypt</td>
<td>Egypt</td>
<td>2 years</td>
<td>ILO Cairo</td>
<td>1,000,000</td>
</tr>
<tr>
<td>MENA-19</td>
<td>Towards a fair and inclusive wage system in Egypt</td>
<td>Egypt</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>500,000</td>
</tr>
<tr>
<td>MENA-20</td>
<td>Towards a fair and inclusive wage system in Tunisia</td>
<td>Tunisia</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>500,000</td>
</tr>
<tr>
<td>MENA-21</td>
<td>Towards democracy and inclusion: Respecting international labour standards</td>
<td>Egypt</td>
<td>4 years</td>
<td>ILO Cairo</td>
<td>1,000,000</td>
</tr>
<tr>
<td>MENA-22</td>
<td>Towards fact-based and transparent policy making in Egypt: Developing a Labour Market Information and Analysis System</td>
<td>Egypt</td>
<td>2 years</td>
<td>ILO Cairo</td>
<td>1,000,000</td>
</tr>
<tr>
<td>MENA-23</td>
<td>Enhancing institutional capacities of the Government and the social partners in implementing the National Occupational Risks Management Programme</td>
<td>Tunisia</td>
<td>18 months</td>
<td>ILO DWT / CO-Cairo</td>
<td>500,000</td>
</tr>
<tr>
<td>MENA-24</td>
<td>Combating labour trafficking and giving voice to women migrant domestic workers in Bahrain and Oman</td>
<td>Bahrain, Oman</td>
<td>To be determined</td>
<td>ILO Regional Office for Arab States (ROAS)</td>
<td>2,000,000</td>
</tr>
<tr>
<td>MENA-25</td>
<td>Regional Youth Employment Facility for the Arab Region</td>
<td>Regional</td>
<td>To be determined</td>
<td>ROAS</td>
<td>2,500,000</td>
</tr>
<tr>
<td>MENA-26</td>
<td>Promoting inclusive and equitable social dialogue for consensus-building in Arab States</td>
<td>Jordan, Kuwait, Lebanon, Oman, Bahrain, Syria, Yemen, oPt</td>
<td>3 years</td>
<td>ROAS</td>
<td>3,000,000</td>
</tr>
<tr>
<td>MENA-27</td>
<td>Supporting rights at work through social dialogue in Jordan</td>
<td>Jordan</td>
<td>To be determined</td>
<td>ROAS</td>
<td>1,200,000</td>
</tr>
<tr>
<td>MENA-28</td>
<td>Strengthening workers’ organizations in Arab States through socioeconomic and legal literacy</td>
<td>Bahrain, Jordan, Kuwait, Lebanon, Oman, Syria, Yemen, oPt</td>
<td>5 years</td>
<td>ROAS</td>
<td>2,300,000</td>
</tr>
<tr>
<td>MENA-29</td>
<td>Trade Union Equality Network in the Arab Region</td>
<td>Regional</td>
<td>2 years</td>
<td>ROAS</td>
<td>600,000</td>
</tr>
<tr>
<td>MENA-30</td>
<td>(Re)valuing women’s work: A pay equity pilot project initiative for Jordan</td>
<td>Jordan (with subregional component for Lebanon and Syria)</td>
<td>To be determined</td>
<td>ROAS</td>
<td>500,000</td>
</tr>
</tbody>
</table>

**Total** 90,100,000
Appendix II

The ILO’s comparative advantage

The root causes of the wave of uprisings and popular movements in the MENA region, and hence the strategies to address them, fall squarely within the core mandate of the ILO. Recent developments, underlined by the repercussions of the global economic crisis, have brought to light the shortcomings of a model of economic development based on restricting wages and ignoring improvements in working conditions and in workers’ freedoms and rights. The tripartite mandate and normative agenda of the ILO provide an integrated approach towards a new people-centred development paradigm in the Arab region that places both jobs and equality at the core of socio-economic policies and strategies, in turn reconciling political stability with social peace. This includes revisiting structural problems of unemployment, low productivity and limited access to decent work opportunities and social protection, as well as respect of rights at work. In responding to the crisis, the ILO is able to make use of its knowledge base of international labour standards and policies for employment and social protection. The ILO Global Jobs Pact which was adopted in June 2009 in response to the global financial crisis is a very useful policy instrument based on DW that can be used to address some of the intrinsic development challenges in the region. As a response to the current global crisis it has developed a policy instrument, the Global Jobs Pact, based on the Decent Work Agenda. The Pact recalls that respecting fundamental principles and rights at work, promoting gender equality and encouraging for all workers voice, participation, and social dialogue are critical to recovery and development. The following are the key features of the ILO’s added value in the current MENA crisis.

- **Mandate** – The mandate of the ILO is founded on the notion of social justice, which has been at the heart of all the current demands for transformative change in the region. It is geared towards sustainable development and poverty reduction through decent work opportunities for all, which goes far beyond simply aiming at reducing unemployment. Decent work for poverty reduction has come to be reflected in the MDGs, as the target is no longer to reduce youth unemployment, but to create decent employment opportunities for all (under MDG 1 – Eradicate extreme poverty and hunger).

- **The ILO’s Decent Work Agenda is a rights-based approach.** The setting and supervision of international labour standards and their application and promotion in national contexts is one of the basic functions of the ILO.

- **Status of the ILO** – As an international organization within the United Nations system, the ILO has access to government ministries at a high level. As the only tripartite international organization, the ILO has direct access to and cooperation with employers’ and workers’ organizations, which are key actors in employment-related projects. The ILO can play a strategic role at the level of both the R/UNDG and UN Country Teams in fostering social dialogue and advocating for the need to protect the fundamental principles and rights at work, both of which are being strongly demanded by the popular movements.

- **Research base** – Reducing the deficit of decent work for young people lies at the heart of the ILO’s mandate. The ILO has carried out significant research on this subject and countries can benefit from this wealth of knowledge.

- **Global and Regional Knowledge:** ILO has extensive experience globally and in the region in addressing issues related to decent work, including in post-conflict contexts. While the latest wave of transformative changes is unprecedented and has its own specificity, the ILO has accumulated experience and expertise globally in addressing decent work challenges in countries in transition. This includes, inter alia, technical support in the area of labour market governance, skills development programmes, entrepreneurship development programmes, employment creation in post-conflict situation, youth employment policies and programmes. Further, its experience in the region puts it a particular advantage, as many of the current or potential players, for instance in the field of youth employment issues, are relatively new in the area and cannot look back on a long history of knowledge in the region.

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• **Youth employment and the ILO** – Youth employment issues are important for all four sectors of the ILO. The ILO has a Youth Employment Programme (in the Employment Sector) and manages a Youth Employment Network, which is a UN-World Bank-ILO initiative with a secretariat provided by the ILO. Each component of the project enjoys technical backstopping from departments at headquarters.

• **Experience in the field** – The ILO has implemented many projects in the area of youth employment over its 90 years of existence. Many have been carefully evaluated and the current programme will profit from the lessons learned from all these projects.

• **Experience in capacity building** - The International Training Centre in Turin is the training arm of the ILO, mandated to provide capacity building, training and learning opportunities at the service of economic and social development. The Centre's added value lies in its capacity to transform ILO and UN policies, tools and expertise into learning and knowledge-sharing tools, platforms and activities to promote their understanding and ownership and enhance their use and application. The Centre has a global reach with participants from all ILO Member States. The Centre's most important comparative advantage lies in its capacity to reconcile a truly international approach with the necessary attention to the diversity of regional and national priorities and needs. In this regard, the Centre has long-standing experience in servicing the Arab region with a truly wide regional perspective, providing an excellent platform for sharing knowledge, experience and practice between countries of the region and addressing the key issues of common concern in the Middle East and North Africa, in Turin, in individual countries, and in Arabic.

• **Participatory approach** – The ILO as a tripartite organization fully appreciates the importance of a bottom-up approach for the successful implementation of any project. For this reason the ILO at all points works with the government and includes employers, workers and, of course, relevant NGOs and, in youth employment programmes, young people themselves.

• **Integrative approach** – The ILO has successfully worked in the past with different ministries, councils and other political bodies. These contacts will be used to ensure an integrated approach in the project. This means that even though the ILO's focus partner in the government is normally the ministry of labour, programmes and projects will work with all relevant political units.

• **Tools and programmes** – As a result of its long history of work in the field of youth employment, the ILO already has the necessary programmes and tools and a network of trainers in areas such as entrepreneurship creation, local economic development approaches, strengthening of labour market institutions etc. All these tools can be used and adapted if the need in these areas is identified in any country.

• **Experience in the region** – The ILO's work in the region builds on years of experience. This is a valuable advantage as many of the current or potential players, for instance in the field of youth employment, are relatively new to the issue and cannot look back on a long history of knowledge in the region.

• **ILO presence in the region.** Through the Decent Work Support Team for North Africa based in Cairo and the DWT in Beirut – Through the ILO Decent Work Support Team for North Africa, which is based in Cairo, all necessary technical expertise is available in the region. The ILO Office in Egypt can also draw on the global capacity of the Organization to complement country and sector expertise and ensure that the best of current knowledge and practice is integrated into projects. The ILO DWT for North Africa is also located in Cairo, covering all countries included in the strategy. The ILO Country Office in Algiers is administratively responsible for Algeria, Tunisia, Morocco and Libya. The Regional Offices for Africa (Addis Ababa) and the Middle East (Beirut) will support the strategy in general and more specifically in areas of inter-regional concern.

• **Integration into ongoing ILO work** – Any project implemented will become part of the ILO portfolio (see list above) and can profit from the experience, expertise and network of several other projects.

• **Needs identification** – The ILO, through research, events and communications with key players is closely familiar with Egypt's needs with regard to youth employment. The social partners expressed clearly their needs and priorities in Egypt's Decent Work Country Programme, which will accelerate project implementation and reduce the need for studies and identifying needs.