



# *How to better integrate the principles of decent work into the ongoing Tunisian national action plan for Business and Human rights?*

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## EXECUTIVE SUMMARY

Tunisia is developing a National Action Plan (NAP) to integrate the UN Guiding Principles (UNGPs) on Business and Human Rights. While foundational work is solid, challenges remain in translating principles into actionable, compliant policies. Stakeholder engagement and baseline studies are crucial. Overcoming obstacles related to work engagement is key. To incorporate decent work principles, Tunisia must ensure labor rights compliance, create jobs, expand social protection, promote dialogue, and leverage trade and corporate responsibility. Key recommendations include multi-level governance, corporate legal reforms based on mandatory Human Rights and Environmental Due Diligence (mHREDD) frameworks, and participatory development aligned with SDGs. These measures will help Tunisia create a comprehensive, actionable NAP.

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## KEYWORDS

Decent work, national action plan, human rights, Tunisia

## Introduction

The UNGPs, operationalized through National Action Plans (NAPs), provide a framework for corporate human rights responsibility. While Europe leads in NAP adoption, shortcomings like vagueness and weak access to remedy exist, prompting EU efforts to strengthen implementation. Africa's NAP development lags, though countries like Kenya and Uganda are progressing by addressing unique regional challenges such as resource limitations and the informal sector. Tunisia, supported by UNDP and Japan, has begun developing its NAP, facing the challenge of translating principles into concrete action. Sector-specific impacts and training for both sectors provide the country a strong base to elaborate its NAP.

As of 2024, Tunisia's economy is navigating a complex landscape, marked by efforts to stabilize and stimulate growth. The Gross Domestic Product (GDP) is projected to grow at a modest rate of 2.5%, following a series of economic reforms aimed at improving fiscal discipline and enhancing the business environment. However, the unemployment rate remains high at around 15.4%, reflecting structural issues in the labor market and the ongoing challenge of integrating youth and women into the workforce. Inflation is expected to hover around 6.2%, influenced by both domestic factors and international commodity prices. Tunisia's public debt-to-GDP ratio is projected to be approximately 82%, necessitating prudent fiscal management to ensure debt sustainability.

Moreover, the informal sector is a critical component of Tunisia's economy, contributing significantly to employment and income generation, especially in the context of economic challenges and high unemployment rates. However, the informal nature of this sector presents challenges in terms of regulation and compliance with labor standards. Workers in the informal sector often lack social protection, fair wages, and safe working conditions, making it difficult to ensure that the principles of decent work are upheld. The integration of the informal sector into the formal economy and the extension of labor rights to informal workers are essential steps in creating a more inclusive and equitable NAP.

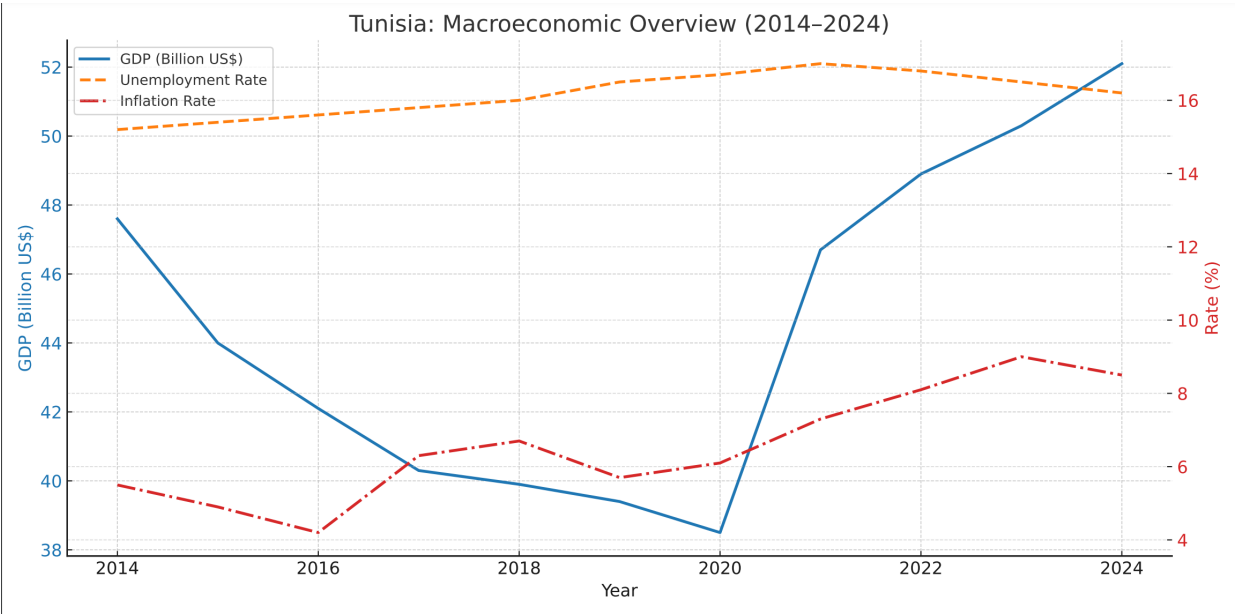
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Tunisia’s environmental challenges add another layer of complexity to the NAP development process. The country is grappling with severe water scarcity, land degradation, biodiversity loss, and the impacts of climate change, all of which threatens its socio-economic stability and hinders the effective implementation of business and human rights policies. As of 2024, these environmental challenges have intensified, with water scarcity reaching critical levels and land degradation accelerating due to unsustainable agricultural practices and urban sprawl.

A transformative shift is needed in Tunisia, requiring changes in business models, governance structures, and a strong commitment to human rights, particularly through integrating decent work principles into its NAP. Tunisia has ratified 65 ILO conventions, with 50 currently in force, including all fundamental conventions, most governance conventions, and the recently ratified Occupational Safety and Health Convention (C187) in 2021.

The CEACR has identified areas where Tunisia's labor practices need improvement, specifically regarding freedom of association and collective bargaining. Aligning national laws with international labor standards is crucial to balance power between workers and employers, prevent exploitation, and create a just society that upholds the principles of decent work as envisioned by the UNGPs and the ILO.

Figure 1. Macroeconomic overview of Tunisia



Source: Chart created by the author based on World Bank statistics (2014–2024)

## Methodology

This policy brief uses a comprehensive approach, including literature review, data collection and a Business and human rights(BHR) Indicators and decent work Indicators analysis framework. It incorporates comparative analysis of other countries' NAPs for best practices, stakeholder input for diverse perspectives, and ethical guidelines to ensure rigor, confidentiality, and inclusivity in promoting improved labor standards and social protections in Tunisia.

## Results and Findings

Tunisia faces several urgent priorities and challenges regarding labor rights, social protection, and economic development. The following points reflect Tunisia’s current situation:

1. **Compliance with Fundamental Labor Rights:** In 2024, Tunisia's compliance with fundamental labor rights, as measured by Sustainable Development Goal indicator 8.8.2, is rated at 2.0 (0 is best), a decline from 1.65 in 2020, reflecting ongoing political instability and challenges in labor rights enforcement.
2. **Creating Decent Jobs:** Tunisia's civil service strategy to reduce the public financial deficit faces delays due to subsidy reforms, a slow post-COVID-19 economic recovery, and political instability. Meanwhile, efforts to formalise employment have advanced with the 2020 auto-entrepreneur law and governance structures, including a UGTT-affiliated union supporting sub-Saharan migrant workers.
3. **Guaranteeing Rights at Work:** UGTT membership growth remained stagnant at 0% from 2019 to 2023, while Tunisia's ranking on trade union rights violations worsened to 5 in 2024, indicating severe restrictions. However, legislative improvements, such as the 2021 Domestic Work Law, introduced mechanisms to protect domestic workers by addressing disputes over wages, working hours, and safety conditions.
4. **Extending Social Protection:** The Universal Health Coverage (UHC) service index for Tunisia increased from 68 in 2017 to 70 in 2019, with no significant updates since then. Also, approximately 40% of Tunisia's working population remains informal and outside any social security schemes.
5. **Promoting Social Dialogue:** The trade union density among employees stood at about 30% in 2023. Besides, Tunisia ranks poorly in labor-employer relations, positioned at 127 out of 141 countries.
6. **Investment Agreements:** Tunisia remains active in international trade. Notable agreements include the Arab Maghreb Union (1989), Greater Arab Free Trade Area (1998), Agadir Agreement (2007), ECOWAS (2018), COMESA (2019), and the African Continental Free Trade Area (2020). Also, Tunisia has signed bilateral trade agreements with approximately 81 countries.
7. **Corporate Social Responsibility:** Tunisia enacted a law on corporate social responsibility in 2018. However, awareness of its benefits remains low, particularly among small and medium enterprises. OECD studies indicate that CSR is mainly adopted by large multinational corporations.
8. **BHR and Decent work Indicators Analysis:** Tunisia faces major challenges in aligning its labor laws with international standards, ensuring compliance with labor rights, and creating decent jobs amid political and economic instability, particularly with the 2024 presidential elections.

Decent work, as defined by the ILO, encompasses fair wages, social protection, and good working conditions, but its integration into NAPs varies globally especially by BHR indicators . Examples from some countries could be beneficial for the Tunisian experience: **Decent Work Indicators table :**

| Country      | Employment | Earnings  | Working Time | Social Protection | Safety & Health | Fair Treatment | Work-life Balance |
|--------------|------------|-----------|--------------|-------------------|-----------------|----------------|-------------------|
| France       | Yes        | Yes       | Yes          | Yes               | Yes             | Yes            | Yes               |
| Germany      | Yes        | Yes       | Yes          | Yes               | Yes             | Yes            | Yes               |
| Japan        | Yes        | Yes       | Yes          | Yes               | Yes             | Yes            | Partially         |
| India        | Partially  | Partially | Partially    | Partially         | Partially       | Partially      | Partially         |
| Nigeria      | Partially  | No        | No           | No                | No              | No             | No                |
| South Africa | Yes        | Yes       | Yes          | Yes               | Yes             | Yes            | Partially         |

**Business and Human Rights (BHR) Indicators table:**

| Country         | Grievance<br>(workers<br>ability to<br>report<br>violations) | Stakeholder | Supply<br>Chain | Remediation | Community | Transparency | Legal<br>Compliance |
|-----------------|--------------------------------------------------------------|-------------|-----------------|-------------|-----------|--------------|---------------------|
| France          | Yes                                                          | Yes         | Partially       | Yes         | Yes       | Yes          | Yes                 |
| Germany         | Yes                                                          | Yes         | Yes             | Yes         | Yes       | Yes          | Yes                 |
| Japan           | Partially                                                    | Yes         | Partially       | Yes         | Partially | Yes          | Yes                 |
| India           | Partially                                                    | Partially   | No              | No          | Partially | Partially    | Partially           |
| Nigeria         | No                                                           | No          | No              | No          | No        | No           | No                  |
| South<br>Africa | Yes                                                          | Partially   | Yes             | Partially   | Yes       | Partially    | Yes                 |

Source note: The extraction of indicators is based on personal views and tools from the guidelines available at <https://globalnaps.org/issue/>. Additionally, the 'YES/NO/PARTIALLY' responses do not reflect the enforcement or feasibility of the indicators but merely their inclusion in National Action Plans in a declaratory manner.

To demonstrate the complementarity between decent work indicators and business and human rights (BHR) indicators, it is crucial to recognize how each set addresses distinct yet interconnected aspects of workers' rights and corporate responsibilities. For example, France and Germany both exhibit strong performance across all decent work indicators, reflecting high standards. However, when examining the BHR indicators, we see that France and Germany also demonstrate strong first steps for compliance with legal frameworks, grievance mechanisms, and supply chain transparency. In contrast, Nigeria and India show gaps in both decent work and BHR indicators. Nigeria faces significant deficits across both categories. India, on the other hand, partially fulfills these indicators, but significant gaps remain in areas like supply chain transparency and legal compliance.

By integrating these sets of indicators, we can achieve a more comprehensive evaluation that not only tracks the direct conditions of workers but also ensures that businesses uphold their obligations toward human rights. This integration highlights gaps that might otherwise be overlooked, offering a more holistic understanding of both working conditions and the broader human rights landscape. The following table outlines their complementarities:

| Aspect             | BHR indicators                                                                        | Indicators of Decent Work                                                 |
|--------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------|
| <b>Definition</b>  | Measure the gap between legal human rights and their real-world Business application. | Measure conditions of work quality, social protection, and worker rights. |
| <b>Focus Areas</b> | Legal compliance, human rights practices, policy implementation.                      | Employment quality, social protection, labor rights, social dialogue.     |
| <b>Examples</b>    | Freedom of association, non-discrimination, access to remedy.                         | Employment creation, social protection coverage, workplace safety.        |

|                             |                                                                          |                                                                         |
|-----------------------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------|
| <b>Data Requirements</b>    | Disaggregated, periodic, contextualized, relevant, comparable.           | Quantitative and qualitative, sector-specific, regularly updated.       |
| <b>Applications</b>         | Due diligence laws, policy monitoring, compliance checks.                | Labor market reforms, social protection enhancements, workplace safety. |
| <b>Challenges</b>           | Data access, indicator adaptation, measurement accuracy.                 | Implementation consistency, comprehensive data collection.              |
| <b>Outcome Measurements</b> | Human rights compliance, policy effectiveness, corporate accountability. | Job quality, social protection reach, worker safety and health.         |

Source note: The table draws information from various sources including the United Nations Guiding Principles on Business and Human Rights (UNGPs), the United Nations Working Group on Business and Human Rights (UNWG) Guidance on National Action Plans, Human Rights Indicators: A Guide to Measurement and Implementation by OHCHR, Decent Work Indicators from the International Labour Organization (ILO), and specific studies and analyses cited in the references.

Tunisia, facing similar challenges related to data access and measurement accuracy, must prioritize incorporating both BHR indicators and Decent Work Indicators into its NAPs. BHR indicators play a crucial role in corporate responsibility and policy monitoring, while Decent Work Indicators support labor market reforms and workplace safety.

By integrating these indicators, Tunisia can ensure that assessments reflect the interconnections between labor rights and broader human rights, ultimately leading to more comprehensive protections for workers.

## Recommendations for Tunisia's National Action Plan

### 1) Ensuring Multi-Level Governance

Establish a multi-level governance framework that includes active participation from government bodies, corporations, civil society organizations (NGOs, IOs, trade unions), and human rights defenders.

#### Process:

- Track the number of collaborative meetings and policy dialogues held annually, aiming for at least 12 significant engagements per year.
- Create formal partnerships and regular forums for dialogue, leveraging existing networks such as the UGTT-affiliated unions and international organizations already active in Tunisia.
- Ensures diverse perspectives and expertise in policy-making, enhancing the effectiveness and legitimacy of the NAP.
- Implement the governance framework within 12 months, with quarterly reviews to assess participation levels and effectiveness.

#### Implementation:

- **Government Participation:** Designate specific representatives from the Ministry of Social Affairs, Ministry of Employment and Vocational Training, and other relevant government bodies for labor rights and social protection issues. These representatives will regularly engage with other stakeholders.
- **Corporations:** Establish corporate advisory councils comprising representatives from major industries, focusing on adherence to labor standards and CSR practices.
- **Civil Society:** Engage NGOs, IOs, and trade unions in regular consultations and collaborative projects. Develop a centralized platform for NGOs and trade unions to provide input and feedback.
- **Human Rights Defenders:** Create a protected space for human rights defenders to voice concerns

and recommendations, ensuring their safety and support.

## **2) Legal Reforms: Due Diligence and Grievance Mechanisms**

Enact and enforce a comprehensive law on corporate due diligence, complemented by robust grievance and remedy mechanisms for labor rights violations.

### **Process:**

- Monitor the number of due diligence assessments conducted annually, as well as the number of grievances filed and resolved at the international level.
- Utilize international best practices and frameworks (e.g., UNGPs) to draft the due diligence law. Collaborate with international legal experts and local stakeholders to ensure feasibility and relevance.
- Addresses the core issue of labor rights violations and ensures accountability and transparency in corporate practices.
- Draft and pass the due diligence law within 18 months. Establish grievance mechanisms within 6 months of the law's enactment.

### **Implementation:**

- **Drafting the Law:** Form a working group comprising legal experts, corporate representatives, and labor rights advocates to draft the due diligence law. Ensure the law mandates regular reporting and compliance checks as an example in a smart alignment with the European Due Diligence Directive.
- **Grievance Mechanisms:** Develop accessible and efficient grievance mechanisms, including hotlines, online platforms, and physical offices. Train personnel to handle grievances impartially and effectively.
- **Remedy Mechanisms:** Establish clear procedures for providing remedies, including compensation, reinstatement, and public apologies. Ensure that remedies are timely and appropriate to the grievances.

## **3) A Vision for Planet-Century Participatory Development Model:**

Develop a participatory development model that integrates sustainable development goals with inclusive economic growth, ensuring broad stakeholder engagement in planning and implementation.

### **Process:**

- Track progress towards SDG targets, participation rates in development planning processes, and economic growth indicators
- Leverage existing international support and funding mechanisms for sustainable development. Build on successful models from other countries, adapting them to Tunisia's context.
- Aligns with global sustainability agendas and addresses local economic and social needs, promoting long-term stability and growth.
- Develop the participatory development model within 24 months, with ongoing implementation and evaluation.

### **Implementation:**

- **Stakeholder Engagement:** Conduct national and regional workshops to gather input from diverse stakeholders, including local communities, businesses, and civil society.
- **Integrated Planning:** Ensure that development plans integrate economic, social, and environmental goals. Use a multi-disciplinary approach to address complex challenges.
- **Monitoring and Evaluation:** Establish a robust M&E framework to track progress and adjust strategies as needed. Include key performance indicators related to sustainable development and stakeholder participation

## **Conclusion**

Tunisia stands at a critical juncture in its efforts to improve labor rights, social protection, and economic development. While the country has made progress in certain areas such as legislative reforms on domestic work and trade agreements significant challenges remain. The decline in compliance with fundamental labor rights, persistent informality, and weak trade union influence highlight structural barriers that hinder the realization of decent work for all.

By embedding both BHR and Decent Work Indicators into policymaking, Tunisia can enhance its regulatory framework, ensure corporate accountability, and create a more resilient labor market. This integrated approach will not only bridge existing gaps in labor rights but also pave the way for sustainable economic development rooted in social justice.

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