



INTERNATIONAL LABOUR ORGANIZATION

REGIONAL OFFICE FOR ARAB STATES

Concept note

Strengthening the Institutional Mechanisms for Social Dialogue in the Occupied Palestinian Territory

Duration: 24 months

Implementing Partners: Palestinian Authority, Ministry of Labour (Labour Relations Department, Labour Inspection Directorate), Palestinian General Federation of Trade Unions, Federation of Palestinian Chambers of Commerce, Industry and Agriculture

Estimated Budget: US\$1,200,000

Brief Description: To support ongoing national efforts to establish a viable system of social dialogue in the occupied Palestinian territory, the proposed project will facilitate the adoption of instruments, functions and processes, in line with the principles outlined under the Tripartite Consultation Convention No. 144. The project will contribute towards (1) establishing and operationalizing a more effective labour administration and labour inspection enforcement mechanism; (2) putting in place sustainable and effective social dialogue mechanisms; and (3) strengthening the capacities of workers' and employers' organizations to more effectively represent the interests of their members.

**Meeting on the ILO programme of technical cooperation
in the occupied Palestinian territory**
Geneva, 15 November 2010

I. Rationale and justification

The Palestinian Authority's Thirteenth Government Programme (August 2009) is largely centered on building strong state institutions capable of providing for the needs of the Palestinian people and of furthering sustainable socio-economic development. The Government is committed to developing and implementing sound and sustainable social and economic policies that would bolster Palestinian society's strength, cohesion, and perseverance. The Government has emphasized the priorities of enhancing national unity, good governance, promoting economic independence and national prosperity, and bringing equality and social justice to its citizens.

In line with the main principles of this programme, the Ministry of Labour developed a strategy for the development of the labour sector in Palestine, based on an assessment of existing deficits, the presence of multiple government agencies and the recurrence of programmes, the absence of a national employment strategy, the weak linkage between employment and vocational training, and the need to strengthen the role of the private sector and the social partners. A key priority within this overarching framework is the promotion of an effective social dialogue mechanism and the empowerment of labour inspection services.

Following its revitalization in September 2009, the National Tripartite Committee launched a Declaration in February 2010 (the Turin Declaration) outlining its vision, plan of action and institutional framework. The Declaration focuses on improving industrial relations, ensuring effective and transparent governance of the labour market through social dialogue, reviewing labour agreements based on Arab and international standards, developing and effectively enhancing labour administration and labour inspection services and reforming the labour law and legislations. It clearly recognizes the important role of free, independent strong and representative workers' and employers' organizations particularly the role of the private sector in promoting job creation.

The mechanism for ongoing consultations between the social partners on legislative projects and socio-economic policies should be institutionalised in order to further mutual interests and building confidence amongst the tripartite partners. The Tripartite Committee for Labour Policies could be further strengthened and streamlined and represents a good basis for the establishment of an enlarged national tripartite social and economic structure. This is in line with key elements of the Turin Declaration focusing on the establishment of a national Economic and Social Council. Within this framework, labour inspection services are a critical cornerstone to good governance processes and labour market regulation, and represent an important prerequisite for monitoring the enforcement of relevant labour laws and legislations and for the prevention and settlement of labour disputes.

II. Project development objective and outcomes

The project will *enable the tripartite partners to promote and use social dialogue as a tool to achieve economic and social progress*, through the adoption of its instruments, functions and processes, in line with the principles outlined under the Tripartite Consultation Convention No. 144. The eventual establishment of an Economic and Social Council could serve as a tripartite consultative and advisory platform on social and economic issues in the oPt.

The project will contribute towards the following outcomes:

- A more effective labour administration and labour inspection enforcement mechanism is established and made operational.
 - Sustainable and effective social dialogue mechanisms put in place.
 - Capacities of employers' and workers' organizations strengthened to allow them to more effectively represent the interests of their members.
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III. Project Strategy

Sound industrial relations and effective social dialogue embody good governance instruments that foster cooperation and economic performance, while promoting the Decent Work Agenda. They are important for the settlement of labour disputes and compliance with national labour legislations. Within this context, labour law reform should be adapted to the changing needs of the labour market, particularly in light of the challenges facing Palestinian workers in the oPt in terms of rights and protection. It is proposed to present the rationale of the interventions outlined below and their alignment to ongoing national efforts at a National Conference to be organized in the oPt in the first quarter of 2011 seeking the endorsement of the strategic partners.

Based on the recent assessments carried out by the ILO in the second half of 2010, relevant tripartite institutions will be established and strengthened to ensure the participation of social partners in social and economic policymaking endeavours. This includes enhanced functioning of the National Tripartite Committee for Labour Affairs, with a fully equipped secretariat under the authority of the Ministry of Labour, in full partnership with employers' and workers' organizations and in coordination with relevant ministries. This will pave the way for the establishment and operationalization of a Palestinian Economic and Social Council which will serve as a consultative and advisory tripartite body for the development of relevant policies and legislations. Based on an institutional capacity gap analysis to be undertaken of workers' and employers' organizations, a comprehensive capacity building programme targeting the social partners will be developed and implemented to promote their active engagement to advance and sustain social dialogue mechanisms in the oPt.

The project will also support a technical review of the labour legislation and will support the development of a coherent and integrated Labour Inspection Policy, that takes into account labour legislation, governmental policies and stakeholder engagement, as well as organizational and management considerations. The Policy will be complemented with strengthening the Labour Inspection Directorate by revisiting its current organizational structure, reviewing its human resource and capacity building needs, and putting in place a tripartite coordination mechanism for labour inspection to foster greater partnership with the relevant stakeholders.

Relevance

The proposed project supports the vision of the Palestinian Authority and the social partners for improved industrial relations and collective bargaining. It focuses on an improved institutional mechanism for tripartite and bipartite consultations and consensus-building on national development policies. Collective agreements and social pacts, as well as conflict resolution and labour disputes prevention are high priority issues, requiring enhanced capacities of the social partners.

Project Partners

The project will support the Ministry of Labour, the Palestinian General Trade Union Federation and the Federation of Palestinian Chambers of Commerce, Industry and Agriculture. It will coordinate efforts with relevant national, regional and international organizations (i.e. sectoral associations, ICATU, GUCCIA, ITUC, IOE).

Target Beneficiary Groups

The project will primarily target the Ministry of Labour (principally working with the Labour Inspection Directorate), the Palestinian General Federation of Trade Unions and the Federation of Palestinian Chambers of Commerce, Industry and Agriculture. The consultative process and capacity building programme to be implemented will pave the way for the establishment and operationalization of an Economic and Social Council that will ultimately benefit the social and economic situation of Palestinian workers and employers.

Sustainability plan

A sustainability plan will be developed one year following the outset of the project outlining the steps to be taken to ensure national ownership of the results achieved and the capacity of the national stakeholders to sustain the operationalization of established tripartite structures and institutions. In line with the key priorities outlined in the national strategy for the development of the labour sector, a national budgetary allocation should be included in the Government's annual budget to ensure the recruitment of the staff and allow the financial continuity of the new proposed tripartite structures.

IV. Duration and Budget

The project will be implemented over a period of two years, starting in the first quarter of 2011. Preparatory activities, including labour inspection and social dialogue assessments to launch the process, are being funded from the ILO Regular Budget Supplementary Account.

The overall budget of this project is estimated at a total budget of US\$1,200,000. A detailed breakdown can be made available on request.

For further information, please contact

ILO Regional Office for Arab States
beirut@ilo.org