



# **The Palestinian Decent Work Programme 2013–2016**

**International Labour Organization  
Regional Office for the Arab States**

## Contents

|                                                                                                                                                                                                                          |                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <b>List of Abbreviations and Acronyms .....</b>                                                                                                                                                                          | <b>Error! Bookmark not defined.</b> |
| <b>1. Introduction.....</b>                                                                                                                                                                                              | <b>4</b>                            |
| <b>2. Country context .....</b>                                                                                                                                                                                          | <b>6</b>                            |
| 2.1 Political context.....                                                                                                                                                                                               | 6                                   |
| 2.2 Economic context .....                                                                                                                                                                                               | 6                                   |
| 2.3 Labour market situation.....                                                                                                                                                                                         | 7                                   |
| 2.4 Tripartism and social dialogue .....                                                                                                                                                                                 | 9                                   |
| 2.5 Links to national development frameworks.....                                                                                                                                                                        | 10                                  |
| <b>3. Decent Work Programme priorities .....</b>                                                                                                                                                                         | <b>13</b>                           |
| Priority 1: Promote improved labour market governance and labour rights .....                                                                                                                                            | 13                                  |
| Outcome 1.1: Improved legal framework for labour market regulation and administration in line with international labour standards.....                                                                                   | 13                                  |
| Outcome 1.2: Strengthened institutional capacity and mechanisms for social dialogue and policy-making, with a particular focus on wages, occupational safety and health, gender equality and discrimination at work..... | 15                                  |
| Priority 2: Enhance employment and livelihood opportunities for Palestinian women and men.....                                                                                                                           | 17                                  |
| Outcome 2.1: Enhanced employment promotion policies and strategies for Palestinian women and men, with a particular focus on youth employment.....                                                                       | 17                                  |
| Outcome 2.2: Increased employability of workers through market-oriented skills training and employment services targeting young people.....                                                                              | 19                                  |
| Priority 3: Facilitate development of an integrated social security system and extension of social protection to all .....                                                                                               | 22                                  |
| Outcome 3.1: Introduction of social security system for workers and their family members covering old-age, invalidity and death pensions, and employment injury and maternity benefits .....                             | 22                                  |
| Outcome 3.2: Social protection floor introduced.....                                                                                                                                                                     | 23                                  |
| <b>4. Implementation, planning, management and evaluation .....</b>                                                                                                                                                      | <b>25</b>                           |
| 4.1 Implementation, performance monitoring and evaluation arrangements .....                                                                                                                                             | 25                                  |
| 4.2 Role of ILO constituents.....                                                                                                                                                                                        | 25                                  |
| 4.3 Assumptions and risks .....                                                                                                                                                                                          | 26                                  |
| 4.4 Synergies and coordination with other development partners.....                                                                                                                                                      | 26                                  |
| 4.5 Funding and resource mobilization .....                                                                                                                                                                              | 27                                  |
| <b>References.....</b>                                                                                                                                                                                                   | <b>28</b>                           |

## List of Abbreviations and Acronyms

|               |                                                                                              |
|---------------|----------------------------------------------------------------------------------------------|
| <b>C.</b>     | Convention                                                                                   |
| <b>CL</b>     | Child Labour                                                                                 |
| <b>CSO</b>    | Civil Society Organization                                                                   |
| <b>DG</b>     | Director General                                                                             |
| <b>DWP</b>    | Decent Work Programme                                                                        |
| <b>FAO</b>    | UN Food and Agriculture Organization                                                         |
| <b>FPCCIA</b> | Federation of Palestinian Chamber of Commerce, Industry, and Agriculture                     |
| <b>GDP</b>    | Gross Domestic product                                                                       |
| <b>GIZ</b>    | German Agency for International Cooperation (Gesellschaft für Internationale Zusammenarbeit) |
| <b>ILO</b>    | International Labour Organization                                                            |
| <b>IMF</b>    | International Monetary Fund                                                                  |
| <b>IUG</b>    | Islamic University of Gaza                                                                   |
| <b>GA</b>     | General Assembly                                                                             |
| <b>KAB</b>    | Know About Business                                                                          |
| <b>MOE</b>    | Ministry of Economy                                                                          |
| <b>MOL</b>    | Ministry of Labour                                                                           |
| <b>MOSA</b>   | Ministry of Social Affairs                                                                   |
| <b>NCWE</b>   | National Committee for Women's Employment                                                    |
| <b>NDP</b>    | National Development Plan                                                                    |
| <b>NGO</b>    | Non-governmental organization                                                                |
| <b>NPPF</b>   | National Policy and Programme Framework                                                      |
| <b>NSCCL</b>  | National Steering Committee on Child Labour (NSCCL)                                          |
| <b>NTCLA</b>  | National Tripartite Committee for Labour Affairs                                             |
| <b>OECD</b>   | Organisation for Economic Cooperation and Development                                        |
| <b>OPT</b>    | Occupied Palestinian Territory                                                               |
| <b>OSH</b>    | Occupational Safety and Health                                                               |
| <b>PCBS</b>   | Palestinian Central Bureau of Statistics                                                     |
| <b>PGA</b>    | Participatory Gender Audit                                                                   |
| <b>PGFTU</b>  | Palestinian General Federation of Trade Unions                                               |
| <b>ROAS</b>   | Regional Office for Arab States                                                              |
| <b>SPF</b>    | Social Protection Floor                                                                      |
| <b>UN</b>     | United Nations                                                                               |
| <b>UNCTAD</b> | United Nations Conference on Trade and Development                                           |
| <b>UNDAF</b>  | United Nations Development Assistance Framework                                              |
| <b>UNDP</b>   | United Nations Development Programme                                                         |
| <b>UNICEF</b> | United Nations Children's Fund                                                               |
| <b>UNRWA</b>  | United Nations Relief and Work Agency for Palestine Refugees in the Near East                |
| <b>WHO</b>    | World Health Organization                                                                    |

## 1. Introduction

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The Palestinian people continue to suffer under an occupation that has jeopardized the attainment of their basic human rights and human security, militating against any meaningful progress in human development terms. Today, the occupied Palestinian territory (oPt) is going through a very critical and challenging period, further exacerbating the suffering of its people. This period is characterized by increased political instability, a continued divide between the West Bank and Gaza, stagnating economic growth, persistent fiscal crisis, higher unemployment, and increased poverty and food dependency.

The recent recognition of Palestine as a non-member observer State by the United Nations General Assembly (Resolution 67/19 of 29 November 2012) gave the Palestinian people a political boost and carried hopes for meaningful progress in state building efforts and socio-economic development. Yet, this glimmer of hope has unfortunately been offset by reduced donor aid, lower-than-budgeted clearance revenues from Israel, and further expansion of settlements.

It is in this context of escalating challenges and potential opportunities that the International Labour Organization (ILO) and its tripartite constituents have developed a coherent strategic framework that builds on earlier efforts to promote decent work, while contributing to the national efforts to sustain social cohesion, justice and equality. Accordingly, the first Palestinian Decent Work Programme (DWP) has been prepared with a set of clearly articulated outcomes covering the period 2013–2016. It represents the common commitment of the Government, workers' and employers' organizations, and the ILO to collaborate on specific objectives in the areas of employment promotion, rights at work, social protection and social dialogue, using a results-based approach.

In preparing the DWP, the ILO undertook "tripartite plus" consultations that extended over more than one year. These consultations reviewed past and ongoing ILO interventions in order to build on their results and draw upon the lessons learned. The first tripartite consultation was organized in July 2012, in which the key areas of the Palestinian decent work strategic framework were presented. Since then, a series of follow-up technical missions and thematic consultations were organized in the areas of labour governance, social dialogue, occupational safety and health, social protection, skills development and youth employment, gender equality, cooperative development, entrepreneurship development, child labour, and support to economic recovery for Gaza. In parallel, the ILO has been actively engaged with the United Nations agencies and national institutions in the formulation process of the first Palestinian United Nations Development Assistance Framework (UNDAF).

The current DWP is therefore the result of a consensus-building exercise among tripartite constituents and other national partners. The three chief priorities that have emanated from this exercise are aligned with the national priorities as outlined in the National Development Plan 2011–2013 and the Labour Sector Development Strategy, and constitute an integral part of UNDAF 2014–2016. DWP priorities are also based on ILO's comparative advantage and achievements, and lessons learned from previous ILO work in the oPt.

Similar to the UNDAF, the DWP offers a flexible framework that can accommodate changes in the programming context and the needs of Palestinians. Regular monitoring and reviews will help the ILO and its constituents determine if and how changes in the context need to be reflected in the framework.

The DWP 2013–2016 will be implemented with and through partnerships with the Palestinian tripartite constituents, hence ensuring that tripartism and social dialogue remain the main conduit fostering social and economic progress and advocating enhanced labour rights for Palestinian workers.

The three chief priorities identified are as follows:

- Priority 1.** Promoting improved labour market governance and labour rights
- Priority 2.** Enhancing employment and livelihood opportunities for Palestinian women and men
- Priority 3.** Facilitating the development of an integrated social security system and the extension of social protection to all

## 2. Country context

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### 2.1 Political context

Since the 1967 Arab-Israeli War, the West Bank (including East Jerusalem) and the Gaza Strip have been under military occupation by the Government of Israel. At its most fundamental level this has not only prevented Palestinians from realizing their right to self-determination but has also posed a challenge to their basic human rights.

It has also meant the territorial fragmentation of the oPt<sup>1</sup> limited control over macroeconomic policy and trade; severely restricted access to land, water and other resources; and major restrictions on Palestinian movement and access within and between the Gaza Strip, the West Bank and East Jerusalem. Movement restrictions come in the form of military checkpoints, gates, restricted roads on which Palestinians are forbidden to travel, a permit regime that constrains Palestinian movement, the construction of a 708-kilometre barrier and Israeli settlements built in breach of international law, with an estimated population of more than half a million inhabitants in the West Bank, including East Jerusalem (United Nations, 2013).

In addition to these factors, since the Hamas takeover of the Gaza strip in June 2007, the vulnerability of the civilian population in Gaza has been increased by the intensification of the land, air and sea blockade imposed by Israel. Despite some easing measures implemented since mid-2010, the blockade is continuing. The eight-day Israeli military operation in the Gaza Strip during November 2012 caused extensive damage to Palestinian lives and livelihoods, which were already weakened by the strict blockade (United Nations, 2013). The continued divide between the Palestinian authorities in Gaza and Ramallah has further exacerbated the political situation.

The recent decision by the United Nations General Assembly “to accord to Palestine non-member observer State status in the United Nations” has offered a glimpse of hope to the Palestinians to overcome some of their long-standing challenges and pursue meaningful socio-economic development. The challenges, however, of reduced donor aid, lower-than-budgeted clearance revenues from Israel, and further expansion of settlements constitute formidable obstacles for the social, economic and political development targeted.

### 2.2 Economic context

The oPt falls in the lower middle-income category, but there are great internal disparities in gross domestic product (GDP) per capita, which in Gaza reaches only 60 per cent of that in the West Bank. The economy is based on a weak foundation, with low productive investment; a small and shrinking productive base; the East Jerusalem,<sup>2</sup> rest of West Bank<sup>3</sup> and Gaza economies greatly isolated from each

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<sup>1</sup> As part of the Oslo Accords, the West Bank (excluding East Jerusalem) was divided into three administrative areas: Area A, where the Palestinian Authority (PA) holds control over civil and security affairs; Area B, where the PA holds civil powers but does not control security; and Area C (62 per cent of the West Bank), where Israel holds civil and security control. Areas A and B contain the main population centres, while Area C is the only contiguous area in the West Bank.

<sup>2</sup> The Palestinian economy in East Jerusalem has been progressively isolated and constricted and now wields less than half of the economic influence that it had in 1993. A disabling economic environment, high and rising rates of poverty, faltering industry and services, restricted investment, housing shortages, and inferior social and municipal services all combine to create hardship for the city’s Palestinian inhabitants and to stifle their economy’s potential (source: UNCTAD report, 2013).

other by restrictions on the movement of goods and people; and current economic activity fuelled by public expenditure, much of it on the wage bill for the sizeable civil service (United Nations, 2013). The long years of occupation have de facto transformed the Palestinian economy into one that is highly dependent on the Israeli economy, with Israel as the main market for exports and the main source of imports, as well as an important employer for Palestinian workers (UNCTAD, 2012).

Within the overall context of occupation, the Palestinian Authority has also become heavily reliant on donor aid in the form of external direct budget support (which accounted for 69 per cent of budgeted financing needs in 2011) and funding for development projects. Yet, with the global economic slowdown, donor aid has fallen short of both expectations and stated commitments (according to IMF, 2013, both direct budget support and funding for development projects have remained below target). The Palestinian Authority has therefore accumulated significant arrears to the private sector and debts to banks, with little funding dedicated to development projects.

Accordingly, the gains achieved in economic growth over the period 2008–2011 as a result of the boom in construction activity linked to the “tunnel economy” in Gaza were reversed in 2012, with a GDP growth of 5.9 per cent compared to rates in excess of 9 per cent in the previous years (ILO, 2013). According to International Monetary Fund (IMF) projections, this rate is expected to continue to go down or to stagnate over the coming period until 2015.<sup>4</sup>

The reversal of economic gains achieved over recent years has mainly been due to increased political instability, absence of any further easing of restrictions on economic activity in Gaza and Israel’s 2012 military operation in Gaza. The economic stagnation led to an increase in unemployment from 21 per cent in 2011 to 23 per cent in 2012.

## **2.3 Labour market situation**

The stagnation of economic growth in the oPt has resulted in further distress to the already weak Palestinian labour market. In addition to the occupation-related factors that have retarded Palestinian trade, the labour market has suffered for many years from the Israeli closure policy, the heavy dependence on the Israeli labour market and the lack of viable productive employment opportunities (UNCTAD, 2012). Labour movement restrictions have not only resulted in unemployment for a large number of the Palestinian labourers by blocking their access to their work, but have also further reduced employment opportunities by hampering economic activity.

The size of the Palestinian labour force reached over 1.1 million in 2012, marking a 5.2 per cent increase over the 2011 total. However, at 43.6 per cent, the rate of labour force participation is still considered low. This is mainly attributable to the extremely low labour force participation for women, which despite some improvements stood at 17.4 per cent compared to 69.1 per cent for men. This remains a key concern, particularly when taking into account the considerable educational gains made by women (ILO, 2013). The recognition that women remain an underutilized resource in the economy prompted the Ministry of National Economy to set up a national committee to discuss the labour force participation of women.<sup>5</sup> Moreover, with ILO support, a National Committee for Women’s Employment was established

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<sup>3</sup> Area C, which constitutes 60 per cent of the West Bank under full Israeli control, holds most of the natural resources, agricultural land, and land reserves in the West Bank (IMF report, 2013).

<sup>4</sup> The IMF foresees real GDP growth of 6 per cent in 2012, between 1 per cent and 3 per cent annually according to a low-growth scenario between 2013 and 2015, and between 5 per cent and 6 per cent according to a high-growth scenario (IMF, 2012).

<sup>5</sup> The barriers to women’s employment in the oPt range from a skills mismatch, to discrimination with respect to pay and benefits, to cultural barriers. Women tend to remain outside the formal labour force and, even within the

with the aim of lobbying for economic empowerment of women and the removal of discrimination and inequality in the labour market.

In addition, despite an increase in the proportion of women in the formal sector from 51 per cent in 2000 to 60 per cent in 2012, a significant percentage of women (40 per cent) are still in the informal economy, with serious implications for their labour rights and social protection, adding to their vulnerability.

With an increase in the number of unemployed from 222,000 in 2011 to 256,000 in 2012, mainly as a result of economic stagnation and continued movement restrictions, the overall unemployment rate recorded an increase from 21 to 23 per cent. As is the case with labour force participation, a great discrepancy exists between unemployment rates for women and men, which stood at 32.9 per cent and 20.6 per cent respectively in 2012. This implies that even when women do enter the labour market, their employment prospects are very limited. The situation is worst for women in Gaza, whose unemployment rate reached 50 per cent in 2012 compared to 43.9 per cent in 2011 (ILO, 2013).

Young people, particularly young women, have also been heavily impacted by labour market distress. As a result, only 9.5 per cent of women and 49 per cent of men aged 15 to 24 years participated in the labour force in 2012.<sup>6</sup> In parallel, unemployment rates for young women reached 62.2 per cent compared to 49 per cent for young men. In line with the overall grim employment situation in Gaza, unemployment for young men reached 48.8 per cent, while for women it reached a record high of 88.1 per cent. Both young women and young men face severe obstacles in making the transition from school to work.

In terms of the composition of employment, the services sector continues to dominate, accounting for 36.3 per cent of total employment in the fourth quarter of 2012, followed by commerce (18.8 per cent). The two productive sectors of manufacturing and agriculture accounted for only 12.5 per cent and 12.3 per cent of total employment respectively, reflecting a weak productive base. Agriculture employed around 25 per cent of women; hence the decrease in agricultural activity in 2012 can partly explain the steep increase of female unemployment compared to male unemployment (ILO, 2013).

Private enterprises and public institutions in Israeli settlements in the West Bank continue to rely on, and benefit from, the labour of Palestinian workers, both women and men. Yet, employment in Israel and the settlements remains governed by a regime of quotas and permits for West Bank Palestinians who have been granted security clearance and are in possession of magnetic identification cards. This permit system lends itself to profiteering and other forms of abuse by both Israeli and Palestinian intermediaries (ILO, 2013).

Construction, agriculture and manufacturing are the main activities in Israeli settlements that employ Palestinians. The main source of employment for Palestinian women is agriculture, but they are also employed as domestic workers in households in large settlements. While wages paid by settlement enterprises or public employers are likely to be at the very bottom of the scale from the Israeli economy's perspective, they are nevertheless higher than in the Palestinian labour market. In 2010, the Palestinian Authority declared its intention to prevent Palestinian labourers from working in the settlements, in conjunction with its initiative to ban the trade of settlement products in Palestinian markets. In the absence of sufficient alternative opportunities for comparably remunerative productive employment in the West Bank, Palestinian labour flows to the settlements are expected to continue.

The situation of workers and their employment conditions are particularly aggravated in Gaza. Nearly 90 per cent of the 3,900 industrial establishments in Gaza have shut down since mid-2007, either temporarily

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formal economy, there is considerable gender segregation, with women's employment opportunities being restricted to a narrow range of fields characterized by low pay.

<sup>6</sup> Palestinian Central Bureau of Statistics (PCBS) Labour Force Survey (2013b).

or permanently. The industrial sector used to employ approximately 35,000 workers up until the blockade in mid-June 2007. Since then, no goods from that sector have been exported, leading to industrial sector employment of fewer than 23,000 workers (UNCTAD, 2012).

A reversal of this bleak picture in Gaza was temporarily witnessed in the construction sector in the period 2010–2011 and in the second quarter of 2012 as a result of the increased imports allowed into Gaza from Israel. This, however, has been halted by the absence of any further easing of restrictions coupled with Israel's November 2012 eight-day military operation (ILO, 2013). As a consequence, the tunnel economy that had become the main driver of economic activity in Gaza resulted in unsustainable economic growth, a distortion of normal enterprise activity, and the acceptance of questionable and informal elements. Many workers who have become unemployed owing to the collapse of other activities have turned to the opportunities that the tunnels provide.

## **2.4 Tripartism and social dialogue**

The Palestinian Authority has expressed its commitment to respecting international labour standards, with the 2000 Labour Law putting in place a basic legislative framework for the protection of workers' rights in line with key ILO Conventions and Recommendations. The Labour Law prompted the establishment of the National Tripartite Committee for Labour Affairs, mandated to play a leading role in the development of labour and social policies. The Labour Sector Development Strategy outlines action to consolidate and complement existing legal protections through Labour Law reform and strengthened industrial relations.

In February 2010, the Tripartite Committee met in Turin and launched, with ILO's support, a declaration – referred to as the “Turin Declaration” – outlining its vision, plan of action and institutional framework. The Turin Declaration focused on improving industrial relations, effective and transparent governance of the labour market through social dialogue, development and effective enhancement of labour administration and labour inspection, and reforming the Labour Law and legislation, while recognizing the important role of free, independent and representative workers' and employers' organizations.

The mechanism for consultation between social partners on legislative projects and socio-economic policies should be institutionalized in order to further mutual interests and build confidence among the tripartite partners. The Tripartite Committee 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 the 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 of good governance processes and labour market regulation, and are an important prerequisite for monitoring the enforcement of relevant labour laws and legislations and for the prevention and settlement of labour disputes. Inspection capacity within the Ministry of Labour's Labour Inspection Directorate needs enhancement, given there are not many more than 40 inspectors employed in the West Bank, while initial estimates of the number needed were over 300.

Moreover, while the right to form and organize unions is at the core of a fair labour policy, it must be supported by a number of other provisions to ensure its effectiveness. The Labour Law assures the right to collective bargaining, attempts to protect the parties engaged in collective bargaining from undue pressure or influence to ensure an atmosphere of free association, defines the right of each party to name its representative without pressure or objection from the other, outlines the right for parties to come to (written) collective agreements and the binding nature specified therein, sets the limit of validity for collective agreements as three years from the date of signature and guarantees the right of workers to strike. The tripartite constituents agreed on the need for a trade union law, which should underpin the principles of freedom of association.

## 2.5 Links to national development frameworks

The Decent Work Programme (DWP) for the Occupied Palestinian Territory is directly aligned with the National Development Plan 2011–2013 and the Labour Sector Development Strategy of the Ministry of Labour. It is also the result of consultations with national partners engaged in the preparation of the National Development Plan 2014–2016.

Within the framework of the 13th Government Programme, the National Development Plan 2011–2013 targets the process of building strong State institutions, the emergence of a sovereign State, and the accelerated socio-economic development needed to secure a safe, stable and prosperous future for the Palestinian people. The plan focuses on enabling private sector growth and job creation, modernization and development of the Palestinian educational system to support a knowledge-based economy, and investing in the national infrastructure.

The DWP contributes to the following components of the National Development Plan: modernization and streamlining of public administration and labour market governance, , promoting the full participation of women and their economic empowerment, supporting youth employment, supporting the establishment of a conducive business environment, integration and reform of social safety nets, and the implementation of a social protection strategy.

In addition to the National Development Plan (NDP), the DWP directly contributes to the Labour Sector Development Strategy of the Ministry of Labour. The strategy is centred on six priorities, of which the DWP contributes to the first five: (a) create an appropriate environment to promote decent work opportunities for all; (b) develop vocational training; (c) promote the cooperative sector; (d) improve working conditions; (e) promote consultation and effective dialogue; and (f) strengthen regional and international cooperation.

The DWP is also closely aligned with and forms an integral part of the First UNDAF for the State of Palestine (2014–2016). To ensure this alignment, the ILO actively contributed in the entire UNDAF process, including the preparation of the analysis document for UNDAF, and the identification and elaboration of priority areas, outcomes and outputs. The DWP directly contributes to four of the six priority areas of UNDAF. Table 2.1 indicates the linkages between DWP priorities, national development frameworks and UNDAF.

**Table 2.1 Linkages between DWP priorities, national development frameworks and UNDAF**

| DWP priorities 2013–2016                                                                         | Alignment with national development frameworks                                                                                                                                                                                                                                                                                                                                                                            | Alignment with UNDAF 2014–2016                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Priority 1: Promoting improved labour market governance and labour rights</p>                 | <p><i>National Development Plan 2011–2013</i></p> <p>Modernize and streamline public administration and labour market governance</p> <p><i>Labour Sector Development Strategy</i></p> <p>Create an appropriate environment to promote decent work opportunities for all</p> <p>Improve working conditions</p> <p>Promote consultation and effective dialogue</p> <p>Strengthen regional and international cooperation</p> | <p><i>UNDAF priority area 2: Governance, rule of law, justice and human rights</i></p> <p>Output 2.2: Palestinian institutions have improved capacities for data generation, analysis and use for evidence-based gender-sensitive planning and policy formulation</p> <p><i>UNDAF priority area 1: Economic empowerment, livelihoods, food security and decent work</i></p> <p>Output 1.2: The Palestinian labour force benefits from enhanced worker protection, equal opportunity and access to decent and productive employment, particularly for youth and women.</p>                                                                                                                                                                                                                                                                   |
| <p>Priority 2: Enhance employment and livelihood opportunities for Palestinian women and men</p> | <p><i>National Development Plan 2011–2013</i></p> <p>Promote full participation of women and their economic empowerment</p> <p>Support youth employment</p> <p>Support establishment of a conducive business environment</p> <p><i>Labour Sector Development Strategy</i></p> <p>Develop vocational training</p> <p>Promote the cooperative sector</p>                                                                    | <p><i>UNDAF priority area 1: Economic empowerment, livelihoods, food security and decent work</i></p> <p>Output 1.1: Capacities of Palestinian institutions are enhanced to develop and apply more equitable policies, plans, legislation and services to support increased economic activity in the private sector</p> <p>Output 1.3: The Palestinian productive sectors are able to improve quality, quantity and value of goods and services with diversified access to markets</p> <p>Output 1.4: Palestinians in the oPt have increased opportunity to engage in community-level economic activity</p> <p><i>UNDAF priority Area 3: Education</i></p> <p>Children and youths, especially those vulnerable to exclusion and marginalization, have increased learning opportunities, including through non-formal education and TVET</p> |

| <b>DWP priorities<br/>2013–2016</b>                                                                                                                 | <b>Alignment with national<br/>development frameworks</b>                                                                                     | <b>Alignment with UNDAF 2014–2016</b>                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Priority 3:<br>Facilitating the<br>development of an<br>integrated social<br>security system<br>and the extension<br>of social<br>protection to all | <i>National Development Plan 2011–2013</i><br><br>Integrate and reform social safety<br>nets<br><br>Implement a social protection<br>strategy | <i>UNDAF priority area 5: Social protection</i><br><br>Output 5.4: A comprehensive social security<br>system with basic social security benefits<br>and social insurance is introduced to reduce<br>life cycle risks and vulnerabilities<br><br>Output 5.5: Capacity of national institutions<br>is strengthened to ensure that vulnerable<br>and marginalized groups have access to<br>social transfers that are preventive,<br>protective, promotive and transformative |

### **3. Decent Work Programme priorities**

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#### **Priority 1: Promoting improved labour market governance and labour rights**

The Palestinian tripartite constituents expressed their commitment to promoting labour rights and labour market governance and respecting international labour standards as means to advance socio-economic development and support state-building efforts. This was manifested in several policy documents and declarations. The Labour Sector Development Strategy of the Ministry of Labour outlines action to consolidate and complement existing legal protections through labour law reform and strengthened industrial relations.

In full alignment with the Turin Declaration, the ILO programme of work has contributed to an improved mechanism for tripartite and bipartite consultations and consensus building on national development policies, as well as labour dispute prevention and conflict resolution. Moreover, the ILO has technically supported the Palestinian counterparts in the development of a labour inspection and social dialogue strategy, including outlining the main principles for its implementation, as well developing an occupational safety and health profile. This initiative was complemented with a comprehensive capacity building programme for employers' and workers' organizations to effectively engage in policymaking initiatives.

The ILO will provide support to the establishment of new legal frameworks for governance of the labour market and strengthening of labour administration; and strengthening of institutional capacity and mechanisms for social dialogue.

Within the framework of promoting labour rights, addressing the rising levels of child labour in the oPt has continued to be high on the agenda of the government and relevant international organizations. Yet, despite this commitment, efforts have remained fragmented and there continued to be a major weakness at the policy level in addressing this phenomenon.

Finally, the severe and persistent challenges facing women in the oPt reflected in gender gaps in labour force participation, overrepresentation in informal agricultural employment, engagement in unpaid household services and the significant gender pay gap, have been acknowledged by the national authorities. As such, the NDP 2011–2013 identified promoting the full participation of women and their economic empowerment as one of its key priorities. At the policy level, ILO's efforts have focused on supporting social dialogue and setting up institutional frameworks such as the National Committee for Women's Employment to increase the influence of gender advocates and workers' and employers' organizations in decision-making and planning processes. The ILO has also extensively supported the promotion of cooperatives and entrepreneurship development initiatives for women. In the coming period the ILO will build on these efforts and continue to enhance the knowledge base and capacity of tripartite constituents to promote gender equality in the world of work.

#### **Outcome 1.1: Improved legal framework for labour market regulation and administration in line with international labour standards**

##### ***Strategy***

Towards improving labour market governance in the oPt, the ILO will support the reform of the labour law. It will support the government and social partners to establish a process for thorough analysis and review of the existing law, with the guidance of the tripartite technical team. The analysis will include mapping of the existing industrial relations environment, assessment of the current system of dispute resolution, and critically examining the existing law from the point of international labour standards. The end goal of the ILO intervention will be to develop and adopt, through a tripartite process, a revised

legislation that can strike an appropriate balance between protecting and promoting fundamental rights at work, while also helping to establish an enabling environment within which enterprises can flourish and grow.

Furthermore, considering the centrality of labour inspection services to good labour governance processes and labour market regulation, the ILO will continue to support the constituents in implementing the recommendations of the rapid assessment of the labour inspection system that was completed in 2011 and to engender the labour inspection system. Based on the action plan discussed with and agreed upon by the tripartite constituents, the ILO will work towards improving the internal functioning of the labour administration to promote an improved labour inspection system. Specific improvements are likely to include a revised organizational structure, a redefinition of functions and responsibilities, and development of guidelines, procedures and a code of practice for labour inspection.

To address the rising incidence of child labour in the oPt, the ILO will support the consolidation of the knowledge base through a variety of knowledge tools, the reinforcement of the capacity of the Ministry of Labour to address child labour issues (particularly in its worst forms), the establishment of a National Steering Committee on Child Labour (NSCCL), and building the institutional and technical capacities of tripartite constituents to address child labour. Linkages with relevant national entities and other stakeholders and partners will be set up in both policy initiatives and capacity-building activities through regular consultations and joint action, allowing synergies with existing child rights and social dialogue mechanisms and programmes. Within the overall framework of a National Policy and Programme Framework for Child Labour (NPPF), these efforts are intended to promote policy coherence and national ownership while improving the legal and regulatory framework for combating child labour.

| <b>Key areas of performance indicators</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                 |
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| Labour inspection reports are produced and published on a regular basis, containing relevant data as required by Conventions Nos 81 and 129<br>Labour administration system is strengthened in line with international labour standards<br>New gender-responsive labour laws are agreed in a tripartite process, and finalized for adoption<br>Mechanisms and capacity for resolution of labour disputes are strengthened<br>National Policy and Programme Framework for Child Labour is launched |                                                                                                                                                 |
| <b>Outputs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Partners</b>                                                                                                                                 |
| Output 1.1.1 New labour laws and trade union law drafted through a tripartite process                                                                                                                                                                                                                                                                                                                                                                                                             | Tripartite constituents, National Tripartite Committee for Labour Affairs                                                                       |
| Output 1.1.2 National tripartite plus institutions strengthened to support the implementation of the new labour laws                                                                                                                                                                                                                                                                                                                                                                              | Ministry of Labour, social partners, other concerned ministries                                                                                 |
| Output 1.1.3 Labour inspection system strengthened                                                                                                                                                                                                                                                                                                                                                                                                                                                | Ministry of Labour                                                                                                                              |
| Output 1.1.4 Improved systems to promote occupational safety and health                                                                                                                                                                                                                                                                                                                                                                                                                           | Ministry of Labour, private sector                                                                                                              |
| Output 1.1.5 Enhanced research and knowledge base on child labour trends in the oPt to guide policy work                                                                                                                                                                                                                                                                                                                                                                                          | National tripartite plus Steering Committee on Child Labour (which is in the process of being formed), Palestinian Central Bureau of Statistics |

## **Outcome 1.2: Strengthened institutional capacity and mechanisms for social dialogue and policy-making, with a particular focus on wages, occupational safety and health, gender equality and discrimination at work**

### ***Strategy***

Building on the support it has provided earlier, the ILO, through a process of tripartite dialogue, will support the drafting of new terms of reference for the National Tripartite Committee for Labour Affairs and developing its strategic and operational plan in light of the Labour Law reform. This will be complemented by awareness raising and capacity building for workers and employers on the basic principles of social dialogue, industrial relations and workplace cooperation, and on the fundamental principles and rights at work at the enterprise level.

Based on the findings of the new occupational safety and health profile that was developed by the tripartite constituents with ILO support, the ILO will also implement specific interventions to support the Ministry of Labour, in consultation with the social partners, to develop and implement a National Occupational Safety and Health Strategy.

The approach will include the piloting of interventions to institutionalize sound social dialogue around the improvement of occupational safety and health outcomes at the enterprise level in selected sectors. The establishment of a structure and operational mechanism for sustained bipartite discussions between workers' and employers' representatives in selected sectors will also be facilitated.

Through its regional project "Strengthening workers' organizations in the Arab States through socioeconomic and legal literacy", the ILO is further providing capacity development for trade unions to address the challenges facing the labour movement in view of the recent political and socio-economic developments in the oPt. Specifically, the capacity-building programme agreed upon with the Palestinian General Federation of Trade Unions (PGFTU) focuses on the following topics: social dialogue and collective bargaining; promoting the integration of women in trade unions; increasing knowledge of social protection in the context of international labour standards and Palestinian Labour Law; promoting trade union membership; and supporting the expansion of representation of the PGFTU on the basis of independent and trade union activism.

As for employers' organizations, the ILO will continue to support the internal reform and organizational capacity building of the Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA) in line with the findings of its recently completed assessment. Specifically, the ILO will support the Federation through providing capacity-building and technical support to the policy research unit that will be created with funding from the German Agency for International Cooperation (Gesellschaft für Internationale Zusammenarbeit, GIZ). It is envisaged that this institutional and capacity-building support will enable the federation to become a stronger advocate of employers' organizations and a more efficient private sector representative in the oPt. A membership-based analysis through two potential pilot surveys will be undertaken in order to better understand the benefits firms see in membership of selected chambers.

In the area of gender mainstreaming, the ILO will build on its efforts since 2010, which have focused on creating an enabling environment and supporting the National Committee for Women's Employment (NCWE) and increasing the influence of gender advocates and workers' and employers' organizations in decision-making and planning processes.

The NCWE seeks to contribute to the elaboration and adoption of a conceptual policy framework to promote and increase the participation of women economically and remove discrimination and inequality

in the labour market. The committee has elaborated a strategy with four key priority areas, namely creation of decent jobs, increase of market-driven skills, strengthening of cooperatives for women and improvement in working conditions. The committee has already acquired some capacities to mainstream gender at institutional level through the ILO Participatory Gender Audit (PGA) methodology, which needs to be better institutionalized.

Efforts will focus on supporting gender mainstreaming and gender coordination initiatives of the NCWE through scaling up PGA delivery and institutionalization, and providing capacity building to the committee to measure the impact of national gender initiatives and improve the gender diagnostic tools of key institutions.

The role of tripartite constituents to address pay equity, violence and care work will be enhanced through the creation of a strong institutional and policy framework for action on pay equity, care infrastructure and awareness raising on gender-based violence in the workplace.

| <b>Key areas of performance indicators</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>National tripartite institutions and mechanisms are established or revitalized in line with international labour standards and function effectively as forums for consultation between the Government and social partners</p> <p>Collective bargaining agreements are completed at sectoral level</p> <p>Capacity of workers' and employers' organizations is increased to participate effectively in policy debates to influence public policies, defend workers' rights and promote gender equality</p> <p>National action plans, development frameworks, policies and programmes mainstream gender equality, women's economic empowerment and non-discrimination concerns</p> |                                                                                                                                                                                             |
| <b>Outputs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>Partners</b>                                                                                                                                                                             |
| Output 1.2.1 Social dialogue platforms (including the National Tripartite Committee for Labour Affairs, National Steering Committee on Child Labour, Tripartite Committee on Social Security and Wages Committee) are strengthened                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Tripartite constituents, including the National Tripartite Committee for Labour Affairs, National Steering Committee on Child Labour, Tripartite Committee on Social Security, universities |
| Output 1.2.2 Enhanced capacities of the tripartite constituents to support the implementation of the National Occupational Safety and Health Strategy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                             |
| Output 1.2.3 Enhanced capacities of the tripartite constituents to promote gender equality and non-discrimination in the workplace                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                             |
| Output 1.2.4 Enhanced capacity of trade unions in social dialogue and collective bargaining, and in specific socio-economic, legal and gender equality-related areas, to promote decent work in the oPt,                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                             |
| Output 1.2.5 Enhanced institutional capacity of the FPCCIA to actively engage with government on an agenda of prioritized policies for improving the climate in which Palestinian firms operate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                             |

## **Priority 2: Enhancing employment and livelihood opportunities for Palestinian women and men**

Given the persistent unemployment challenges in the oPt that particularly affect women and youths, employment creation has featured prominently in most of the national policy documents, including the National Development Plan 2011–2013 and the Labour Sector Development Strategy of the Ministry of Labour. Specifically, the former includes priorities related to promoting the full participation of women and their economic empowerment and supporting youth employment, while the latter places special emphasis on developing vocational training as a means to equip young people with the right set of skills needed to enter the labour market.

In line with national priorities, the ILO has been actively engaged in addressing the employment challenge in the oPt through a package of interventions at both the policy and grass-roots levels. At the policy level, it has extended technical and financial support to the Palestinian Fund for Employment and Social Protection, which was established with the aim to provide support for the implementation of active labour market policies and measures in the oPt. It has also supported the establishment of the NCWE. With regard to youth employment, the ILO has been engaged with other United Nations agencies and youth organizations in a policy dialogue on strategies to promote youth employment in the oPt.

The ILO has continued to utilize means to improve the employability of young people and facilitate their transition to the labour market through skills and entrepreneurship development. Specific pilot training activities were organized in Gaza as part of local economic recovery efforts with the aim of addressing the skills deficits of workers in the construction sector. Entrepreneurship education was introduced in vocational and technical education in close collaboration with the national partners to promote self-employment as a potential career option among Palestinian youths. Cooperative development has been another ILO strategy to promote sustainable enterprises and advance women's economic empowerment.

Building on all these efforts, the DWP will support a coherent set of interventions that aim to improve the policy environment for employment, particularly for women, youths and people with disabilities, while at the same time implementing pilot projects that would contribute to employment creation and livelihood opportunities. In implementing pilot interventions that promote youth employment, special attention will be paid to East Jerusalem and Gaza, which are particularly affected by restrictions and economic hardship.

### **Outcome 2.1 Employment promotion policies and strategies for Palestinian women and men are enhanced, with a particular focus on youth employment**

#### ***Strategy***

Private sector growth and job creation are among the key focus areas of the National Development Plan 2011–2013. Under these focus areas, the plan pays special attention to the full participation of women and their economic empowerment, and promoting youth employment. In addition, the development of vocational training and the promotion of the cooperative sector have been identified as two priorities of the Ministry of Labour to pursue accelerated socio-economic development, as stipulated in the National Development Plan.

In line with these national priorities, the ILO will work to facilitate the transition of young women and men to decent work through improving the policy environment for youth employment and providing an integrated package of services that address the mismatch between education supply and labour market demand.

To inform this effort, a school-to-work transition survey will be conducted to better understand the youth labour market and specific youth employment challenges. The survey will capture young people's

education and training experience, their perceptions and aspirations regarding employment, and how working conditions are impacting their choices. The findings of the survey, coupled with the impact review of policies and programmes affecting youth employment in oPt will inform the design of subsequent policies and programmes, thus contributing to an improved policy environment for youth employment that facilitates the transition of young women and men to decent work.

The strengthening of the capacities of the tripartite constituents, government institutions, and youth non-governmental organizations (NGOs) in areas relating to policy-making for youths, including the promotion of youth rights at work, will feature prominently in these interventions.

Entrepreneurship development as a means to promote employment creation in the Occupied Palestinian Territory, particularly among youths, will be further promoted. Building on the policy framework for micro, medium and small enterprises that it has drafted and presented to the national stakeholders in May 2010, the ILO is ready to support the Palestinian Authority, in partnership with interested representatives of the international community, to introduce improvements to the legal, regulatory and administrative framework governing micro, medium and small enterprises to make it more conducive to the creation of more and better jobs.

In addition, the ILO continues to work closely with the national counterparts, including the Ministry of Labour, the Ministries of Education and Higher Education, and the Welfare Association, to support the nationalization of the ILO Know about Business programme in modern curricula. The DWP will seek to establish relevant linkages with the private sector and support access to financial and non-financial business development services with a view to supporting the school-to-work transition process. Other youth-specific enterprise development packages will also be introduced, targeting young people who are not enrolled in the educational system.

Moreover, through a joint United Nations programme to promote the rights of persons with disabilities, the ILO will specifically work to develop national capacities to mainstream disability in employment and enhance access to job creation programmes and business development schemes for women and men with disabilities.

Employment promotion will also be supported through cooperative development as a means to promote sustainable job creation. In the oPt, the actual contribution of cooperatives to the overall economy remains limited due to low membership coverage, limited scope of economic activity, insufficient financial resources, poor management performance, restrictions imposed by the Israeli authorities on their operation within the West Bank and Gaza, and lack of awareness and proper understanding of the key principles of cooperative work. The situation is further aggravated for women's cooperatives, with most of them having been established only after the year 2000 as a result of externally motivated factors, including donor funding priorities towards cooperative development. In the past few years, however, with the support of the ILO, the cooperative culture has been revitalized, and as a result a number of cooperatives, including mixed and women-only cooperatives, have been established (mainly agricultural cooperatives). There is, however, a clear need to increase their capacities to explore non-traditional sectors, and reinforce the legal and institutional framework governing cooperatives.

The DWP will support the identification of new economic sectors and subsectors, non-traditional cooperative ventures and cooperative niches for women; build the capacity of cooperative counsellors in the Ministry of Labour to advise and guide cooperatives beyond registration, ensuring that the founding members possess the knowledge, information and skills needed and that gender-specific concerns are diagnosed and addressed; support the design of financial and administrative management tools for women's cooperatives; and enhance women's knowledge in marketing, product quality improvement and value chain processes, connecting cooperatives with international markets and exploring bilateral trade agreements.

Finally, at the grass-roots level, interventions to support sustainable livelihoods and employment creation in the fishery sector will be implemented as part of ILO's broader efforts to promote local economic recovery in Gaza. Using participatory value chain analysis, the intervention will ultimately contribute to the creation of job opportunities for individuals, groups and associations in the fishery sector. Ultimately, the ILO initiative will seek to mobilize resources for providing seed funding to support the establishment of cooperatives or strengthening of existing cooperatives in the fishery sector in Gaza.

| <b>Key areas of performance indicators</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| -Knowledge base and capacity of ILO constituents to support national policy-level decision-making on employment of youth and women is strengthened<br>-Number of educational institutions adopting ILO businesses and entrepreneurship tools into their curriculum<br>-Number of women's cooperatives created or assisted in establishing or developing their business concepts<br>Employment and livelihood opportunities are generated in specific sectors that are attributed to the programme |                                                                                                      |
| <b>Outputs</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Partners</b>                                                                                      |
| Output 2.1.1 Enhanced knowledge of the school-to-work transition period to inform future work in this area                                                                                                                                                                                                                                                                                                                                                                                        | Tripartite constituents, Palestinian Central Bureau of Statistics                                    |
| Output 2.1.2 Enhanced access to entrepreneurship education and business start-up and improvement opportunities for young women and men                                                                                                                                                                                                                                                                                                                                                            | Ministry of Labour, Ministry of Education, Ministry of Higher Education, Welfare Association, FPCCIA |
| Output 2.1.3 Enhanced performance and productivity of women's cooperatives                                                                                                                                                                                                                                                                                                                                                                                                                        | MOL, UCASC, selected women's cooperatives                                                            |
| Output 2.1.4 Enhanced livelihood opportunities in the fishery sector in Gaza through improved capacities of local stakeholders                                                                                                                                                                                                                                                                                                                                                                    | Syndicates and cooperatives of fishermen, Directorate General of Fisheries, PGFTU, FPCCIA            |

## **Outcome 2.2: Increased employability of workers through market-oriented skills training and employment services targeting young people**

### ***Strategy***

In order to improve employability of young people and facilitate their transition to the labour market, the ILO will implement a series of interventions that build on its work while introducing new innovative ideas and expanding partnerships. Market-relevant training, apprenticeships, enhanced career counselling and employment services constitute part of the package of interventions that will be implemented through the DWP to enhance employability of young people in the oPt. The ILO has been in partnership with the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) since 2009 to support socio-economic development in Gaza and the West Bank by enhancing the

opportunities for over-aged students to get a job in the construction sector. More specifically, institution-based interventions and on-the-job training have been undertaken to address the skills deficit and to provide the assistance required in developing a skilled workforce in key priority occupational areas of the building and construction sector.

Based on the results of their joint project and the recently completed evaluation, the ILO and UNRWA are planning to implement a second phase that will ultimately support the delivery of market-relevant training programmes and improve the employability of young women and men Palestinian refugees. Specifically, the second phase will continue to undertake improvements in vocational training targeting overaged students as follows: (a) improved supervision of the apprenticeships; (b) a more learner-centred approach to training for both UNRWA trainers and master craftspersons in companies; and (c) competency-based testing and certification within accredited testing centres that will be also be open to non-UNRWA trainees.

Building on its experience with UNRWA, the ILO is also planning in the coming period to enhance capacities of selected training providers to provide market-relevant training and support job matching of university graduates with targeted companies. In this context, a partnership with the Islamic University of Gaza (IUG) that ultimately aims to facilitate a smooth transition of young female and male graduates into the labour market is already being explored. The ILO will support the Islamic University of Gaza in development of market-relevant training curricula in close collaboration with the private sector. Indeed, specific agreements will be made with selected companies to support apprenticeships. Moreover, based on earlier initiatives in the area of construction and green jobs in Gaza, the ILO will be able to support the IUG in addressing some of the key skills gaps that face the private sector, including green construction and quality assurance.

The ILO, in collaboration with the trade unions, will also support the mainstreaming of its youth rights artwork manual in all curricula, hence improving the relevance of the university's programmes and the job readiness of the students. Finally, it will also support the IUG in developing and implementing soft skills training packages, job search counselling and job matching services that will benefit the university graduates.

Moreover, within the framework of an envisaged United Nations joint programme targeting youths in East Jerusalem that is currently seeking funding from donors, the ILO is planning to work on improving employment services offered to youths by promoting increased outreach and strengthening the capacities of civil society organizations (CSOs).

Finally, building on its experience in other countries in the Arab region, the ILO will also provide technical support to the Ministry of Labour on establishing a coherent and fair system for skills assessment and certification in selected sectors, in order to improve the signalling of skills and facilitate the training-to-work transition.

| <b>Key areas of performance indicators</b>                                                                                                                                                                                                                                                                                                         |                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| -Gender-inclusive apprenticeship programmes are structured in Gaza with improved coherence of in-school and on-the-job curricula<br>-A centre to link with the private sector is functioning for the Islamic University of Gaza, allowing greater market relevance of curricula, apprenticeship programmes and job placement services for students |                 |
| <b>Outputs</b>                                                                                                                                                                                                                                                                                                                                     | <b>Partners</b> |
| Output 2.2.1 Skills-centred vocational training courses enhanced for                                                                                                                                                                                                                                                                               | UNRWA           |

|                                                                                                                                                                                                                             |                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| overaged female and male students                                                                                                                                                                                           |                     |
| Output 2.2.2 Enhanced capacity of training providers to develop and implement market-relevant training curricula, establish links with the private sector and provide job matching services with targeted private companies | IUG                 |
| Output 2.2.3 “One-stop shop” employment services are established and functioning by using the increased outreach capacity of CSOs                                                                                           | UNDP, selected CSOs |

### **Priority 3: Facilitating development of an integrated social security system and the extension of social protection to all**

The social protection system in the oPt is very scattered and falls short of providing effective income security and access to health care for all Palestinians. There exist some social insurance schemes for workers in formal employment, which however cover only a few social security contingencies and mainly public sector employees. Even if the Retirement Law No. 7 of 2005 provides the legal basis for old-age insurance for public and private sector employees, the application of the law remains exclusively to the public sector. Besides, neither employment injury benefits nor unemployment and maternity insurance, and health care benefits are yet implemented.

Therefore, with the lack of a unified social security law, the oPt remains short of an effective and comprehensive social security system that extends coverage to all workers in the economy and their family members as a means of providing income security, combating poverty and reducing social exclusion. The oPt also lacks a tripartite social security institution that could administer and deliver social insurance benefits to insured workers and their family members.

While the Palestinian Ministry of Social Affairs launched in 2011 a Social Protection Sector Strategy, there is not yet a Social Security Sector Strategy in place. A Social Security Sector Strategy, agreed upon by tripartite stakeholders and complementing the Social Protection Sector Strategy, is of utmost importance for coordinating the different visions of the respective ministries and for providing a framework for comprehensive social security and social protection benefits for Palestinian workers and their families in the long run.

In order to accelerate the process of developing a comprehensive social security and social protection system, the Palestinian Prime Minister established at the beginning of 2012 a National Social Security Committee, whose first task is the adoption of a position paper based on three dimensions: (a) outlining a vision for the Social Security Sector Strategy with clear priorities; (b) actuarial study of the Pension Law; and (c) tripartite institution building for social security administration, including capacity building for reviewing social security legislation and national social security policies.

The ILO will support the ultimate establishment of a comprehensive social protection system in the oPt through its two-dimensional social security approach: (a) the vertical social security dimension, which aims to progressively extend coverage to all social security contingencies and to provide higher social security benefits for workers in the formal economy and their families; and (b) the horizontal dimension, which aims to ensure basic income security and access to basic medical care for vulnerable groups outside the formal labour market through the establishment of a national social protection floor.

#### **Outcome 3.1: A social security system for workers and their family members is introduced, covering old-age, invalidity and death pensions, and employment injury and maternity benefits**

##### ***Strategy***

The Palestinian National Development Plan 2011–2013 identified the “integration and reform of social safety nets and the implementation of a social protection strategy” among its key priorities.

In line with the NDP and a series of tripartite consultations convened over the course of 2012 and early 2013, ILO’s work under this outcome will be focused on supporting the work of the National Social Security Committee to promote the progressive establishment of a comprehensive social insurance system for workers and their family members (vertical social security dimension). Specifically, it will work to strengthen the knowledge and capacities of the tripartite constituents to design, develop and implement sustainable social security policies. To inform the decision-making process, the ILO will

undertake two actuarial studies: one for the implementation of pension schemes for workers, covering old-age, disability and survivors' pensions; and the other for the establishment of a maternity insurance scheme and an employment injury scheme for private sector workers.

The ILO will support the establishment and institutional capacity building of a tripartite social security administration through conducting an administration study that will explore the different possibilities and costs of establishing such an administration, and it will draft the related manuals for administering the different social security schemes. Moreover, it will support the drafting of the legal framework of the envisaged social security system in line with ILO standards.

Finally, a series of capacity-building workshops will be conducted targeting the tripartite constituents on social security principles, policies and administration of the social security system.

| <b>Key areas of performance indicators</b>                                                                                                                          |                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Social security reform package is endorsed by the Government and the social partners                                                                                |                                                                                                                 |
| <b>Outputs</b>                                                                                                                                                      | <b>Partners</b>                                                                                                 |
| Output 3.1.1 Enhanced knowledge and institutional capacity of tripartite constituents to progressively establish a comprehensive social insurance system in the oPt | Tripartite constituents, National Social Security Committee, social security administration (to be established) |
| Output 3.1.2 Legal framework for social security system developed in line with ILO standards                                                                        |                                                                                                                 |

## **Outcome 3.2: Social protection floor is introduced**

### ***Strategy***

Under this outcome, the ILO will work closely with other concerned UN agencies to support national efforts to enhance social protection schemes in the oPt through the introduction of the social protection floor (horizontal dimension). The SPF is a “nationally defined sets of basic social security guarantees which secure protection aimed at preventing or alleviating poverty, vulnerability and social exclusion”.

It aims to promote access to essential goods and services (health, water and sanitation, education, housing, food and other services) and social transfers, in cash and in kind, to provide a minimum income and livelihood security. Social transfers include four essential guarantees: (a) basic health care; (b) assistance for the unemployed and poor; (c) child benefits; and (d) basic universal pensions (old-age and disability benefits).

As a first step and building on the ongoing efforts of other United Nations agencies, the United Nations Children's Fund (UNICEF), the World Health Organization (WHO) and UNRWA, the ILO will support the Ministry of Social Affairs in undertaking a social protection floor feasibility study to evaluate the cost of policy options and the long-term financial sustainability of the social protection floor. Once national consensus is garnered around a specific social protection floor framework, the ILO will build national technical capacities for the management, administration and implementation of the elements of the SPF. In parallel, the ILO will also work with other United Nations agencies to ensure a coherent United Nations approach to social protection in the oPt.

| <b>Key areas of performance indicators</b>                                                                                                                                                                                                                                           |                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| <p>-A coordination mechanism in the form of a national tripartite plus social protection floor committee is established and institutionalized</p> <p>-Percentage of targeted population receiving one or more of the social benefits under the social protection floor framework</p> |                                                                                |
| <b>Outputs</b>                                                                                                                                                                                                                                                                       | <b>Partners</b>                                                                |
| Output 3.2.1 Enhanced knowledge amongof the tripartite partners of the policy options of the SPF framework                                                                                                                                                                           | Tripartite constituents, Ministry of Social Affairs<br>United Nations agencies |
| Output 3.2.2 Enhanced national technical capacities for the management, administration and implementation of the elements of the SPF                                                                                                                                                 | Tripartite constituents, Ministry of Social Affairs<br>United Nations agencies |
| Output 3.2.3 Social Protection Floor Strategy adopted by tripartite constituents                                                                                                                                                                                                     | Tripartite constituents                                                        |

## **4. Implementation, planning, management and evaluation**

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### **4.1 Implementation, performance monitoring and evaluation arrangements**

The DWP presents a time-bound, results-based partnership framework between the ILO and its constituents to advance national state-building efforts and socio-economic development, and promote decent work in the oPt. Three main tools will be used for the monitoring and evaluation of this DWP: (a) implementation plan; (b) results framework; and (c) monitoring and evaluation (M&E) plan.

At the national level, a Tripartite DWP Committee, including representatives from the ILO office in Jerusalem and each of the tripartite partners, will be established to monitor and guide DWP implementation. The DWP Tripartite Committee will be responsible for designing the M&E tools and overseeing the M&E Plan, which will define the role of implementing partners in monitoring and evaluating the DWP using results-based management.

The DWP Committee will meet at least three times a year to review progress against planned outputs and outcome indicators, and provide guidance and support where required. In at least one of the three meetings, the Regional Office for Arab States in Beirut will be represented. Meanwhile, joint monitoring and evaluation of individual project activities will be undertaken on a regular basis, as detailed in ILO technical cooperation project guidelines. Lessons learned during the assessment and evaluation process will be used to adjust implementation where needed, and to inform planning and programming of future activities.

The Regional Office will manage and oversee the implementation of the DWP in close coordination with different technical departments at headquarters and the International Training Centre of the ILO in Turin. ILO development assistance will apply the development effectiveness principles of ownership, alignment, harmonization, results-based focus and mutual accountability, as articulated by the Organisation for Economic Co-operation and Development (OECD). A communication strategy will be developed to maintain sufficient levels of visibility for the DWP and help to mobilize resources for its implementation. The programme will be subject to annual reviews (self-evaluations). In light of review findings, adjustments can be made to reflect any changes and introduce improvements where necessary to ensure consistency and continued relevance to national priorities.

### **4.2 Role of ILO constituents**

ILO constituents, represented by the Ministry of Labour, the Palestinian General Federation of Trade Unions and the Federation of Palestinian Chambers of Commerce, Industry and Agriculture, are the key designated partners in the implementation of the DWP.

National ownership and accountability in achieving results will be essential. At the level of individual projects, the ILO has indeed paid a lot of attention to promoting national ownership, a finding that was clearly highlighted in the midterm evaluation of the ILO component of the MDG-F Joint Programme on Gender Equality and Women's Empowerment in the occupied Palestinian territory. Constituents will be closely involved in all stages of the DWP from the inception and design of the programme to resource mobilization, implementation, monitoring and evaluation.

To ensure tripartite high-level engagement, there is an obvious need to continue to strengthen the capacity of ILO constituents, including in the area of gender equality, in order for them to have equal opportunities to become more active partners in the results-based management of ILO programmes and projects, while ensuring that the intended outcomes will affect both women and men. Capacity development activities and trainings for constituents will therefore be an integral part of all upcoming

ILO interventions in the oPt. In implementing results-based management and other training activities, the ILO will build on similar experiences and good practices from the region.

For their part, tripartite partners shall work with the ILO to mainstream decent work into the upcoming National Development Plan 2014–2016 and other national development frameworks and policies, as relevant. In addition, the social partners will have a specific role to play, particularly in promoting labour rights in line with international labour standards.

In implementing the DWP, the Government and the social partners shall make available their respective expert staff to coordinate the work to be carried out through ILO projects and programmes. They will also provide the premises and required logistical support, as necessary.

Tripartite partners further commit to undertake the necessary follow-up activities to achieve the expected DWP results, reporting on progress achieved while flagging bottlenecks and challenges during DWP Tripartite Committee meetings.

### **4.3 Assumptions and risks**

Considering the specific nature and uncertain context of the oPt mainly related to the Israeli occupation, the DWP framework has been developed with a great deal of flexibility in order to accommodate the continuously changing needs of the Palestinian people.

With this in mind, the DWP still presents tripartite commitment to the achievement of time-bound results to advance decent work in the oPt. One implicit assumption therefore for the achievement of the DWP objectives is the continued engagement of and strong collaboration between tripartite constituents and the ILO. This necessitates strong and representative employers' and workers' organizations as active partners in the implementation process. It also necessitates political will and continuity of representation and collaboration of ILO constituents, irrespective of political turnover.

### **4.4 Synergies and coordination with other development partners**

The program will adopt an integrated approach that will draw on lessons learned from previous partnerships with UN agencies and other development partners. It will build on the momentum created through the UNDAF consultative process by engaging with a broader spectrum of stakeholders beyond the tripartite constituents. Examples of national institutions with which the ILO has been working closely include the Ministries of Education, Higher Education, National Economy and Social Affairs, and the Palestinian Central Bureau of Statistics. In addition, the ILO will build on past and ongoing partnerships with civil society organizations and academia.

In seeking to achieve the aims of priority area 1, for example, the ILO will work to promote a cohesive programmatic approach to the promotion of labour market governance. The experience gained with the establishment of the National Committee for Women's Employment is an example of a tripartite plus mechanism that could be further harnessed to yield results in the areas of women's empowerment and gender equality. A lot of lessons can be drawn from the work of this committee in other areas, such as child labour. Reinforcing tripartite social dialogue will be important, not only for the pursuit of activities under the first outcome, but also as a means for implementing the whole DWP for the oPt.

In addition to the lessons learned from the technical assistance, additional lessons can also be drawn from partnerships with United Nations agencies and national partners other than ILO's tripartite institutions. Examples of such partners that the ILO may opt to work with, particularly under priority areas 2 and 3, are business development service providers, such as ASALA (the Palestinian Businesswomen's Association), women's cooperatives, universities (such as Bir Zeit), the Palestinian Central Bureau of Statistics and NGOs (such as Sharek Youth Forum).

## **4.5 Funding and resource mobilization**

As of October 2013, the total funds available for this programme amount to US\$1.66 million, benefiting from funding from Kuwait, the Welfare Association and ILO's internal resources. The ILO is committed to pursue additional resource mobilization efforts to support the implementation of its activities under the DWP. In doing so, it will coordinate closely with the United Nations Resident Coordinator's Office and other United Nations agencies and join their efforts to mobilize resources for UNDAF, which in turn will also support the implementation of its DWP. Such a coordinated and coherent approach to resource mobilization will avoid duplication of efforts and yield better results.

It will also build on the lessons learned from its previous and current individual and joint resource mobilization efforts. Some examples include ongoing efforts with UNRWA to mobilize resources to implement a second phase for skills development in Gaza; its efforts, along with a number of United Nations agencies, to mobilize resources for a joint United Nations programme to support Palestinian youths; and collaboration on an initiative to promote youth employment in Gaza.

## References

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