



# ► Summary Report

July 2023

## Workshop for the Development of a National Employment Policy for Marshall Islands

Marshall Islands Resort, Majuro, 2-3 March 2023

### Key points

- The International Labour Organization (ILO) and the Government of Marshall Islands through the Office of the Chief Secretary held a two-day workshop, kicking off the process to develop a National Employment Policy (NEP) for Marshall Islands. The workshop familiarized national stakeholders with the concept of NEP and discussed labour market challenges in Marshall Islands that a NEP should address, promoting an integrated approach.
- While this workshop was funded through ILO's regular budget, some of the future activities towards the development of the NEP can be covered by the Joint UN Programme on "[Accelerating SDG achievement through digital transformation to strengthen community resilience in Micronesia](#)", after Marshall Islands' approval of this Programme at the end of March 2023.
- This two-day workshop aimed to build up national capacity in Marshall Islands on the development and implementation of a NEP. The workshop was designed to offer a roadmap for developing an effective, coherent and consistent NEP for Marshall Islands, as well as an associated action plan with concrete policies and measures, following the principles of national ownership and social dialogue, based on ILO recommendations.
- A total of 67 participants from government, social partners, and civil society in Marshall Islands attended the workshop over the two days.



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## ► Welcoming remarks

In his opening remarks, **Mr Jiba B. Kabua, Acting Minister in Assistance to the President**, welcomed all participants and emphasized the importance of the discussions in the current context, where large numbers of young people are taking the decision to leave the country in search for better jobs elsewhere. A National Employment Policy (NEP) should help and boost the creation of decent job opportunities in Marshall Islands. Mr Kabua also noted the need for all agencies to work together in a holistic manner and adopt a cohesive approach to developing such policies and ensuring that government and donor funding was invested wisely. Mr Kabua thanked the ILO for coming on mission to Marshall Islands after a long period of absence, and appreciated the support of the ILO through this workshop.

The **Director of the ILO's Office for Pacific Island Countries, Mr Matin Karimli**, welcomed participants, and highlighted the challenging situation that the labour market of Marshall Islands found and continues to find itself in, in the context of the COVID-19 pandemic and the ongoing recovery phase. He summarized the work that the ILO has been undertaking to support the country in its labour market recovery, including the ongoing support provided to the government on the Minimum Wages Policy and the Labour Minimum Conditions Act. He also mentioned that the ILO will use the recently adopted United Nations Sustainable Development Framework

(UNSDF) to support Marshall Islands in the development of a Decent Work Country Programme (DWCP), in consultation with tripartite constituents. Mr Karimli emphasized the need to focus on decent jobs creation and outlined the development of a NEP for the Marshall Islands to be particularly relevant in this context. He stressed that the deliberations at this workshop will shape the direction that the Marshall Islands takes in defining key priorities and the way forward. Finally, he thanked the government of Marshall Islands and particularly the Office of the Chief Secretary in coordinating this workshop to ensure that it takes place and reiterated ILO's continued support towards the priorities identified by the constituents.



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## ► Day 1: What is a National Employment Policy and which key priorities should it have in Marshall Islands?

### Current global and regional challenges to employment: What is the ILO's approach to national employment policies in this context?

#### Current global and regional challenges to decent work and employment

The technical sessions of the day were led by **Mr Christian Viegelahn, Specialist for Decent Work and Employment at the ILO Office for Pacific Islands Countries**. The first session started with the presentation of some of the challenges that the global and regional economy and labour market are facing, with the objective to put Marshall Islands' situation into the broader context. Mr Viegelahn showed that the COVID-19 crisis left its mark on the economy of the Asia-Pacific region, with GDP deviating sharply in 2020 from the continuous pre-crisis upward trend, creating a gap in economic value creation that has not been closed since. Based on data available for employment and the employment-to-population ratio, job growth has been getting back on track in the Asia-Pacific region, but only slowly.

The situation differs between different groups of workers; in particular youth employment was still down in 2022 relative to 2019. Also the share of youth who are neither in employment nor in education or training (NEET) ticked up significantly in 2020, and has not gone to pre-crisis levels since then. The NEET rate is higher among young women than among young men, globally as well as in the Asia-Pacific region. Moreover, there is a consistent motherhood penalty in terms of labour force participation, with labour force participation rates among mothers of young children being significantly lower than among fathers, in the world as well as in the Asia-Pacific region.

Progress in vulnerable employment and working poverty has stalled during the crisis in the Asia-Pacific region. The vulnerable employment rate is calculated as the share of own-account workers and contributing family workers in total employment and constitutes a proxy for job quality. The working poverty rate measures the share of workers

that, despite having a job, are not able to escape poverty. Also the continuous decline in the informal employment rate in Asia-Pacific, during the years before the pandemic, slowed down as a result of the COVID-19 crisis. Another observation is that jobs recovery for workers in low- or medium-skill occupations has been slower than for workers in high-skill occupations. Overall, the crisis has opened up a jobs gap in the Asia-Pacific region that will not be closed any time soon.

Mr Viegelahn reminded the audience also of the fact that the COVID-19 crisis came at a time, when everyone was speaking of the future of work challenges including technological, demographic and climate change. These so-called mega trends have not disappeared and ought to be taken into account when designing recovery measures for labour markets.

The presentation of the data triggered some discussion among participants. Especially the differential impact of the crisis on certain groups of workers found its echo in the audience. All in all, the data showed that policies focused on employment are desperately needed in a world that is challenged by different crises.



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### ILO's approach to National Employment Policies

Mr. Viegelahn then proceeded by presenting ILO's approach to NEPs, which is rooted in the Employment Policy Convention, 1964 (No. 122). A NEP provides a concerted and coherent vision of a country's employment objectives and ways to achieve them. It also defines a set

of multidimensional interventions in order to achieve specific targets.

In terms of objectives of a NEP, Convention No. 122 stipulates that a NEP shall aim at ensuring that “there is work for all who are available for and seeking work”, that “such work is as productive as possible”, and that “there is freedom of choice of employment and opportunity for each worker to qualify for, and to use his skills and endowments in a job for which he is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin”. Hence both the quantity and quality of job are relevant dimensions, as well as the principle of inclusiveness and non-discrimination.

Convention No. 122 also makes clear that there is not a “one size fits all” approach, as a NEP “shall take due account of the stage and level of economic development and the mutual relationships between employment objectives and other economic and social objectives and shall be pursued by methods that are appropriate to national conditions and practices”.

Moreover, Convention No. 122 touches upon the operationalization of the NEP, speaking of “measures to be adopted” for attaining the objectives and asking countries to “take such steps as may be needed, including when appropriate the establishment of programmes, for the application of these measures”.

Finally, Convention No. 122 highlights the principles of social dialogue and wide consultation, stipulating that “representatives of the persons affected by the measures to be taken, and in particular representatives of employers and workers, shall be consulted concerning employment policies, with a view to taking fully into account their experience and views and securing their full co-operation in formulating and enlisting support for such policies”.

Mr. Viegelahn also gave examples of possible structures of the NEP document, which typically consists of a labour market diagnostics part, in which the main challenges are identified, followed by a statement of objectives of the NEP, and information on the implementation and monitoring mechanism of an action plan associated with the NEP. A NEP can include measures in a wide range of policy areas, including macroeconomic policies, sectoral/industrial policies, trade and investment policies, private sector development policies, active labour market policies and policies that foster skills development and lifelong learning, social protection and care policies as well

as wage policies. Gender and youth, as well as social dialogue are cross-cutting policy areas of a NEP.

Given that Marshall Islands did ask the ILO for support on wage policies, Mr Viegelahn mentioned the possibility to have the NEP and wage policy merged into one policy process and document, in order to create synergies and save resources. He also mentioned that this would be a relatively new practice, which is currently being explored for a number of other Pacific Island countries as well. The Chief Secretary of the Government of Marshall Islands, Ms Kino Kabua, expressed general interest in exploring this as an option also for Marshall Islands.

Finally, Mr. Viegelahn presented recent global trends in the adoption of NEPs, with 82 countries adopting NEPs between 2000 and 2021. The ILO would welcome if Marshall Islands joined these countries soon.

## National Employment Policies in the broader policy context

Besides the importance of Convention No. 122, ILO’s approach to NEPs has been shaped by a number of global agreements. This includes the ILO Constitution (1919), the ILO Declaration of Philadelphia (1944), the Global Employment Agenda (2003), the ILO Declaration on Social Justice for a Fair Globalization (2008), the Global Jobs Pact (2009), the Resolution on Employment adopted at the International Labour Conference (ILC) (2010), and the second Resolution on Employment adopted at the ILC (2014). The Sustainable Development Goals, adopted in 2015, through Goal 8 promote “sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”.

There are also important references to employment in more recent global agreements. The ILO Centenary Declaration for the Future of Work, adopted at the ILC in 2019, refers several times to the importance of “full, productive and freely chosen employment”. The Global Call to Action for a human-centred recovery from the Covid-19 crisis that is inclusive, sustainable and resilient, adopted at the ILC in 2021, makes reference to “full, productive and freely chosen employment and decent work”, as well as “integrated national employment policy responses”.

Not only in global agreements the objective of employment is front and centre. Also Marshall Islands’ National Strategic Plan 2020-30 has several employment-related mentions, including a reference to employment

opportunities, references to skills, TVET and workforce development, references to inclusivity, as well as references to a fair and friendly business environment. A NEP for the Marshall Islands should certainly connect to

the National Strategic Plan, in order to have an integrated approach toward the objective of full, productive and freely chosen employment.

### Box 1. Survey among workshop participants on the National Employment Policy of Marshall Islands

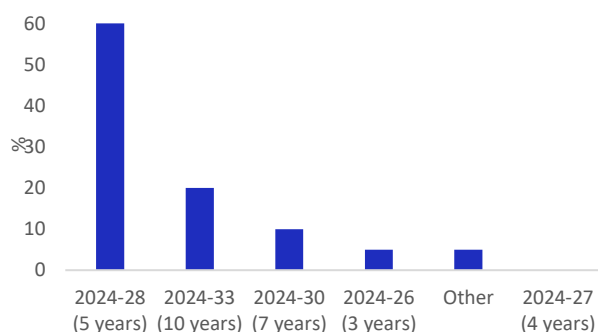
During the workshop, a survey among participants was conducted through Slido. One question was an open text field question, asking participants why Marshall Islands should have a NEP. Several points were mentioned, which can be summarized as follows:

- Safeguard local people, including from abuse by foreign-owned companies
- Protect workers and their rights
- Support businesses
- Develop strategies for skills and development
- Clarify and reinforce standards expected from employees
- Clarify whose role and responsibility it is to oversee employment matters
- Provide clear direction on how employment should look like in Marshall Islands
- Allow different entities to streamline their practices into a uniform way of operating
- Tailor existing laws to meet both public and private sector demands and have one uniform policy for public and private sector
- Update existing policies
- Better assess, support and identify employment opportunities

In this context, it was also mentioned by participants that the NEP should not end up as a policy that “sits on the shelf”. One participant suggested that there should be a taskforce in place, once the NEP is adopted, to oversee and steer the implementation of the policy.

As for the period to be covered by the NEP of Marshall Islands, the majority of participants opted for a period of five years (figure 1). When asked to name three objectives that you would wish the NEP to achieve, the terms “equal employment opportunities” and “equity” or similar terms came up strongly (figure 2). Among the names suggested for a NEP, the term “Employment policy for inclusive economic diversification” gained strongest support, but there were also a large number of participants who did not subscribe to any of the suggested names (figure 3).

► **Figure 1. Period to be covered by the National Employment Policy of Marshall Islands**

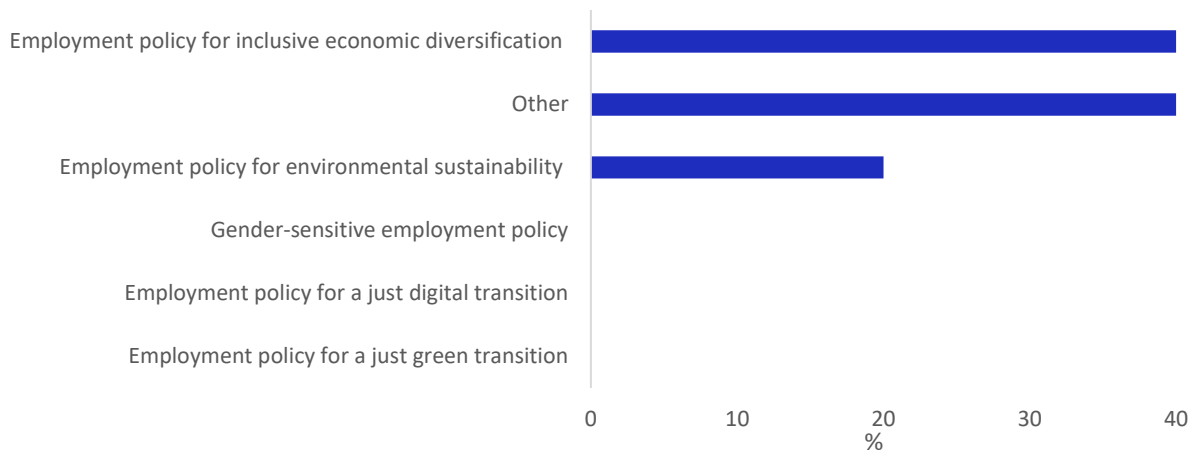


Notes: 20 workshop participants took part in answering this question.  
Source: Slido survey conducted by ILO.

► **Figure 2. Word cloud describing the desirable achievements of a National Employment Policy of Marshall Islands**



Notes: 17 workshop participants took part in answering this question.  
Source: Slido survey conducted by ILO.

► **Figure 3. Name to be given to a National Employment Policy of Marshall Islands**

Notes: 25 workshop participants took part in answering this question.  
Source: Slido survey conducted by ILO.

## The National Employment Policy process

### Prerequisites for a successful policy process

The next session started off with a presentation by Mr Christian Viegelahn of some elements which according to ILO experience are important in ensuring that the NEP policy process is successful, and results in a NEP that is able to create some benefits for the country. This includes national ownership and alignment with other national policy processes. It also includes the formation of broad-based partnership to achieve the objective of the NEP. Moreover, a broad and sustained political commitment to the NEP is important, as well as clarity on the accountability for the achievement of the NEP. Finally, the NEP process should be inclusive and based on social dialogue between the tripartite partners, as well as consultation with all other relevant stakeholders in the country.

### An introduction to the National Employment Policy cycle

The National Employment Policy cycle broadly consists of seven phases. This includes:

- Preparation phase: Phase in which the overall goals of the NEP is defined and the organizational

framework is set, including timelines and resources for the process.

- Issue identification phase: Phase in which issues on the labour market are identified, based on data and analysis as well as broad-based consultations with relevant stakeholders.
- Formulation phase: Phase in which priorities are being set, policy options are being evaluated and a first draft of the NEP is produced.
- Programming and budgeting phase: Phase in which action plan is being defined, including outcomes, outputs, targets, roles and responsibilities and budgetary requirements.
- Validation, adoption and communication phase: Phase in which national consensus on the NEP is obtained and the NEP is formally adopted and communicated to the public.
- Implementation and monitoring phase: Phase in which monitoring and evaluation framework is operationalized, actors are trained if needed and work between different government entities, social partners and other actors is coordinated to implement the NEP.
- Review and evaluation phase: Phase in which the NEP is evaluated and assessed, using quantitative and qualitative research methods, informing the design and development of the following NEP.

## Next steps in the NEP process for Marshall Island

Mr Viegelahn outlined the next steps in the NEP process for Marshall Islands, which at the time of the workshop finds itself in the preparation and issue identification phase. The workshop indeed provided a first occasion to discuss the overall goals of the NEP and identify some of the priorities. The workshop also allowed to agree on the broad timeline of the NEP process, where the validation and adoption of the NEP would be envisaged for late 2023 or early 2024.

In terms of process, Mr Viegelahn suggested the next steps in the NEP process for Marshall Islands, where he emphasized the crucial role that social dialogue should play in the development of the NEP. He suggested the engagement of a consultant who would support the country with the drafting of the policy, based on extensive consultations with all stakeholders, including social partners and civil society. This approach was broadly agreed to by the audience.

## Group discussion: Which risks/challenges do you foresee in the process for Marshall Islands? What can be done to mitigate those risks?

For the group discussion, the audience was divided into five groups to discuss the risks and challenges foreseen in the NEP process for Marshall Islands, as well as potential measures that can be taken to mitigate those risks. After the group discussions, participants reported back to the plenary. The following risks/challenges were mentioned:

- Financial implications, lack of resources, lack of funding support
- Lack of coordination between relevant sectors/stakeholders, imbalance between public and private sector
- Lack of data and capacity to interpret data
- Lack of interesting and understanding
- Lack of buy-in of all relevant stakeholders
- Potential changes in government/administration
- Cultural barriers, tradition and customs
- Political interference
- Lack of structure for implementing NEP

As for potential measures to address these challenges, the following suggestions were made:

- Seek financial support from donors and other sources, harmonize planning and resource allocation
- Increase engagement between public and private sector to attract foreign direct investment (FDI)
- Create a dedicated Ministry of Employment
- Take ownership by coordinating and collaborating in the implementation, ensure broad consultation
- Conduct awareness campaign about the NEP
- Commitment from the highest political level in the country
- Make available existing data
- Be sensitive to cultural issues
- Produce baseline assessment of existing policies



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## The economy and labour market of Marshall Islands: What should be the priorities of a National Employment Policy?

### The labour market in Marshall Islands: What do the data tell us?

The next session started off with a presentation of the most recent labour market data available for Marshall Islands and other Pacific Island countries. For Marshall Islands, this corresponds to data from the labour market module of the Household Income and Expenditure Survey (HIES) of 2019.

The data show that the unemployment rate in Marshall Islands is the fourth highest in the nine Pacific Island

countries with available data. The youth unemployment rate is considerably higher than the adult unemployment rate. Marshall Islands also have the second highest NEET rate for youth among the nine Pacific Island countries with available data, and the NEET rate for young women is higher than for young men. The prevalence of informal employment is relatively small in the Marshall Islands, compared to other Pacific Island countries. However, informal employment rates are considerably higher for persons with disabilities, highlighting the challenges that some persons with disabilities have in obtaining formal employment.

The share of employees in Marshall Islands' workforce is the second highest among the nine Pacific Island countries with available data, driven in part by the relatively large public sector. The services sector is by far the largest employer in Marshall Islands. Marshall Islands is the Pacific Island country among those with available data that has the highest share of workers in high-skill occupations.

## Policies and measures for inclusion into a National Employment Policy

There are various policies and measures that can be included into a NEP. A wide range of potential thematic areas could be covered by a NEP, including policies related to informality, social protection, training/skills, gender, youth, SMEs/entrepreneurship, migration, micro finance, vulnerable groups, local/rural economic development, disability, wages and cooperatives. It can also cover broader policy areas linked to employment such as macroeconomic policies, trade policies, investment policies, policies related to private sector development, sectoral policies or policies related to the green, digital and care economy.

In terms of labour market regulation, a NEP may tackle issues related to retirement policy, non-standard employment, dismissals, working conditions, work-family balance, occupational safety and health (OSH), anti-discrimination, public sector or migration. Among the instruments available in the toolbox of policy makers are active labour market policies (ALMPs), covering public employment services, training, measures of direct job creation, employment incentives, start-up incentives and ALMPs targeting specific groups such as youth or migrants.

A NEP can include social protection policies that provide benefits and insurance in certain situations during the lifecycle. This includes child benefits, child care services, social protection for caregivers, parental leave provisions, health insurance/sickness benefits, unemployment insurance, employment injury insurance, disability benefits and pension insurance.

As for wage policies to be included into a NEP, this may include minimum wage policies, policies around collective bargaining, working time and work organization, public sector wages or policies of wage indexation.

## Group discussion: What are the biggest labour market challenges in Marshall Islands? What measures could be taken to address those challenges?

For the group discussion, the audience was once more divided into five groups to determine the most pressing challenges that should be addressed by a NEP and their root causes, and think about potential ways to address them. The following challenges were mentioned:

- Lack of skills and qualifications in the labour force, low education levels
- Lack of availability of higher tier training opportunities
- Lack of human and budgetary resources
- Lack of policies in relation to the labour and existence of loopholes
- Lack of employment benefit package
- Lack of a merit-based system due to nepotism and conflicts of interest
- Lack of control over external shocks such as increased inflation, caused by being a small island economy with lack of natural resources and dependency on donors
- Outmigration and related occupational shortage, due to low minimum wage, lack of job opportunities in the Marshall Islands, easy access to United States jobs market and lack of resources
- Limited labour market opportunities in the Marshall Islands
- High employment turnover rates caused by low wages and lack of work ethics
- Prevalence of child labour
- Discrimination of persons with disabilities
- Climate change

Among the potential measures to address these challenges, the following were mentioned:

- Have binding measures implemented through a NEP and enforce existing policies
- Create job opportunities for persons with disabilities
- Support certain comparative advantage industries
- Improve training and education, open vocational training schools, create incentives for TVET, undertake capacity building initiatives
- Upgrade pay scale
- Create incentives for TVET
- Engage in proper consultation and planning for policies
- Scope for social investment opportunities
- Include “anti-nepotism clauses” into the law

Representatives from participating organizations contributed actively to the discussions and made valuable contributions to the debates. Throughout the event the Marshall Islands Chamber of Commerce and Industry

consistently advocated to government and other stakeholders for a number of recommendations captured in the Chamber’s recently published Policy Paper.



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## ► Day 2: Diving deeper into thematic areas

### Leveraging the opportunities of a just digital and environmental transformation

#### Digital transformation and decent work

Mr. Viegelahn discussed the challenges and opportunities of the digital transformation, largely based on Charles, Xia and Coutts (2022). In order to access the opportunities, access to digital infrastructure and skills is crucial. At the same time, there are some challenges related to potential decent work deficits, which policy makers need to bear in mind and address in the context of digitalization.

In the Pacific Island context, digital technologies arguably provide new opportunities for digital entrepreneurship, which refers to entrepreneurial pursuits through the use of technological platforms and other information communication equipment. Digital entrepreneurship can fall within many categories of business such as marketing, sales, products, distribution, stakeholder management, operation. E-commerce has the potential to overcome market barriers and create entrepreneurial opportunities by lowering the asymmetry of information and increasing economic efficiency. Investment in basic digital

infrastructure needs to be stepped up and tailored. Digital literacy training is necessary to support digitally marginalized groups.

Skills and e-learning is another area in which there are on the other hand potential opportunities of digital technologies for a Pacific Island country such as Marshall Islands. Opportunities through massive open online courses (MOOC) can enable life-long learning, not only for youth but also among the adult population for a smooth digital transition. As physical travel to trainings and courses is costly, e-learning provides new ways of access to training opportunities for people in Pacific Island Countries such as in Marshall Islands. On the other hand, digital transformation requires new skills, including baseline digital skills as well as more advanced specialized skills. Also skills related to cyber security are key. NEPs should include provisions for digital literacy, training and encouraging youth to adapt to the changing demand for skills in the future of work.

Policies need to make sure that all groups in the population have an equal chance to benefit from digitalization, including young people, women, refugees and migrants, as well as persons with disabilities.

In the context of digital labour platforms, there are challenges related to the definition of employment relations, social protection, collective bargaining and job quality. Moreover, digital technologies allow for remote work, which requires workers to set boundaries between working time and leisure time, and employers to respect these boundaries, which at times is challenging.

### Group discussion: Which digital skills trainings could be most useful for the people of Marshall Islands?

For the group discussion, the audience was divided into six groups which discussed the issue of digital skills trainings, before reporting back to the plenary. As digital skills in highest need, the following were mentioned:

- Software programming skills, development of apps (such as those related to e-health and e-surveys), drone operations
- E-government
- Data analysis and analytics, digital data collection
- Design skills (marketing, data)
- General computer skills, basic internet use including use of software
- Skills related to digital service provision (non-reliable connectivity, relevant equipments/software, insufficient human resources with skills/experience)
- Skills related to the reuse and repair of used equipment
- Skills related to hardware repair/maintenance
- Cyber security skills
- Skills related to e-commerce
- Skills related to the digitalization of archives...

The primary target groups for digital skills trainings are:

- College graduates, trade schools
- Workforce
- Local/private sector, small businesses, entrepreneurs
- NTC (computer specialist, teachers)
- Youth, schools
- Women
- Outer islanders
- Persons with disabilities
- Ministries (such as MoF)
- Churches
- NGOs
- Local governments

- Government entities (such as EPPSO)
- SOEs: NTA
- Min of TNC for oversight

Potential training providers or platforms through which trainings should be provided are:

- NTC (with CCO and MoF as partners)
- CMI
- USP
- MDE
- EPPSO
- Trade schools
- Relevant government entities
- PSC
- NTA
- ICT Taskforce

### Green transformation and decent work

Mr. Viegelahn proceeded by discussing the green transformation, referring to the [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#), which were adopted by a Tripartite Meeting of Experts in 2016.

These Guidelines highlight the opportunities of the green transformation, which consist in realizing the potential of net gains in total employment through investments in environmentally sustainable production, as well as consumption and management of natural resources. There is equally a potential for improvements in job quality and incomes on a large scale from more productive processes, as well as greener products and services in sectors like agriculture, construction, recycling and tourism. The green transformation can also lead to social inclusion through improved access to affordable, environmentally sustainable energy and payments for environmental services, for instance, which are of particular relevance to women and residents in rural areas.

The Guidelines also highlight the challenges which consist in an economic restructuring which will result in the displacement of some workers and possible job losses. Moreover, there will be a need for enterprises, workplaces and communities to adapt to climate change to avoid loss of assets and livelihoods and involuntary migration. There are also adverse effects on the incomes of poor households from higher energy and commodity prices.

Key policy areas to simultaneously address environmental, economic and social sustainability are: macroeconomic

and growth policies, industrial and sectoral policies, enterprise policies, skills development, occupational safety and health, social protection, ALMPs, rights and social dialogue/tripartism.

### Box 2. Joint UN programme on “Accelerating SDG achievement through digital transformation to strengthen community resilience in Micronesia”

The Joint UN Programme on “Accelerating SDG achievement through digital transformation to strengthen community resilience in Micronesia”, which is led by ITU in collaboration with ILO, FAO, UNOPS, UNESCO, UNICEF and UNODC, is a programme for Federated States of Micronesia, Kiribati, Marshall Islands, Nauru and Palau. It aims to embrace digital transformation across multiple sectors to respond to the local needs and priorities addressing multiple high priority challenges expressed by the citizens. More specifically, the joint programme will make use of digital solutions to enhance early childhood development policy and strategy frameworks, nutrition and food-based diets, employment, shock responsive social protection and safety nets for children and vulnerable groups. One of the central expected outcomes will be improved coherence amongst digital policy, legislative and strategy frameworks supportive of cross-sectoral digital transformation. Digital access and literacy will be promoted in a safe and meaningful manner that improves the quality of life and livelihood.

As the digital transformation is crucial for employment creation and has an important impact on labour markets, also some steps towards the development of Marshall Islands’ NEP will be funded by the ILO through this Programme.

## Supporting skills development and labour mobility for decent jobs

### Group discussion: What are the opportunities and challenges of inward/outward migration in Marshall Islands?

**Ms Angelica Neville, Technical Officer at the ILO’s Office for Pacific Island Countries in Suva**, led the virtual session on skills development and labour mobility. The session consisted of a group discussion on the opportunities and challenges of inward and outward migration. For this purpose, the audience was once more divided into six groups, in which discussions took place, before selected participants from each group reported back to plenary.



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The following opportunities of inward migration were mentioned:

- Fill domestic skills and specialization gaps; increase available skills set
- Introduce and benefit from new and diverse skills, knowledge and ideas; ensure knowledge transfer from inward migrant to locals
- Increase in business opportunities (for example, housing)
- Introduce new cultures, cultural diversity and possibility for interracial marriage
- Generate government revenue through additional income tax
- Can create new job opportunities
- Introduce workers with high job motivation

The following challenges of inward migration were mentioned:

- Introduce competition to local workers, employment taken by inward migrants, resulting unemployment of locals
- Introduce labour market inequalities (local workers might get lower salaries; better pay and benefits are given to inward migrants)
- High costs to employ migrants
- Lack of clear pathway for transferring skills to local counterpart
- Stress on local utilities/infrastructure, islands may become overcrowded
- Remittances may go to origin country
- Lack of cultural knowledge, cultural barriers
- Possibility of illegal workers/migrants

The following opportunities of outward migration were mentioned:

- Higher salary, better job opportunities
- Better labour law, better social benefits
- Better work environment
- Better education/health care
- Access to larger variety, quantity and quality of goods
- Possibility to transfer remittances
- Develop new skills

The following challenges of outward migration were mentioned:

- Culture shock, loss of cultural identity/ties, assimilation in foreign country
- Loss of skilled workers
- Communication barriers

- High costs of living
- High competitiveness for locals in foreign labour markets
- Brain drain
- Loss of revenue
- Decrease in population which may lead to a decrease in donor aid
- High turnover among staff in Marshall Islands and high retraining needs for new staff that needs to be hired, after previous staff out-migrates

There was agreement in the audience that the NEP can be used to on the one hand better leverage the opportunities related to inward and outward migration, while on the other hand address some of the related challenges.

## Promoting an inclusive labour market for youth

### Youth and the labour market

**Mr Felix Weidenkaff, Specialist for Youth Employment at the ILO's Regional Office for Asia and the Pacific in Bangkok**, led the virtual session on youth and started by showing some data that illustrates that youth in Marshall Islands were in a vulnerable labour market situation even before the COVID-19 crisis. He referred to the high NEET rate, the high youth unemployment rate as well as the relatively high informal employment rate among youth in the country. There is also a large share of youth in the country, who are inactive on the labour market. According to Mr. Weidenkaff, the COVID-19 crisis then caused a massive disruption to labour markets, with disproportionate impacts on youth, who encountered disruptions to education, training and work-based learning, difficulties in transitioning from school to work and job disruptions.

In order to understand the youth employment challenges, it is important to bear in mind that facts such as the high youth unemployment rate or high informal employment rates among young women are the effects of a number of root causes, which ought to be tackled by a NEP or a National Action Plan on Youth Employment (NAP).

### Policy measures to address the youth employment challenge

Mr Weidenkaff emphasized the importance of integrated inclusive policy measures on youth employment. Key

policy areas are: pro-employment macroeconomic policies with a focus on youth, employability policies (education, training, skills, school-to-work transition), labour market policies, youth entrepreneurship and self-employment policies as well as rights for young people. Gender equality is cross-cutting. When designing policies, it will be important to bear in mind the future of work challenges, including technological innovations, demographic shifts, environmental and climate change, as well as globalization.

Policy measures for youth in Asia-Pacific for a human-centred recovery include measures that stimulate the economy and youth employment, a balancing of the inclusion of youth in wider labour market and economic recovery measures with youth-targeted gender-sensitive interventions, as well as cross-cutting policy considerations, including the importance to reach the most vulnerable youth and to meaningfully engage young people through social dialogue. Support measures can also include well-designed ALMPs, such as wage subsidies, investments in digital inclusion and others.

Moving forward, it will be key to invest in transforming futures for young people in Asia-Pacific, and make use of green, blue, digital, creative and care economies for youth employment.

The Marshall Islands did adopt a NAP in 2017, developed in 2016 and 2017 by the National Training Council (NTC), under the guidance of the TVET Steering Committee. The NAP was based on a situation analysis, as well as on broad-based consultations. The NAP did have seven expected outcomes, including measures related to TVET and skills development, entrepreneurship and access to career counselling services. An updated NAP could find a way into the NEP, which might be a good vehicle to agree on and implement measures that promote youth employment.

## Partnerships for youth employment

There are global partnerships for youth employment, including the YouthForesight knowledge facility as well as the UN Global Initiative on Decent Jobs for Youth, which were both briefly presented by Mr Weidenkaff.

## Group discussion: What are the opportunities and challenges for youth to

## transition to productive employment and decent work in Marshall Islands?

For the group discussion, the audience was divided into five groups. As for the challenges, the following were mentioned, when groups reported back to plenary:

- Lack of job opportunities for specific skills, no job openings
- Biases, stereotyping
- Training needs, limited experience, lack of enthusiasm, lack of soft skills
- Low female participation rates in technical trainings, also because of cultural reasons
- Gender equality, family obligations
- No prioritization of education
- Forced labour
- Limited quality of education, lack of studies that train for specific jobs
- Low-level basic infrastructure and quality of life
- Limited ICT
- Favoritism
- No streamline process for youth job counselling
- Skills mismatch

The following opportunities came up:

- Make use of strong youth organizations/NGOs, church groups
- Promote ecotourism as employer of youth
- Break traditional mindsets by educating parents
- Provide financial capital for start-ups
- Prioritize ICT
- Prioritize the handicraft sector (e-commerce, peer training among youths)
- Facilitate internships
- Offer attractive job opportunities to youth
- Increase training options, introduce curricula for other fields of work, targeted training for “blue collar” jobs
- Establish track system specific to the student’s skills: vocational, academic, military, local

## Gender-responsive National Employment Policies

### Putting gender front and center of a National Employment Policy

Mr Christian Viegelahn led the session on gender-responsive NEPs. He started off by providing the good news that 90 per cent of NEPs adopted worldwide do address gender concerns in one way or another. However, there is still plenty of scope to improve. Only 18 per cent of NEPs have quantified employment targets disaggregated by sex. Interventions to encourage women to participate in education and training and to counter socio-cultural barriers to women's participation in the labour market are included in 70 per cent of NEPs, but they saw a slightly decreasing trend over time. The gender content of macroeconomic policies remains weak, and investment and trade policies have remained largely gender blind. Also engendered measures for work quality are less represented in NEPs. There is overall a lack of efforts to address the roots of gender equality in NEPs.

There are some concrete entry points to strengthen the gender dimension in NEPs. As part of the employment diagnostics, there could be gender-specific studies or at least a requirement to mainstream gender in all studies. Moreover, the drafting team for the NEP could include a gender expert. There could be the participation of so-called "gender allies" in the process. The Ministry responsible for women and gender issues, where it exists, could explicitly take part in the consultations and development of a NEP. Thematic groups on gender and employment could be formed in the design phase of the NEP. The NEP could also include capacity building activities on gender and employment, and there could be gender budgeting.

In order to achieve gender equality in the context of employment, a NEP should:

- Set measurable and time-bound gender sensitive employment targets;
- Promote gender-smart labour market informations systems ;
- Promote an economic environment that provides new employment;
- Create an appropriate legal, institutional and organizational environment for promoting equal

opportunities for women and men to obtain decent work opportunities;

- Open pathways to quality jobs.

## Labour rights for all

### Overview of international labour standards

**Ms Lorraine Reiher, Consultant for the ILO's Office for Pacific Island Countries in Suva**, led a virtual session that gave an overview of the issue of labour rights in the context of Marshall Islands. She emphasized in the beginning of her presentation that it is important to keep in mind key international Conventions from a policy and legislative perspective, also when developing a NEP.

The ILO has developed a system of international labour standards aimed at promoting decent work, which are backed by a supervisory system. International labour standards are either ILO Conventions or Recommendations. Conventions lay down basic principles to be implemented by ratifying countries. ILO's Conventions are international treaties that are drawn up by tripartite representatives and are adopted at the annual International Labour Conference. If ratified, Conventions are binding under international law. If not ratified, they influence national law and policy. Recommendations are not open to ratification - they have the same authority as Conventions and provide more detailed implementation guidelines.

There are 10 fundamental Conventions and 4 governance (or priority) Conventions. Marshall Islands ratified three ILO Conventions including:

- Worst Forms of Child Labour Convention, 1999 (No. 182)
- Maritime Labour Convention, 2006 (No. 186)
- Seafarers Identify Documents Convention, 2003 (No. 185)

Ratification of an international convention is a formal commitment to give effect, both in law and in practice to the provisions of the Convention. A member that ratifies an ILO Convention has certain obligations, including the implementation and enforcement of the Convention in practice, as well as reporting obligations.

A policy such as the NEP is a declaration of priorities, plans and activities that guide decision making. A NEP can very

well define the ratification or enforcement of a Convention as an activity, or the adoption of a legislation. International labour standards do provide members some flexibility to tailor their own laws and policies to suit their own countries and labour markets

## A snapshot of Marshall Islands' labour legislation

Ms Reiher proceeded by giving an overview of some of the existing labour legislation in Marshall Islands, also making reference to the draft legislation, consisting of a Bill to enact the Labour (Minimum Conditions) Act. She also opened up the question of implementation in legislation of the three ILO Conventions that Marshall Islands ratified. Finally, it was emphasized once more that it is upon Marshall Islands to tailor its labour laws to suit its labour market and to determine its NEP which outlines key priorities including a plan with timelines for implementation.

## Promoting entrepreneurship and MSME development

### What are the critical areas?

**Mr Kelvin Sergeant, Enterprise Specialist at the ILO's Regional Office for Asia and the Pacific in Bangkok,** gave a virtual session on the important role that entrepreneurship and MSME development play for

employment creation. He emphasized that entrepreneurship reflects a society's capacity for boldness, risk-taking and creativity and also highlighted the links to economic growth and innovation.

There exist a wide variety of challenges to MSME entrepreneurs, also touching issues of informality and entrepreneurship, as well as the policy and regulatory environment. The ILO's work to support enterprises aims to overcome these challenges and focuses on creating an enabling environment, developing entrepreneurship and business skills, increasing productivity and improving working conditions in MSMEs, improving access to financial services, and linking enterprises with ensuring social security and social protection floors. All these policy areas could also become part of a NEP.

Moreover, the ILO works to strengthen the knowledge base on and provides technical assistance to cooperatives and social enterprises. Moreover, the ILO promotes the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), and develops Enterprises and Green Initiatives, Green Enterprises and Green Jobs linked to climate. Mr. Sergeant highlighted the importance of data on enterprises in order to be able to design evidence-based policies and solutions. He also emphasized the importance of entrepreneurship for specific groups on the labour market, referring to women entrepreneurship and youth enterprises.

## ► Further information

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Charles, Lorraine, Shuting Xia and Adam P. Coutts. 2022. *Digitalization and Employment A Review*, International Labour Organization, Geneva.

ILO. 2023. *ILO Commences Work with Republic of Marshall Islands (RMI) on Employment Policy* (6 March).

## ► List of participants

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  - Doug Anjain, Customs/MOT
  - Jim Philippo, TDBOLAR
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  - Malone Joseph, MIPS A
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  - William Reiher, CMI
  - Stevenson Koffon, CMI
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  - Barry Lokeijak, MIPS A
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