Decent Work Country Programme in Iraq - Recovery and Reform

Two years since the establishment of the ILO Country Coordination Office in Iraq

December 2021
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Preface

The ILO Country Coordination Office was established in 2020, as the impact of the COVID-19 pandemic on labour markets across the globe was beginning to unfold.

The ILO Country Coordination Office was established to support the implementation of the Decent Work Country Programme on the ground. Yet, with the new challenges which the pandemic brought, it was critical for the ILO, its constituents and development partners to rethink programmes and strategies that would address the country’s immediate needs, while looking at the longer-term Decent Work priorities of Iraq.

Youth, women, Forcibly Displaced Persons and informal workers were among the hardest hit by the closure of businesses and loss of income. ILO studies have looked extensively at the impact on the pandemic on the labour market, while trying to find solutions that can support vulnerable workers most in need.

Almost two years into the pandemic and the establishment of the Country Coordination Office, our vision for more and better jobs has become clearer and integrated into the Sustainable Development Cooperation Framework (UNSDCF) 2020-2024. Facilitating a transition to a formal economy, expanding social protection coverage, promoting Decent Work Principles, supporting private sector development, improving governance, inspections and working conditions, while addressing challenges such as the increasing rate of child labour, have become even more critical in shaping the work we do in Iraq.

This document outlines some of the achievements and progress made and lessons learned along the way.

I would like to take this opportunity to congratulate the ILO Iraq Country team for their exceptional work despite the challenging circumstances. I would also like to thank our colleagues at the Regional Office for Arab States, technical experts in ILO’s Headquarters in Geneva, tripartite constituents, the donor community, UN partners and the United Nations Assistance Mission for Iraq (UNAMI) for their continuous support and collaboration in promoting Decent Work and for paving the way for more and better job opportunities for workers and their families.

Maha Kattaa,
ILO Country Coordinator in Iraq
Introduction

Iraq has been affected by decades of conflict, insecurity and instability. Years of political and social turmoil and the recent collapse in international oil prices has led to a difficult fiscal environment. This has all been exacerbated by the recent COVID-19 pandemic, which is straining the country’s healthcare system, local economies and further depleting the country’s limited financial reserves and public services.

Job creation and decent work has been a major priority for Iraq. Yet, these have also been an enormous challenge for both the Federal Government and the Kurdistan Region of Iraq. In addition to the security challenges, there is an overwhelming lack of access to credit in Iraq, high entry and exit barriers to start a business and a slow, ambiguous legal and regulatory system.

Employers often suffer from unreliable essential services, including shortage of water, electricity, sewerage and telecommunications. The unfavourable investment climate has contributed to the proliferation of small-scale economic activities in the informal economy. Iraq only possesses a handful of large, typically family-run multi-industry conglomerates. These are in retail, domestic trade, telecommunications, and construction rather than in traded goods and services. Productivity of most Iraqi firms is lower than that of equivalent enterprises in the MENA region.
The national labour force has grown from 7.6 million to 10.5 million between 2011 and 2019. In 2019, the working age labour force participation rate was 44.7 per cent, employment to population ratio was 37.5 per cent and the unemployment rate was 12.8 per cent (estimated to have reached 13.7 per cent in 2020). Young people (aged 15 to 24) and women are particularly affected; their participation rates are 27.3 per cent and 12 per cent, respectively.

The dual shock of the COVID-19 pandemic and fall in oil prices had a direct impact on the economy and on the welfare of Iraqis especially among informal workers and those in self-employment. The contractions in both oil and non-oil sectors caused disruptions to employment, increased job losses, and reduced household income. This has contributed to a rise in poverty rate that was slightly falling in 2017/18, to reach around 31 per cent.

The Iraqi economic structure is undermining the private sector's role in being the real engine for employment, as around 40 per cent of all jobs are in the public sector, while the private sector accounts for roughly 50 per cent of employment. The number of employees in the public sector has continued to increase in recent years, putting pressure on government finances and exacerbating the deficit problem because of the high wages bill. The public sector is an attractive employment opportunity with high wages, stable employment and generous pensions, which has led to a growing trend among university graduates and youth in general to seek employment in the public sector, and aggravating the unemployment and productivity problems. Furthermore, this has also contributed to a skills-mismatch in the labour market, as graduates focus on gaining skills relevant to the public sector (such as medical, engineering and sciences) at the expense of disciplines that are required by the private sector.

Accounting for roughly 50 per cent of employment, the private sector’s activity is mainly informal and concentrated in retail, construction, textiles, trade, engineering, transportation, hospitality, food and chemicals. The industrial base in Iraq is considered weak and not diversified, suffering from years of neglect and lack of supportive industrial policies. Generally, this is attributed to the lack of a supportive business environment, but the pandemic and macro-economic situation (low priced imports) have contributed significantly to the lowering domestic demand, thus driving many small industries out of the market. In turn, the agribusiness sector has the potential to generate significant employment opportunities, but the development of this sector has been constrained and negatively affected by a combination of factors, including political conflicts and underinvestment, and the additional burden of the COVID-19 pandemic and its impacts on the economy. Like other small and medium enterprises, Iraqi food and agriculture businesses have mostly responded by temporarily reducing employment.

Yet most of the structural change in Iraq has taken place through the expansion of the services sector. As a share of GDP, services increased from 10.6 per cent in 2000 to a peak of 53.5 per cent in 2015, before declining slightly. At the same time, labour utilization is relatively low; the estimated labour force participation rate was at 43.1 per cent in 2020.

Most of the private sector is composed of MSMEs with few large, mostly family run businesses (mainly in the construction, telecommunication, and domestic trade sectors). MSMEs face a myriad of problems that limits their ability to absorb the unemployed labour force. The high informality characterizing the sector makes it unattractive for job seekers on the one hand, and on the other hand, the sector itself suffers from magnified general private sector challenges, given its size. MSMEs lack access to financial and non-financial services, and although a law on Small and Medium Enterprises was adopted, stakeholders see challenges in its implementation. All stakeholders (government, development partners, NGOs) have one or more programmes that target SMEs' development, however the challenge is to have a coordination mechanism that can amplify the impact.
Thus, compared to the public sector, the private sector has lower average wages, job security, benefits, and sometimes lack formal contracts. Informality is a major issue within the private sector in Iraq and affects the quality of both products/services as well as jobs. Job opportunities available for youth are more likely to be in the informal sector than the formal sector, which lacks formal contracts and social protection. This increasing proliferation of small-scale economic activities in the informal economy, though providing a cushion in times of crises, is in the long-term going to cause a disruption in the labour market if not addressed.

In turn, certain groups of workers face particular challenges in accessing decent work. Women, internally displaced populations and refugees in particular face considerable challenges. Iraq has one of the lowest female labour force participation rates in the world, as some 87 per cent of women are economically inactive (compared to 26 per cent of men). Women continue to experience discrimination in access to employment, promotions, credit and pay equity. Most women with low skills and low education levels are concentrated in the informal economy – including in agriculture - where many are self-employed, and where protections such as maternity leave, health care, sick leave and pensions do not exist. Highly educated women tend to be well represented in the public sector (including in health, social work and education) though few are in senior or decision-making positions. The gender-pay gap in Iraq also impacts on the quality of employment for women as women in both the public and private sectors earn significantly less than men with similar education, skills and experience levels. Promoting women’s access to economic opportunities not only improves the welfare of women and reduces inequality, but also implies large benefits in terms of output and economic growth. According to studies, boosting female labour force participation enough to raise the country’s labour force participation rate to its income group average (upper-middle income countries) would increase GDP per capita by almost 31 per cent.

In addition to reduced employment prospects for the women, internally displaced people (IDPs) also suffer from significant challenges in the labour market. The protracted conflict and ISIL crisis have resulted in the internal displacement of large numbers of Iraqis. In 2018 it was estimated that around 2 million Iraqis were IDPs. IDPs have suffered multiple adverse shocks, including the loss of most of their assets, wealth and jobs or businesses. Reliable data on IDPs’ employment is difficult to obtain, but some sources suggest that a majority of IDPs are unemployed. The impact of the rise in IDPs on the labour market has resulted in increased competition for a limited number of jobs in mostly urban centers. Those who do work are often pushed into precarious work and are underpaid. IOM reported that jobs frequently do not provide sufficient income, especially in Kirkuk and Ninewa, and families must rely on multiple income sources. As time goes on, access to employment becomes more difficult for IDPs, as skills go unused and qualifications become outdated. In turn, Iraq hosts around 250,000 refugees from Syria, the majority of whom are in KRI. Refugees face a number of barriers to accessing formal employment, and while some refugees have managed to gain employment in the public sector in KRI (despite legal nationality requirements), the majority of them find informal work in the private sector. Thus refugees and IDPs often struggle to integrate into the labour market and their employment rates, wages, and working conditions lag behind locals.1 Yet, access to adequate job opportunities remains of fundamental significance to IDPs and refugees.2

Thus, there are underlying challenges to decent work in the labour market that need to be addressed.

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1 World Bank (2021)
2 ILO (2018)
The reason for the high rates of unemployment and decent work deficits in Iraq is related to the presence of a number of political, security, economic and social challenges, the most important of which are:

- The post elections tense political situation
- The deterioration of the security situation and its repercussions on the business environment
- The acceleration of population growth rates and its repercussions on the growth of the labour force
- The recent decline in economic growth
- The weak contribution of the private sector in providing job opportunities
- The gap between the outputs of education and the needs of the labour market
- The absence of mechanisms and programmes in the national employment policies addressing the pressing unemployment problem

On the other hand, the pressure caused by the worsening economic situation as a result of the dual shock has raised the urgency between government and development partners to take actions. Most important opportunities are:

- The approval of the Cabinet on the White Paper and having it as a roadmap and way forward for inter-governmental cooperation
- The emergence of innovative sectors (e.g. digital solutions and apps, e-commerce, fintech... etc.) that can attract youth employment and entrepreneurship
- The high growth in agriculture sector and hence the Food&Beverage
- Controlling the budget deficit will lead to reducing the wage bill in the public sector, which eventually should direct graduates to the private sector
The ILO in Iraq

In March 2020, the ILO opened its first Iraq country coordination office in Baghdad to provide better support to the government, workers and employers of Iraq in promoting decent work and increasing employment opportunities, as part of the country's post-conflict reconstruction. As well as coordinating on existing work with a project office in Erbil, the Baghdad office oversees the implementation of a large portfolio of projects.

Iraq has been a member of the ILO since 1932 and has ratified 70 ILO Conventions, including all eight fundamental Conventions. In 2019, Iraq and the ILO launched the country’s first Decent Work Country Programme (DWCP). DWCPs are the ILO’s main vehicle to implement its decent work agenda and to deliver policy, institutional and development cooperation support to member states. The DWCP in Iraq was developed in close consultation with Iraq’s government and its worker and employer representatives, to ensure alignment with the national development frameworks of Iraq.

In line with the first Decent Work Country Programme (2019– 2023), the ILO is:

- Supporting private sector development and job creation
- Strengthening social protection and addressing child labour
- Strengthening labour governance and social dialogue

The ILO’s Development Cooperation (DC) portfolio in the country is growing and has reached a total budget of US$26 million, sourced mainly from the European Union, the Government of the Netherlands, the European Regional Development and Protection Programme for Lebanon, Jordan and Iraq (RDPP II), German Federal Ministry for Economic Cooperation and Development (BMZ), IOM, UNESCO and ILO’s Regular Budget Supplementary Account (RBSA).

Since the establishment of the ILO office in Baghdad in 2020, a total of 30 staff members have been employed in both Baghdad and Erbil.

Decent work in Iraq: From conflict to recovery
Highlights of ILO’s work under the Decent Work Country Programme:

Priority 1: Job creation and private sector development

- Introducing Employment-Intensive Investment Programme (EIIP) in Iraq to support immediate job creation in areas affected by the succession of crises, by providing short-term employment linked to skills development and employment services. This includes EIIP interventions in water irrigation and waste management as well as interventions in preserving and enhancing cultural heritage sites.
Improving refugees’ access to public employment services in Iraq, that include job and skills matching services, career guidance and counselling, as well as on-the-job training opportunities. This also includes developing and upgrading an existing online employment system, and training employment officers on the on-line platform as well as on business counselling, to further facilitate job-matching between job-seekers and employers.

Facilitating business development support services for women, youth, IDPs, and refugees by introducing ILO’s Start and Improve Your Business (SIYB) and Financial Education training programmes with the financial support of the Government of the Netherlands and the German Federal Ministry for Economic Cooperation and Development (BMZ).
Introducing Start and Improve Your Business (SIYB), to selected staff of IOM, to enable them to deliver the programme to IOM-supported existing and potential entrepreneurs. This will provide entrepreneurs with quality support services that will allow them to start or enhance the performance of businesses and, in turn, create employment opportunities for internally displaced and host communities.
Supporting the implementation of Know About Business (KAB), an entrepreneurship education programme that aims to incentivize youth to engage in entrepreneurship after graduation, with the support of BMZ. The curriculum was successfully adopted by technical and vocational training centres in the KRI under MoLSA’s supervision.

Launching a financial inclusion initiative in collaboration with the Central Bank of Iraq, with the support of the Government of the Netherlands. The initiative provides young women and men and small businesses with access to much-needed financial services that will help them start and develop their own businesses, while addressing barriers to decent self-employment.
Supporting the Ministry of Youth and Sports to conduct the youth employability survey, in collaboration with UNFPA and the Central Statistical Organization (CSO). Funded by the Swedish Government, the UNFPA-led survey emphasises the challenges young people in Iraq face trying to enter the labour market.

Survey exposes increased frustration among youth and need for private sector investments in Iraq

Conducting a nation-wide labour force survey to support an evidence-based national employment policy in collaboration with Central Statistical Organization (CSO) and the Kurdistan Regional Statistical Organization (KRSO). The results will feed into the development of a comprehensive national employment policy for Iraq that will facilitate job creation, decent work and social protection for all workers in the country.

Employment Policies formulated in Iraq using strengthened LMI systems and LM statistics

National Employment Policy to facilitate job creation and decent work in Iraq
Working with the European Union, UNDP, UNWOMEN, IOM and the Cash and Livelihoods Consortium for Iraq (CLCI), on the development of an informality diagnostic study and an assessment on the impact of COVID-19 on the labour market, to identify the multiple and wide-ranging factors contributing to informality and the burdens imposed on the formalisation of enterprises and workers in the country.

For the first round of the COVID-19 assessment, see:
**Priority 2: Vulnerabilities in Iraq are reduced through extension and strengthening of social protection to fill coverage and adequacy gaps, and an effective framework to address child labour**

Reforming social protection through a joint programme implemented with WFP and UNICEF and supported by the European Union. Working closely with the Ministry of Planning, the Ministry of Labour and Social Affairs, and the Ministry of Trade, the programme puts forward an actionable roadmap for 2021-2025 to reform social protection as outlined in the White Paper. The overarching objective of the project is to promote equitable access to integrated social protection system to the vulnerable, including children, youth, women, elderly, PwD and IDPs in Iraq, as well as informal workers.
The ILO’s focus within this programme is to strengthen the capacity of the Ministry of Labour and Social Affairs to effectively deliver social security and improve the efficiency of implementation systems; to improve coordination between social security on the one hand, and social assistance and employment policies on the other; to extend the scope of social security through legislative reform; and to extend the coverage to informal workers through the design and implementation of evidence-based and proactive approaches.

Working with the Cash and Livelihoods Consortium for Iraq (CLCI) to advance the Humanitarian-Development-Peace Nexus and improve economic opportunities for vulnerable populations. The collaboration builds on existing efforts to support vulnerable workers and enterprises with decent job creation and business development services.
Tackling the worst forms of child labour amongst IDPs, refugees, and vulnerable host communities in Iraq, with funding from the European Regional Development Protection Programme for Lebanon, Jordan and Iraq (RDPP II) – a joint European initiative by the Czech Republic, Denmark, the European Union, Ireland and Switzerland.
Efforts to combat the worst forms of child labour include the establishment of a Child Labour Monitoring System and the development of a national action plan against child labour to ensure vulnerable children have access to formal and non-formal education. The project has also established child friendly and learning spaces for children withdrawn from labour or at risk of it, in addition to linking their parents and caretakers to other livelihood and training programmes.
In addition to the RDPP-funded activities, the ILO is supporting the government in a nation-wide campaign to combat child labour. The campaign targets 10,000 children, their families and guardians, teachers, employers, and the media through a series of activities which aim to raise awareness on the increasing dangers of child labour, mobilise efforts to reach the heart of communities most impacted by the rise of child labour in the country; and encourage activities to amplify the voices of those effected by the problem.
Children, journalists and local organizations say "No to Child Labour" in Iraq’s Kurdistan region

Children, journalists and local NGOs join campaign to combat child labour in Iraq’s Kurdistan region

ANIMATION VIDEO
**Priority 3:** Labour market governance is strengthened in order to promote the realisation of Fundamental Principles and Rights at Work through improved social dialogue mechanisms

- Implementing a programme to enhance labour governance, inspection and working conditions, with the support of the European Union. The project focuses on developing a comprehensive labour inspection reform plan and national labour inspection and Occupational Safety and Health (OSH) policies and strategies in response to COVID-19, and in close consultation with social partners.

Under the EU-funded project, the ILO is finalizing an assessment report on the existing labour inspection system, with the purpose of highlighting its challenges, gaps and weaknesses and providing recommendations for reforming the current situation. The work is being conducted in consultation with the Ministry of Labour and Social Affairs and social partners.
At the capacity-building level, the project is building the capacities of representatives from workers’ and employers’ organizations on labour inspection and OSH topics, as well as Ministry of Labour and Social Affairs from Federal Iraq and the Kurdistan Region of Iraq.
Building on the ILO's comparative advantage in strengthening labour markets, promoting access to improved working conditions and fundamental rights at work, the ILO and the Ministry of Labour and Social Affairs organised the first national labour market conference in Iraq. Held Under the Patronage of His Excellency Prime Minister Mustafa al-Kadhimi, the conference brought together partners from across the spectrum to discuss some of the key issues shaping Iraq's labour market, with discussions focusing on the impact of the COVID-19 pandemic on the world of work and finding solutions to address the country's decent work needs.

Conducting a study, in partnership with Cash and Livelihood Consortium of Iraq, on economic relief, recovery, and resilience for Southern Iraq, that assesses the different dimensions of socio-economic vulnerability in the south of Iraq and provides a solid basis for designing interventions related to vulnerability reduction and economic development in the area.
Key Achievements

1. Supporting the review of the draft retirement and social security law, which is currently under consideration by the Parliament.

2. Supporting the review of the draft labour law in the Kurdistan Region of Iraq.

3. Introducing employment intensive investment programme (EIIP) interventions to government officials, local authorities, UN agencies and youth and promoting Decent Work Principles through various works.

4. Building the capacity of Ministry of Labour and Social Affairs officials, private business providers and youth on ILO's Start and Improve Your Business (SIYB) and Know About Business (KAB).

5. Developing a financial inclusion initiative in collaboration with the Central Bank of Iraq and other stakeholders to help young Iraqis and entrepreneurs as well as existing businesses to access much-needed financial services that will help them start and develop their own businesses.

6. Supporting the development of an Occupational Safety and Health national policy.

7. Supporting the development of a modern labour inspection system.


9. Supporting the national ratifications of Safety and Health in Agriculture Convention, 2001 (No. 184), the Seafarers’ Identity Documents Convention (Revised), 2003 (No. 185), Maternity Protection Convention, 2000 (No. 183), and Social Security (Minimum Standards) Convention, 1952 (No. 102).

10. Launching an informality diagnostic and drafting a national framework for the transition from the informal to the formal economy.
## In Numbers (2020-2021)

- **20,000** people supported through the Decent Work Country Programme, including IDPs, refugees and host community members
- **18,360** working days created through EIIP interventions
- **6,984** job seekers registered through ILO-supported employment services
  - **714** job seekers placed in jobs (**40%** women)
- **90** trainers trained on ILO’s Start and Improve Your Business
- **1,220** entrepreneurs reached through ILO’s Start and Improve Your Business
- **46** trainers trained on ILO’s financial education programme
- **240** entrepreneurs reached through ILO’s financial education training
- **57** trainers are trained on ILO’s Know About Business
- **82** students reached through ILO’s Know About Business
- **2,220** working children registered in child labour monitoring system/child friendly centres
- **274** school administrators, social workers and teachers trained on child labour
- **10,000** children reached through a child labour awareness raising campaign
- **70** labour inspectors trained on modern labour inspection procedures
  - **20** inspectors train as trainers
- **4** ILO Conventions ratified by Iraq
- **3** draft laws reviewed
- **2** policies drafted
- **4** studies published
Lessons learned

The establishment of an ILO coordination office brought many challenges and opportunities. The main challenges were related to issues of security and mobility, which quickly worsened with the outbreak of COVID-19. But with this came opportunities to build a country team, to establish relations with partners, constituents, and other UN agencies, to mobilise resources and build new projects, and to leverage the experience from the region to help the Decent Work Country Programme address the labour market needs of Iraq and its people.

From a programme's point of view, the establishment of the ILO coordination office has been extremely positive. In the Arab States, Iraq is one of the biggest countries the ILO is operating in, with a population of nearly 40 million. The ILO mandate and expertise is needed in Iraq now more than ever. Due to decades of conflict and displacement, the need for humanitarian assistance has outweighed that of development for many years. But now, there is a need to work on recovery and development as part of the country's post-conflict reconstruction, in terms of job creation, formalisation, skills development, and finding sustainable solutions to address the decent work priorities of Iraq.

The increased recognition that humanitarian measures must lead to sustainable development opens concrete windows of opportunity for strengthening comprehensive and sustainable social protection systems and labour market institutions in the longer term so that they can better cope with future shocks and address the impact of structural transformation. In 2017, the ILO reinvigorated its mandate in the Humanitarian-Development-Peace (HDP) Nexus with the adoption of the Recommendation No. 205 on Employment and Decent Work for Peace and Resilience. It is the only international normative framework providing guidance for addressing world-of-work issues in response to crisis situations, including health pandemics, armed conflict, natural disaster, environmental degradation, and forced displacement. The ILO is working towards putting the imperatives spelled out in the Sustaining Peace Agenda and the Humanitarian-Development-Peace Nexus into practice; notably focusing on employment and decent work contributions to peace. To do so, the ILO DWCP aims at systematically ensuring that all interventions are implemented through peace-responsive approaches.

The COVID-19 crisis has allowed us to see that ILO priorities need to be linked through an integrated approach, in order to contribute to a holistic theory of change to address the current labour market and employment needs and the longer term decent work priorities of the country. Workers and employers, as well as their representative organizations, must have an opportunity to engage effectively in the design of the responses to the COVID-19 pandemic and recovery strategies. Workers' and employers' organisations' participation should be key to ensure that these programmes contribute to formalization, support enterprises and workers' income and link to active labour markets policies.

The ILO is closely engaged with UNCT/RCO efforts to coordinate the implementation of the DWCP in view of the new UNDAF 2020-2024, in particular seeking to encourage participation of constituents in training and capacity-building efforts.

The ILO DWCP is implemented through three levels:

- **Policy level**: Decent work policy frameworks are inclusive of targeted vulnerable groups and are shock responsive through enhanced evidence, legislations, financing, and harmonization across Federal, KR, and Governorate level with effective development-humanitarian peace nexus.

- **System level**: Building and strengthening the systems with tools, capacities, and operational frameworks to ensure providing and continuity of quality service delivery and to operationalize the humanitarian-development nexus.

- **Programmes level**: Shock responsive programmes are introduced or scaled-up to address the needs of targeted vulnerable groups including women, youth, IDPs and refugees, in the short term and to enable human capital investment and economic inclusion in the long term.
| Indicator 1.1.1: Increased number of livelihood opportunities in target areas (especially among IDPs, women and youth) | EMP | Directorate General of Municipalities in Duhok | Directorate of Irrigation in Duhok | Directorate of Environment in Duhok | Trade Unions - KRI | UNICEF - through VOP organization | uhok Polytechnic University | High Commission Erbil Citadel (HCECR) | Directorate of Antiquities in Duhok | UNESCO | Erbil Polytechnic University |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |

**PROSPECTS - EIP interventions**
In September 2021, two projects were completed. First project aimed to improve more than 50 KM irrigation channels in Duhok Governorate and the second project supported the solid waste management and awareness generation activities in Duhok-Semel area. Later, in the second half of 2021, five new proposals were identified to be implemented in 2022.

**Cultural Heritage Conservation through EIP**
In partnership with UNESCO, the ILO is implementing Cultural Heritage conservation works in the Erbil and Duhok Governorates. In 2021 the works included repair and renovation activities at the Citadel of Erbil. In addition, two interventions were identified in Duhok to be implemented in 2022.

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<th>Indicator 1.1.2: Increased number of skilled workers to meet market demand resulting from reconstruction investments</th>
<th>EMP</th>
<th>Directorate General of Municipalities in Duhok</th>
<th>Directorate of Irrigation in Duhok</th>
<th>Directorate of Environment in Duhok</th>
<th>Duhok Polytechnic University</th>
<th>High Commission Erbil Citadel (HCECR)</th>
<th>Directorate of Antiquities in Duhok</th>
<th>UNESCO</th>
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**EIIP trainings**
The implementing partners were trained on planning, designing and monitoring employment intensive activities. The trainees were engineers, technicians, skills workers, trade union supporting staff and young engineers. (Directorate engineers and supervisors/group leaders, contractors’ technicians and skilled workers, Trade Union, inspectors, and young engineers from Polytechnic University).

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<th>Indicator 1.1.3: Increased number of workers (especially IDPs, women and youth) who benefit from sustained employment opportunities in target areas</th>
<th>EMP</th>
<th>Ministry of Labour and Social Affairs, KRG</th>
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**MOLSA’s capacity to provide enhanced employment services improved.**
Extended outreach of employment services to refugees and IDPs inside the camps. A total of 6,984 job seekers registered, (4,474 male, 2,510 female), 1,287 job seekers referred (758 males, 529 females); 714 placed (40% women). A new IA with MOSLA is now under process, which focuses more on building capacity of MOLSA on ILO tools for provision of improved quality services, as well as career guidance and career counselling.
**Outcome 1.2:** The job creation potential of MSMEs in high-potential sectors is increased, and their operating environment is enhanced

**Indicator 1.2.1:** Capacity of Iraqi business development service providers built and operational, with a focus on youth.

**Partner BDS Providers:**
- European Technology and Training Centre
- Danish Refugee Council Iraq
- Bishkoreen Development of Women and Children
- Zakho Small Village Project
- KURD-M.A.D organization for Culture and Democracy
- Mercy Corps Iraq
- Peshdari Ltd. Company for Managerial Consultations, Training and feasibility studies
- Kurdistan Youth Freedom Organization
- Ministry of Labour and Social Affairs, Kurdistan Regional Government Department of Labour and Social Affairs, Nineveh (affiliated to MOLSA Federal Government)
- Halabja Chamber of Commerce and Industry
- ACTED Iraq
- Al-Thiqa Iraq
- Central Bank of Iraq
- National Bank of Iraq
- Iraqi Company for Bank Guarantees
- Iraqi Middle East Investment
- Triangle
- Cihan Bank
- Five One Labs
- Izdiharona Org Relief International
- Dr’s Aid for Medical Activities Dohuk University Mosul Institute for Science and Technology Chamber of Instry, Mosul Northern Technical University
- ArcheNova
- Malteser International
- Human Appeal
- GroFin
- Ministry of Education of the KRG
- Action Against Hunger
- AUIS-Innovation and Entrepreneurship Center
- Norwegian Refugee Council
- Duhok University
- Harikar Organization
- Sulaymaniya University
- Preemptive Love
- Human Rights Center in Halabja and Gender Department
- Kurdistan Economic Development Organization

**Increased capacity of business development services providers to offer start-up and business management training**
- **90 trainers** from 20 public, semi-private and private organizations are able to provide quality start-up and business management training services to potential entrepreneurs and established businesses to grow.
- **32 partner organizations**, including private, semi-private and public organizations, have higher capacity to deliver, manage, monitor and improve the provision of start-up and business management training services based on the Start and Improve Your Business training program (SIYB).
- **986 entrepreneurs** (as of 26 November 2021) have improved their business management skills and obtained knowledge on how to start a business during the timeframe from January-November 2021.
- **321 entrepreneurs** (as of November 2021) have obtained on how to start a business based on the SIYB program

**Increased capacity of business development services providers to offer entrepreneurship education**
- **57 KAB teachers** from 7 Technical and Vocational Training Centres, and schools are capable of teaching entrepreneurship education to young women and men in the KRI.
- **82 students** from Technical and Vocational Training Centres in the KRI have adopted a more positive attitudes towards enterprise as a career option.
- **7 selected Technical and Vocational Training Centres** in the KRI under the supervision of the Ministry of Labour and Social Affairs have improved their capacity to implement the KAB program at schools and centers targeting youth and adults.
- **10 zonal supervisors** and **1 national supervisor** have been certified to manage, monitor and supervise the KAB entrepreneurship education program in the KRI for long-term sustainability.
- The Ministry of Labour and Social Affairs of the KRG has successfully adopted and disseminated the KAB entrepreneurship education program in the KRI.
### Indicators and Progress

| Indicator 1.2.2: Access to finance for Iraqi youth is enhanced through financial literacy and inclusion. | ENT | - ArcheNova  
- Malteser International  
- Human Appeal  
- GroFin  
- Ministry of Education of the KRG  
- Action Against Hunger  
- AUIS-Innovation and Entrepreneurship Center  
- Norwegian Refugee Council  
- Duhok University  
- Harikar Organization  
- Sulaymaniyah University  
- Preemptive Love  
- Human Rights Center in Halabja and Gender Department  
- Kurdistan Economic Development Organization | Increased capacity of business development services providers to offer financial education  
- 46 trainers from public and private partner organizations are able to provide financial education services to women and men, entrepreneurs, youth, refugees and IDPs.  
- 21 partner organizations (public, semi-private and private) have higher capacity to provide, market, manage and improve financial education services within their organizations.  
- 241 entrepreneurs (as of 26 November 2021) have acquired financial capabilities to make better and informed financial decisions within the timeframe from August-November 2021 |
| Indicator 1.2.3: Operationalization of the private sector strategy with capacity of related Iraqi social partners built, SME data collection enhanced and SME-conducive legislation drafted. | ENT | IFI  
MOLSA  
MOP  
IOM  
FAO  
ITC  
Fafo | COVID-19 in Iraq: Private Sector Impacts  
- presents findings from two assessments on the impact of the COVID-19 pandemic on households and enterprises in Iraq carried out in June and July of 2020, one- a Panel Study of Small and Medium Enterprises- by IOM, FAO and ITC, and a second one- also a panel study on Small Scale Enterprises- by ILO, FAO and the Cash Consortium for Iraq (CCI).
<table>
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<tr>
<th>IRAQ</th>
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<tbody>
<tr>
<td><strong>Outcome 1.3:</strong> Functioning labour market information systems enable evidence-based policy-making on employment</td>
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<tr>
<td><strong>Indicator 1.3.1:</strong> Number of follow-up surveys conducted by statistical institutions</td>
<td>EMP</td>
<td>MOLSA, MOP, UNDP, UNWOMEN, IOM, CLCI, Fafo</td>
<td>Coping alone: The state of small-scale enterprises and vulnerable workers in Iraq eight months into the COVID-19 pandemic – The report examines how the COVID-19 pandemic has affected particularly vulnerable types of enterprises and groups of workers in central and northern parts of Iraq. These are typically small-scale and highly informal enterprises and workers characterised by low skills, low income and low job security. Although the survey data on which this report is based are not representative for enterprises and workers at a national level, they include enterprises and workers that make up considerable parts of the Iraqi business and labour markets and which need special attention with respect to the COVID-19 pandemic.</td>
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<td><strong>Indicator 1.3.2:</strong> Number of thematic studies carried out to inform policy-making in defined areas of the Decent Work agenda</td>
<td>EMP</td>
<td>MOLSA, MOP, UNDP, UNWOMEN, IOM, CLCI, Fafo</td>
<td>A diagnostic of the informal economy in Iraq - A joint partnership between UN agencies, development partners and the Government was launched to conduct a diagnostic on informality in the Iraqi labour market. The study seeks to gain a better understanding of the informal economy and build a baseline for monitoring progress towards formalisation; extract information on the causes and consequences of informality; provide insights on the types of activities that support the transition to formality for informal economy workers and economic units; and agree on priorities and responsibilities and to define an action plan and a road map for a policy response.</td>
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<tr>
<td><strong>Indicator 1.3.3:</strong> New National Employment Policy for Iraq drafted, with capacity of relevant Iraqi tripartite stakeholders built.</td>
<td>EMP</td>
<td>MOLSA, MOP, MOA, MOI, MOF, MOE, Trade unions, IFI</td>
<td>A committee, composed of government officials, social partners and other relevant stakeholders met in Amman to discuss the development of a comprehensive national employment policy for Iraq that will facilitate job creation, decent work and social protection for all workers in the country. Organised by ILO, the week-long event brought together representatives of various ministries, including His Excellency Minister of Labour and Social Affairs, Adel Al-Rikabi. It was also attended by representatives of the General Federation of Iraqi Trade Unions and academics.</td>
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<tr>
<td><strong>Outcome 2.1:</strong> A national social protection system is available to ensure adequate protection to all those in need in a coordinated and cost-effective manner</td>
<td>SOC PRO</td>
<td><strong>Government:</strong> MoLSA, MoP, MoT, ParliamentLabour Unions, and IFIUN: UNICEF, WFPIMF and WB</td>
<td>An MOU was signed between the government of Iraq and the UN (ILO, UNICEF, WFP) on the reform agenda of Social Protection with a clear work plan (another MOU is to be signed in Dec 2021 at KRI level). A Social Protection steering committee was established, which includes line ministries (MoP, MoLSA, MoT) and UN (ILO, WFP, UNICEF). A first meeting was held. A broader sectoral coordination committee has been agreed to be established, which will bring other players in the sector such as the World Bank. ILO-IMF pilot has been initiated. The main focus on this partnership is to work at developing a joint policy paper on Social Security reform, based on a number of technical exercises (different scenarios costing, simulating impact assessments, and fiscal space analysis). The joint policy paper will look at both private and public pension systems as well as the potential to close the coverage gap with non-contributory social pension.</td>
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**Indicator 2.1.1:** Private sector social security reforms implemented and policy/administrative coordination arrangements between private and public social security schemes and social assistance developed | SOC PRO | **Government:** MoLSA, MoP, MoT, ParliamentLabour Unions, and IFIUN: UNICEF, WFPIMF and WB | Two draft Social Security Laws for Private Sector Workers in the process of enactment (federal and KRI) At the Federal level, nine days of technical workshops were convened to review the draft law and strengthen it based on international best practices and ILO standards. ILO provided technical assistance and assessment of the law and ensured they are reflected in the revised draft. If the draft is enacted, it will extend SS to millions of Iraqi workers including informal sector workers as well as introduce new short-term benefits (maternity and unemployment). Deliberations included the views of tripartite partners and documented consensus achieved. Latest version of draft law is consistent with C102. For KRI, a legal assessment has been completed of the draft law, and a first tripartite meeting was held to review ILO’s package of technical assistance that will be provided in KRI. Government of Iraq Ratified C102 in June 2021. ILO is providing technical support to assess the legal gaps as well as building national capacity to report on progress. An institutional assessment for the delivery system has been conceptualized and a consultancy team are being recruited. This will assess the ability of the delivery system to efficiently implement the draft Law. A capacity building programme is included and key solutions are to be tested. An RfP has been issued to conduct set of policy papers about the extension of social security to informal workers in Iraq. The focus here will be to generate evidence more specifically on barriers to registering with social security and entitlement to the benefits provided therein – with a focus on three key sectors of employment (agriculture, construction and manufacturing) – and provide recommendations on the extension of social security coverage to workers in those sectors. Once the law is passed, ILO will work with partners to launch a public awareness campaign to inform workers of their rights under the new law. |
| Indicator 2.1.3: Rights-based design and implementation approaches inform the ongoing reform of social assistance system, with a view to addressing life-cycle vulnerabilities | SOCPRO | Government: MoLSA, MoP, MoT, Parliament Labour Unions, and IJI UN: UNICEF, WFP IMF and WB | Life-cycle approach to reforming social assistance is the core of the EU-fund JP, which has been agreed by the GoI. ILO is providing technical assistance to UNICEF-led component of the JP. The ILO costed scenarios for social pension. It conceptualized a model for creating synergy between the two branches of social protection: social assistance and social security. The aim for this synergy is to close the coverage gap in old-age income security through constructing an old-age Social Pension Floor that consolidates fragmentation into a coherent, effective, and impactful system of social protection. The ILO-IMF pilot programme will further strengthen the evidence base in support of this synergy. |

**Outcome 2.2: Fewer vulnerable Iraqi children are exposed to child labor**

| Indicator 2.2.1: A National Action Plan (NAP) against child labor is developed, in collaboration with UNICEF and national authorities (MOLSA) | FUNDM | MOLSA, MOP, MOH, MOE, MOI, The General Federation of Iraqi Workers, The General Federation of Iraq Trade Unions, The Conference of Iraqi workers Federations and Unions | A steering committee was established for increased ownership of the national entities and direct engagement and capacity building to support the project and its goals to tackle the Worst Forms of Child Labour. Technical support is provided in reviewing labour law and child protection policies with the aim to embed the main concerns related to child labour vulnerabilities as well as to ensure alignment with international labour standards and conventions 138 and 182. Awareness raising campaign launched with direct outreach at schools, refugee camps, industrial zones, hospitality and other areas with risk of child labour, which led to promote attitudinal change among the public, including IDPs and refugees against child labour. |

| Indicator 2.2.2: Relevant teams within MOLSA – including the labour inspection department and its affiliated Child Labour Unit, and the Child Welfare Department – have enhanced capacity to address child labour | FUNDM | MOLSA, MOP, MOI, MOE, The General Federation of Iraq Workers, The General Federation of Iraq Trade Unions, The Conference of Iraqi workers Federations and Unions | 274 school administrators, social workers and teachers are trained on child labour, its principles, and mechanisms and accordingly able to identify the vulnerabilities and how to protect children from the worst forms of child labour and help continue education. 14 senior managers from government and union representatives have higher capacity to apply fundamental principles and rights at work derived from ILO conventions and recommendations, which set international standards on a broad range of issues including elimination of child labour. Preparations for training 200 officials in collaboration with UNICEF, as co-custodians of Target 8.7 of the Sustainable Development Goals. |

<p>| Indicator 2.2.3: The piloting of direct services to combat child labour in targeted governorates generates lessons learned for scaling up to the national level. | FUNDM | MOLSA, MOP, MOH, MOE, MOI, al-Tahreer Association for Development, Kurdistan Save the Children/KCF, Child Protection Sub-Cluster | Rapid assessment conducted. Partnership established with two national NGOs, capacities enhanced to support the implementation of the project to tackle the worst forms of child labour. CLMs established and piloted in target areas. 8 child friendly spaces established. More than 2,200 cases registered and received initial support. |</p>
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<td><strong>Outcome 3.1:</strong> Improved contribution of the social partners to tripartite institutions, based on the principles of social dialogue and freedom of association</td>
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<td><strong>Indicator 3.1.1:</strong> An effective mechanism to determine the most representative workers’ organisation [for purposes of participation in tripartite institutions] is established and functioning.</td>
<td>ACTRAV-ACTEMP</td>
<td>IFI Trade unions</td>
<td>Tripartite workers unions committee for DWCP established to represent effectively and efficiently all workers unions.</td>
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<td><strong>Indicator 3.1.2:</strong> The number of recommendations developed by social partners on implementing national development objectives related to jobs, skills developments, social security, decent work and private sector development, and adopted by the Government</td>
<td>ACTRAV-ACTEMP</td>
<td>IFI Trade unions</td>
<td>ILO is providing support to enhance awareness among constituents of the operational implications of the ratification of C87, as well as the legal situation vis-à-vis the current proposed Trade Union law. The social dialogue on the new Social Security Law, OSH and labour inspection, which envisages a tripartite management structure, provides an effective focus for capacity building.</td>
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<tr>
<td><strong>Indicator 3.1.3:</strong> Number of social dialogue platforms institutionalised and strengthened</td>
<td>ACTRAV-ACTEMP</td>
<td></td>
<td>Tripartite steering committee for DWCP established as a platform to discuss progress, challenges, and lessons learned.</td>
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**Outcome 3.2:** Labour inspection and OSH services are more effective in preventing and detecting non-compliances with national and international labour standards

**Indicator 3.2.1:** The availability of a national system for reporting work-related accidents, injuries and diseases

LABADMIN/OSH - Ministry of Labour and Social Affairs - National Center for Occupational and Health

The national OSH policy is finalized and has been drawn with the objective of providing guidance to those engaged in the framing of provisions and the setting up of systems, procedures and arrangements for the recording and notification of occupational accidents and diseases, and their investigation and prevention. As such, it serves as a useful instrument to the competent authorities in developing systems for the recording and notification of occupational accidents and diseases. It also provides valuable guidance for joint action by employers and workers and for activities carried out by governments and other organisations aimed at the overall prevention of occupational accidents and diseases. Based on the policy recommendations, working machinery and tools will be updated at the beginning of 2022.

**Indicator 3.2.2:** The numbers of violations, complaints and disputes relating to working conditions and OSH.

LABADMIN/OSH - Ministry of Labour and Social Affairs - National Center for Occupational and Health

**Indicator 3.2.3:** The production of an annual quality report in line with the requirements of the Labour Inspection Convention (C81)’s

LABADMIN/OSH - Ministry of Labour and Social Affairs - National Center for Occupational and Health

The capacity building of 70 labour inspectors (46 males and 24 females) is strengthened across the Federal of Iraq and the KRI on effective modern labour inspection procedures. In the coming few months, the project, in coordination with the MoLSA of Baghdad and Erbil will further select 20 inspectors to participate in the Training of Trainers (ToT) programme. Simultaneously, the ILO – through the Regional Office of Arab States – held a three-day technical workshop with representatives of the Iraqi Government (including the MoLSA of the Federal of Iraq and the KRI) and social partners to enhance their capacities in reporting on international labour standards and conventions, and to support progress on maternity protection through labour inspection and compliance services. The workshops were part of efforts to support Iraq in providing regular reports to the ILO on the application of international labour standards instruments.

**Indicator 3.2.4:** Adoption of a strategic compliance planning approach by the labour inspectorate

LABADMIN/OSH - Ministry of Labour and Social Affairs - National Center for Occupational and Health

The first series of workshops was held on the ILO tool on SCP inspection in cooperation with the LABAMDIN/OSH department in the ILO headquarters. The workshop was physically attended by representatives from the MoLSA and workers’ and employers’ organisations. The main goal of the series of workshops is to develop a strategic compliance inspection process for which the inspectorates, resources, data and targets are well identified, thereby ensuring that all inspection activities are risk- and evidence-based and that the available relevant resources are moved in the right direction.

**Indicator 3.2.5:** Automation of labour inspection activities

LABADMIN/OSH - Ministry of Labour and Social Affairs - National Center for Occupational and Health

Recognizing the capacity building potential of technology-enhanced labour administration, starting from 2022, the ILO will undertake technical advisory service and case management system to support the Ministry in computerizing key inspection process and developing a variety of inspection information management systems and tools.
ILO Communications in Iraq

ILO communications content can be found on the website of the ILO Regional Office for Arab States. An Iraq country-specific page is regularly updated with various content including press releases, multi-media features and project pages.

The ILO Iraq Facebook Page, which was set up in early 2021, has reached around 1,300.

ILO in the News

ILD and UNICEF joint initiative supports youth in Iraq to promote green jobs

Campaign launched against child labour in the Kurdish Region in Iraq

Migrant workers stuck in virus-hit Iraq with no wages or way home

Iraq’s young entrepreneurs: A promising engine of economic growth
ILO’s interventions in Iraq are implemented in partnership with:

The United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations World Food Programme (WFP), the United Nations Children’s Fund (UNICEF), the United Nations High Commissioner for Refugees (UNHCR), the United Nations Entity for Gender Equality and the Empowerment of Women (UNWomen), the United Nations Development Programme (UNDP), the International Organization for Migration (IOM), the Food and Agriculture Organization (FAO), the United Nations Population Fund (UNFPA), the World Bank, the International Finance Corporation (IFC), and the Cash and Livelihoods Consortium for Iraq (CLCI), comprised of the Danish Refugee Council (DRC), the International Rescue Committee (IRC), Mercy Corps, the Norwegian Refugee Council (NRC) and Oxfam.

In addition, ILO interventions in Iraq are implemented in close collaboration with its tripartite constituents, namely: The Ministry of Labour and Social Affairs, the Ministry of Planning, the Ministry of Trade, the Ministry of Agriculture, the Ministry of Environment, the Iraqi Federation of Industries, the Congress of Federations and Trade Unions, and the Kurdistan Trade Union Confederation.

With the support of: