

Decent Work Challenges in the Arab World – an ILO response

Remarks by

Mr Charles Dan, ILO Regional Director for Africa

Geneva, 8 July 2011

Your Excellency, Ambassador Badr,

Your Excellency, Ambassador Koubaa,

Representatives of the Diplomatic Community,

Representatives of the ILO's Tripartite Constituents,

Dear Nada,

Dear Juan,

Dear friends and colleagues,

I have just returned from the 17th Summit of Heads of State and Government of the African Union, in Malabo, Equatorial Guinea, where I represented the Director-General. The Summit adopted a “Declaration on creating employment for accelerating youth development and empowerment”. The Summit decided, I quote: “that all Member States should advance the youth agenda and adopt policies and mechanisms towards the creation of safe, decent and competitive employment opportunities by accelerating the

implementation of the Youth Decade Plan of Action (2009-2018) and the 2004 Ouagadougou Plan of Action on Employment Promotion and Poverty Alleviation”.

During the debate in Malabo, everybody - from Heads of State to young community leaders - agreed that in the years to come our collective response to the youth employment challenge will determine both the stability and development of our societies.

Nothing has demonstrated more visibly the challenge that large-scale youth unemployment pose than the recent developments in North Africa and the Arab world at large.

The events in North Africa brought into sharp focus how much the call for social justice is universal. They have confirmed that everywhere peoples aspire to live and work in decent societies. They have revealed that everywhere the youth aspire to grow and participate in conditions of freedom and fairness.

Over the years, the ILO has pointed out the gravity of the decent work deficits in Africa, including in North Africa which include in many cases:

- Lack of productive opportunities. While the economies of the region have been growing, this has not created enough jobs to absorb the magnitude of new labour market entrants. Levels of youth unemployment and underemployment are among the highest in the world, particularly affecting young women;
- Lack of a conducive environment for sustainable enterprise development;
- Lack of social justice in the distribution of wealth, leading to unequal access to social services, gender discrimination; and
- Lack of participative governance.

This unbalanced development, together with limitations on basic freedoms and rights, has triggered this historic outpouring of popular demands in North Africa where people have so clearly shown their eagerness to fight for equal opportunity and social inclusion.

Through years of engagement with our tripartite constituents in North Africa, through research, capacity building and joint activities, ILO is closely familiar with the needs and priorities of the countries.

Together with colleagues here at Headquarters, ILO in Africa have the necessary tools, programmes and networks to act fast and bold given the magnitude of the challenges.

We have responded to the call for technical assistance from countries that are on the move in the region. We are working with our constituents on concrete strategies and roadmaps for recovery and decent work.

Let me now focus on some of our concrete interventions on the ground.

First, in Tunisia, the ILO is accompanying the transition.

As recent as during the International Labour Conference only a few weeks ago, the ILO agreed with the Minister of Social Affairs, Mr Mohamed Naceur, to further support the country through a concrete road map.

ILO's technical assessment of the situation in Tunisia has been comprehensive, including a rich study on Tunisia entitled *Strengthening the Social Contract*, undertaken by the ILO International Institute for Labour Studies. Based on this

assessment, the road map combines:

- Creating decent employment opportunities for young people and other vulnerable groups, including entrepreneurship development, local economic development, strengthening employment services and reducing the mismatch between skills gained and the labour market's demands;
- Establishing a minimum social protection floor and extension of social protection to the informal economy;
- Building capacities of social partners and social dialogue institutions, and
- Promoting labour standards to protect vulnerable workers and promote rights at work.

I am pleased to inform you that agreements are already being considered for expanding our employment-related initiatives in Tunisia. In this connection, the ILO is in discussion with the European Commission on a project of six million Euros targeting employment creation and employment-intensive investments in some of the most disadvantaged areas of the country. Other donors have shown interest in this approach, such as the Swiss Government, with whom we are locally discussing employment-related quick impact interventions.

As mentioned by Ambassador Koubaa, I am pleased to confirm that ILO will support the high-level conference on “Social Justice and Exclusion”, which is expected to take place in Tunis on 21-22 September 2011. This conference will further consolidate the transition effort by clearly defining milestones in the national fight against social exclusion.

Second, Egypt. As you know, the ILO Director-General issued a Statement on 2 February 2011 and undertook a mission to Cairo in March 2011 to identify needs and pledge ILO’s continued support. A road map for recovery was developed in close collaboration with the Minister of Manpower and Migration, Mr Hamed Hassan El-Borai, and the Minister of Finance, Mr Samir Radwan. The road map foresees up-scaling ongoing ILO activities in Egypt and setting up new interventions and cooperation in areas of particular need. The international donor community is responding favourably to this undertaking. For instance, the Government of Canada has already contributed ten million USD to the implementation of a large-scale youth employment project. Additional support from our development partners would enable us to expand this project to additional governorates.

Particular attention in Egypt is also needed to strengthen freedom

of association, social dialogue and collective bargaining. Through an ongoing project funded by the United States Department of Labour, the ILO is supporting the promotion of fundamental principles and rights at work with a special emphasis on social dialogue. In support of the government's decision to respect freedom of association, ILO will also continue to provide technical expertise on how to translate such legislative amendments into practice and guarantee the right to freely organize. In this regard, particular support will be given to the newly established trade unions.

Another area that is given attention is enhancing social protection. Existing social protection systems need to be strengthened and improved in size and scope. This includes measures such as minimum wages and addressing conditions of work. Already, after the revolution, the ILO has provided assistance on minimum wage setting resulting in a new minimum wage introduced in the public sector. Discussions are underway on the design and implementation of a strategy for the application of minimum wage in the private sector.

Third, in Algeria, a Decent Work Country Programme has been drafted reflecting constituents' priorities. It is focused on

employment creation for young women and men and enhanced measures for social protection. This Programme is closely aligned with the strategic development framework of the United Nations. I am pleased that we have already been able to partner with the Governments of Italy and Spain to realize some of these priorities such as developing micro and small enterprises for young people.

The ILO has received specific requests from our social partners in Algeria to build their capacity to enable them to play a decisive role in this reform process.

Fourth, Morocco. We congratulate the people of Morocco on the results of the important referendum which was held on 1 July, which brings about important constitutional reforms.

ILO is proud to work with our constituents in Morocco to support this process of change. Building on the tripartite Regional Conference on Social Dialogue that was hosted in Rabat in December last year, the Government of Morocco has taken steps to establish a Socio-Economic Council to facilitate social dialogue and collective agreements between the government and trade unions. Through a technical cooperation project, funded by the Government of Sweden, ILO is meeting the request from Morocco

to assist in strengthening these structures of social dialogue, including in rural areas.

Morocco has also called upon ILO for support to give effect to International Labour Standards, such as the Convention on Freedom of Association and Protection of the Right to Organize (No. 87) and the Social Security Convention (No. 102). ILO will develop additional technical cooperation projects to meet such requests and is already providing support to the revision of the National Social Security Policy.

As agreed with the Minister of Employment and Vocational Training, Mr. Jamel Rhmani, during the last International Labour Conference, productive employment and decent work for young people will remain a priority for our work in Morocco in order to counter the challenge of high unemployment rates among Morocco's youth. This is essential in order to accelerate, and deliver on the promise of reform.

Finally, let me also add that ILO is carefully monitoring the situation in Libya. As stated by the ILO Director-General in his statement on Libya issued on 24 February 2011, "the Libyan people deserve to benefit from a sustained effort for development

with social justice which gives all women and men, and particularly youth, their rightful share in the fruits of progress and respects dignity and basic rights through decent work. When this becomes possible, the ILO is ready to assist Libya in pursuing these objectives”.

Estimates have put the unemployment rate in Libya at close to 30 percent, affecting youth and women in particular. The ILO can assist and advise in the process of human resource development, capacity-building, economic diversification and participatory development.

We are committed to effectively adapt the Decent Work Agenda to the situations and conditions prevailing in North Africa.

Are we doing enough as the ILO in North Africa? No, we should do much more to match the impatience and expectations of the people

Can we do more to help connecting peoples’ aspirations with decent and productive employment opportunities? Yes much more can be delivered to ensure stability and give hope in the region.

You will see that our proposed response involves a series of technical cooperation projects that will be undertaken subject to the availability of funds and in addition to existing projects. Our portfolio of project proposals is wide in scope. It contains priorities that we have identified together with our constituents. We have sought to be specific in the design of these proposals, rooting them in the realities of the countries and indicating the level of resources required to have an impact in the short, medium and longer term. They also build on the strengths of the North African region, acknowledging its vast natural resources and large regional market, and investing in its young population.

Decent work for all is a journey. Nobody can travel alone. We need mainstreaming and up-scaling. We need engagement and partnerships.

Thank you for your attention.