



Democracy & Workers' Rights Center-Palestine

مركز الديمقراطية وحقوق العاملين - فلسطين

WORKERS' RIGHTS ARE HUMAN RIGHTS

**Work Papers on the
Palestinian National Employment Strategy**

**Submitted during the Study Days held simultaneously in
Ramallah & Gaza on October 12-13, 2011**

This activity is supported by: **FRIEDRICH
EBERT 
STIFTUNG**

Disclaimer: the views and opinions expressed in these work papers are those of the authors

Review of the National Employment Strategy

by Mohammad Sharia

Executive Summary:

The National Employment Strategy was elaborated under the guidance of the Palestinian government's vision to "establish a Palestinian State and building the future" 2011-2013, the "Reform and Development Plan" 2008-2010 and the government's program of August 2009, for "Ending the Occupation, Establishing the State." The strategy's preparation took a year and a half and it was formally launched at the beginning of 2011.

Employment and unemployment rates in the Palestinian market are fluctuating a lot, which is largely due to variations in the political and economic situation of Palestine. These percentages fluctuate up and down several times in one year. In general, the unemployment rate in the Palestinian market is steadily rising since 1995. The national employment strategic was built on two key assumptions; the first one is that the current political situation will remain as is, while the second is the establishment of an independent Palestinian State.

The action plan of the strategy is based on governmental priorities regarding women, youth, prisoners, economic policy, vocational education and training sectors. It is also based on the need to establish a set of specialized government agencies dedicated to employment, including the National Employment Agency, the Technical and Vocational Education and Training Agency, the Fund for Employment and Social Protection, and the General Commission for the Regulating Cooperatives. The only agency activated until now is the Employment and Social Protection Fund, and the implementation of the plan faces several obstacles.

This work paper reached a set of conclusions, which together constitute important areas of work for the development and activation of the strategy, as well as for activation of the role and participation of social partners in the different implementation programs and activities. It also emits several recommendations that should be taken into consideration to increase employment and reduce unemployment in the Palestinian labor market.

Background:

The National Employment Strategy was conceived to follow the guidance of the government's vision to "establish a Palestinian State and building the future" for 2011-2013, the "Reform and Development" plan for 2008-2010, and the government's program of August 2009, which focused on "Ending the Occupation, Establishing the State." The National Strategic Plan for Employment was based on sectors addressed in development plans, namely economic and social sectors, agriculture, services and others. The preparation of the plan began in 2009 and ended at the end of 2010. For its preparation, the Ministry of Labour relied on experts and the support of the German Development Agency, GIZ. A number of social partners and the Ministry of Labor teams also participated in its elaboration.

The International Labour Organization, the private sector, international institutions, various PNA ministries, trade unions, civil society organizations and various academic and economic experts participated in discussing the first and second draft of the plan.

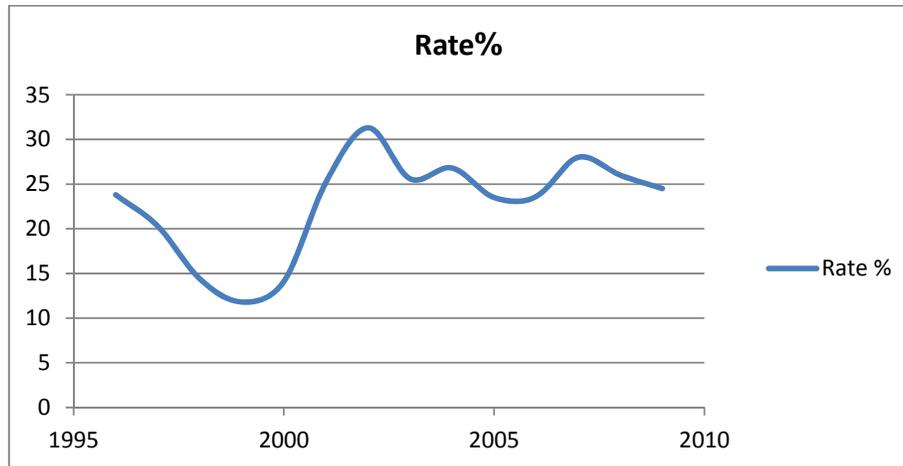
The National Employment Strategy was completed in November 2010, and it was formally announced at the beginning of the year 2011. Its preparation lasted for nearly a year and a half.

The plan in brief:

The plan includes six chapters, in addition to an executive summary. The first chapter defined the employment strategy and the general framework in which it was prepared. The second and third chapters analyzed the current economic environment, indicating the direction of sought change. In its fourth chapter, the plan presented assumed scenarios for the next phase. The fifth chapter dealt with the interdependent roles of other ministries in the implementation of the strategy. The sixth chapter addressed the executive programs required for enforcing the plan.

Employment and Unemployment:

Employment and unemployment rates in the Palestinian market are fluctuating, largely because of political variables. Due to the fragility of the political and economic situation in Palestine, the employment and unemployment rates fluctuate up and down several times in one year. In general, unemployment rates in the Palestinian market are steadily on the rise since 1995. The following table casts a look at this rise in unemployment rates.



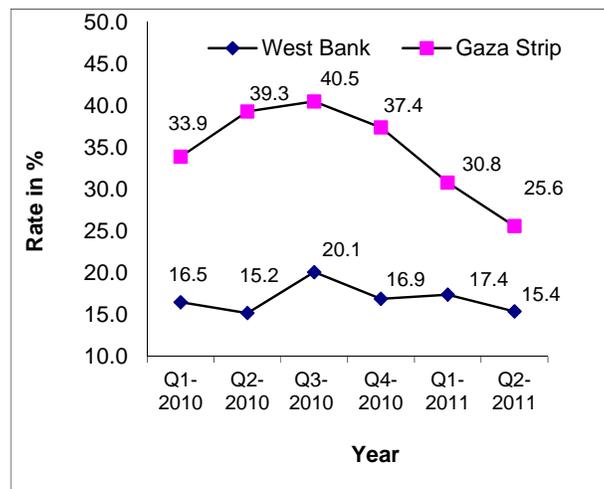
These ratios clearly indicate the real crisis created by the unemployment problem and the challenges that this crisis might impose on government programs and policies, as well as social and economic implications.

As for recent indicators of employment and unemployment, data of the Palestinian Central Bureau of Statistics published in August 2011 indicates that the number of labor force participants in the Palestinian Territory amounted to 1.048 million persons during the second quarter of 2011, 711 thousand in the West Bank and 337 thousand in the Gaza Strip. The male rate participation in the labor force in the Palestinian Territory reached 68.6%, compared to 16.2% for women.

According to the ILO definition of unemployment, the number of unemployed amounted to 195 thousand people in the Palestinian territories during the second quarter 2011, including 109 thousand in the West Bank and 86 thousand in the Gaza Strip.

- The unemployment rate was 25.6% in the Gaza Strip for the second quarter 2011, compared 15.4% in the West Bank.
- The unemployment rate for men was 16.4% in the Palestinian territories, compared with 28.6% for women.
- The age group 20-24 years recorded the highest unemployment rate in the Palestinian territories, reaching 32.9% in the second quarter of 2011.
- In the Palestinian territories, women who have completed 13 years of schooling and over, registered the highest unemployment rates among all women in the labor force, with 39.2%. The overall unemployment rate in the second quarter of 2011 has recorded a remarkable decline, reaching 18.7% of labor force participants.

The unemployment rate in the Palestinian territories by region 2010-2011



A report issued by the Chamber of Commerce in Gaza notes that unemployment rates have decreased significantly during the first six months of 2011, compared with the results of the Labour Force Survey for the end of 2010. The report attributes the marked reduction in the unemployment rate to an easing of the siege on Gaza by Israel in the middle of 2010, and the revival the construction industry after it had stopped operating for 4 years; Israel allowed the entrance of construction materials for UNRWA and internationally funded projects, which led to a recovery in the labor market in Gaza. The construction sector is one of the largest sectors in terms of employment generation. The prices of construction materials smuggled through the tunnels decreased and reached the same official rate as the materials brought through the crossings, which contributed to a wide construction movement of extensive residential buildings and the implementation of some projects funded locally and by institutions in solidarity with the Gaza Strip.

The allowed re-entry of some raw materials also enabled to run many of the factories that had been stopped during the siege, which contributed in reduced unemployment and falling rates. The agricultural sector is also one of the main economic sectors which contributed to the alleviation of unemployment during the previous period; the contribution of the labor force in this sector increased from 5.1% at the end of 2010 to 9.5%, i.e. an increase of 53.6%. The contribution of the labor force in the construction sector increased from 4% to 6.2%, i.e. an increase of 64.5%, which contributed significantly to the reduction of the unemployment rate.

The number of West Bank workers in Israel and Israeli settlements increased from 78 thousand workers in the first quarter of 2011 to 84 thousand workers in the second quarter of 2011. The number of workers employed in Israel and Israeli settlements in the second quarter of 2011 were distributed as follows: 33 thousand workers had a work permit, 21 thousand workers were without work permits, and 30 thousand workers were in possession of an Israeli document or foreign passport. The number of workers in Israeli settlements increased from 11 thousand workers in the first quarter of 2011 to 12 thousand workers in the second quarter of 2011.

All this clearly points to the role that relative stability and facilitation of transit traffic plays in reviving the economy and reducing high unemployment levels. On the other hand, it also points out the size of the challenges faced by the labor market in Palestine and the ability of this employment strategy to respond to these challenges and increase employment rates and employment generation.

Participation in the preparation of the plan:

It seems that the Ministry of Labour has been keen to include other actors in the preparatory stages of the strategic plan, although this participation faced some criticism from some participants. The preparation process lasted for a year and a half, and involved several levels of stakeholders of labor and employment issues, including:

- ✚ Employees and managers working in Ministry of Labor's General Directorate for Employment, which is the competent department in this field
- ✚ Employees of other departments in the Ministry of Labor
- ✚ Various ministries and institutions of the Palestinian National Authority
- ✚ Representatives of Palestinian private sector institutions, the largest employer of the local workforce
- ✚ Representatives of the workforce and trade unions
- ✚ Representatives of civil society organizations, academics and public figures
- ✚ External experts on strategic planning in labor issues

This level of participation, which includes all stakeholders in the field of employment, reflects an interest on part of the Labor Ministry and other social partners.

Scenarios upon which the plan was built:

The National Employment Strategy was built on the basis of two key scenarios: The first is the continuation of the present status, i.e. that the current political situation remains as is, while the second is the establishment of an independent Palestinian State.

These are two realistic scenarios. However, operational programs and work programs of strategic plans require identifying the most likely scenario in order to work accordingly. Alternative plans in this case are included in the framework of the second likely scenario. Those who study the plan in details will not find a clear statement about which of the two scenarios (pages 28 and 29) was adopted for the preparation of the action plan and operational plans. They will find guidelines that require that the Ministries of National Economy and Labour lead a set of interventions to achieve the ambitious goals of the plan. However, these interventions require ongoing close cooperation between the two ministries in a joint work program, whose performance is measured continuously. This has not been achieved yet.

Obstacles to implementation:

The implementation of any national employment plan necessarily requires the existence of appropriate economic strategies and policies to provide a suitable environment for investment and a conducive climate for business development. It also requires an appropriate climate for the development of human resources. Despite numerous attempts by the Ministry of National Economy and its associated institutions (Investment Promotion Authority, for example), the investment environment and working environment in Palestine had not improved much in previous years.

The National Employment Strategy requires the cooperation of many PNA ministries (pages 32 and 33) for the implementation of the programs and various components of the plan. However, such cooperation requires some kind of structure and a body of reference in order to measure performance and achievements on a yearly basis. This structure presumes the existence of a national reference body that monitors performance and oversees the implementation of the plan, and provides specific recommendations and advice when required. Despite the interest of the General Directorate of Employment at the Ministry of Labor in this plan, the mechanisms that could be followed for coordination between different ministries to monitor and evaluate its implementation do not seem clear.

This directorate is trying to promote this plan at various national levels, an effort whose importance cannot be reduced. Although the Social and Economic Council will be formed of the different partners, the specific roles to be assigned to respective partners does not seem mandatory in terms of implementation, but are presented in the form of suggestions and recommendations that can be adopted or not.

There is no doubt that the National Employment Strategy was elaborated in line with the Government's plans, the "Reform and Development Plan" for 2008-2010 and the "Plan for the establishing the State and building the future" for 2011-2013, as well as the government's program in August 2009, which focused on "ending the occupation and the establishing the State". The recent plan for the establishment of the State and building the future focused on development in four key sectors, which are: governance, social development, economic development and infrastructure. It seems clear that interest in these sectors inputs directly into the increase of employment generation and improving the labor and employment environment and conditions.

Unlike the plan to establish the State and building the future, which has set itself main quantitative goals and key quantitative performance indicators for sub-goals, the National Employment Strategy did not include any meaningful indicators in its operational programs to measure the levels of employment achieved. Monitoring performance in the

implementation of the plan and judging its achievements requires the existence of quantitative or qualitative indicators to guide the assessment process.

The National Employment Strategy requires the implementation of a national strategy for economic development. Achieving sustainable growth in employment generation that responds to the challenges of unemployment and increased supply in the labor market requires effective implementation of economic (and social) development plans. This requires allocating adequate budgets and conducting reasonable interventions, in addition to the various policies that are implemented by different PNA ministries and institutions.

The plan talks about a number of linkages between eight different ministries (page 32), but the plan itself does not indicate how coordination and interaction between these ministries should take place. Coordination and complementarities in this case are a key factor for the success of the plan.

The Council of Ministers has not allocated any financial resources or any other required resources necessary for the implementation of the programs to be carried out. Governmental coordination and cooperation between PNA ministries and institutions is a priority to ensure the successful implementation of the strategy. There are also fears that the Ministry of Planning and Administrative Development has not identified this plan as a priority when addressing different donors.

Action Plan:

The translation of the National Employment Strategy into a feasible action plan focused on two major issues:

1. Priority areas of governmental cooperation;

This concerns governmental cooperation in relevant and similar areas of work that lead to increased job opportunities and employment through training and employment based on co-contribution. The following areas were identified as priorities for cooperation among ministries, namely:

- a. Encouraging women's participation in the labor market, in cooperation with the Ministry of Women's Affairs
- b. Cooperation in socio-economic development, in cooperation with the Ministry of National Economy
- c. Contributing to the further development of the technical and vocational education and

training system, and its linkage to employment services, in cooperation with the Ministry of Education and Higher Education

d. Measures to address youth unemployment, in cooperation with the Ministry of Youth and Sports

e. Rehabilitation programs for former detainees, in cooperation with the Ministry of Prisoners' Affairs

2. Field of institutional development required

Launching the implementation of the National Employment Strategy requires the creation and development of an institutional work that can contribute to employment generation. In this framework, the plan discusses the creation of the following initiatives:

a. Establishing effective social partnership: this is a necessary partnership between governmental institutions, employers, civil society organizations and trade unions. It requires coordination between these different partners in different initiatives in the areas of economic and social development, job creation, employment policies, decent work, poverty reduction, social security, education and training, and others. Examples of this partnership are:

- i. Development of the Decent Work Agenda
- ii. Community training on self-employment
- iii. Local employment councils
- iv. Improving the work environment and working conditions

This partnership has been existing for a while in the form of bilateral or multi-level national initiatives and consultations, but now it is exercised at the governorate level as well. This requires an increased level of communication between these partners and the institutionalization of the relationship between them. The operational plan suggested the provision of necessary funds for the development of local partnership and that this development process must be completed at the beginning of October 2011. However, an observer of the activities of this partnership, especially at the governorates level (local level) will find that there is significant weakness in its work and that the mechanisms of action need to be re-evaluated.

b. Activation of the Palestinian Fund for Employment and Social Protection: Work has already begun for the activation of this fund by mid-September 2011 and a general director was appointed. However, the Fund needs the necessary financial resources that will enable it to do its work, which is currently not available.

c. The establishment of a public employment agency: its main purpose is to provide services to employers and job seekers in order to create a balance and alignment between supply and demand in the labor market. Although the Ministry has undertaken the rehabilitation of four employment offices (in Nablus, Ramallah, Bethlehem and Hebron) as a pilot project with German support, the agency itself has not been created until now despite the important effects of this agency's activities on employment in the labor market. The operational plan mentioned that the establishing process of this agency should end by 1/4/2011 and that

budgets for the establishment of this agency are available. In order for this agency to work effectively, it needs efficient, accurate and updated information systems with continuous data flow.

d. Setting up a technical and vocational training and education agency: this agency is a joint effort between a number of ministries, most importantly the Ministry of Education and Higher Education and the Ministry of Labour. The operational plan mentions that the establishing process for this agency should have started at the beginning of August 2010 and ended by the beginning of April 2011, but this did not happen despite the availability of budgets to do so.

e. Establishment of a General Commission for the Regulation of Cooperatives: The aim of this body is to develop policies related to monitoring and guidance of the cooperative movement, and improving the economic and social situation of cooperatives. The level of contribution to an increase of national employment after the establishment of this agency is not mentioned.

Most prominent achievements:

Despite the availability of the necessary budgets in order to implement some specific activities in the action plan for this strategy, these activities have not yet been achieved. However, although there are many objective obstacles that surround the Palestinian labor market, there were a number of achievements. The most important of these achievements are:

- Revival and activation of the Palestinian Fund for Employment and Social Protection
- Development of four employment offices in Bethlehem, Hebron, Ramallah and Nablus governorates
- Establishing a culture of community training and enabling young people to acquire knowledge for self-employment through the implementation of a number of training programs in Bethlehem, Hebron, Ramallah and Nablus
- Training a number of vocational counselors for the implementation of vocational guidance programs, and printing a number of booklets that help in this respect
- Implementing three employment days in Nablus, Ramallah and Hebron

Main conclusions:

This plan constitutes in fact a general and important strategic framework for employment in Palestine, more than a national strategic plan for employment. The plan also failed to provide a clear definition of the employment strategy (page 12). The goals of the Strategic Plan in providing the supporting infrastructure for employment are obvious and clear, and are represented in the establishment of the National Employment Agency and the re-activation of the Employment Fund and others. However, the plan lacks quantitative or qualitative goals

related to the increase of the number of jobs generated or the percentage of reduction of rising unemployment rates, which is what any employment plan aims for. In this case, there is no clear and specific timeframe to achieve any level of employment or reduce unemployment rates.

The timeframe set out in the Action Plan clearly indicates that the year 2011 will witness the birth of a Technical and Vocational Education and Training Agency (April 2011) and the establishment of the National Employment Agency (April 2011) and an expansion of social partnerships at the local level (October 2011). Despite the availability of funds for these activities, they have not yet been completed.

The plan discusses the need to attract famous multinational agencies that are specialized in the generation of employment opportunities. However, the Action Plan (Annex 1) did not address this topic.

Annex 1 of the plan also mentioned the implementation of a number of programs aiming at improving the level of employment in cooperation with the Ministries of Prisoners' Affairs, Sports and Youth, and Women's Affairs; it also stipulated that the budgets for these programs are available through the German Cooperation Program.

Annex 2 of the plan refers to estimated budgets over a three-year period for the implementation of specific activities, but it does not mention whether the government is committed to provide these funds from the general budget during the specified time periods or if we will have to wait until a donor agrees to fund these activities. In this case, the specific timeframes are not feasible.

The plan mentions that a successful employment policy must be based on a strong correlation with the economic strategy (page 7). The economic situation indicates that the services sector is the largest employer, especially for women and youth, and that the agricultural sector is a promising sector for employment generation. However, the plan does not refer to any linkages with these ministries on the subject of employment (page 32).

The volume of tasks completed in 2011 is much smaller than the tasks that should have been accomplished according to the action plan attached to the strategy, and this despite the availability of the necessary budgets for a number of these tasks.

Monitoring and evaluation mechanisms of the plan are not clear. On one hand, there is no governmental body that assumes the function of monitoring achievements and evaluating them, providing reports and taking corrective action if necessary. On the other hand, the plan does not include a clear mechanism for periodical review (once a year, for example) and for making recommendations for modifications and improvement.

Recommendations and suggestions:

1. The existence of a clear body of reference to monitor and evaluate progress in the plan's implementation, follow-up on the achievements, propose appropriate amendments and take corrective action is important.
2. There is a need to review and study the reasons for the non-establishment of specialized governmental agencies mentioned in the plan, despite the availability of budgets for this purpose.
3. It is important to assess the experience of joint employment councils in the governorates and take advantage of lessons learned to improve the performance of these councils.
4. There is a necessity to activate social partnership in the implementation of the employment strategy and focus on the importance of the private sector in generating employment opportunities.
5. Involving social partners in the preparation of operational plans linked to the quantitative objectives and realistic performance indicators to reduce unemployment levels and increase employment rates; these plans should be governed by a fixed timetable
6. Speeding up the process of establishing the rules of the labor market information system and build the data bank
7. Focusing on the services and agricultural sectors in the formulation of operational programs to increase the absorption of labor in these sectors, especially youth and women
8. Benefiting from the contributions of private sector companies in the social responsibility funds and transferring these contributions to employment-generation programs
9. Unify and coordinate the efforts of all institutions involved in the generation of employment opportunities within the framework of the strategic plan and ensure fair and proper distribution of roles between these institutions, especially the roles that the private sector should assume
10. Unifying the supervisory authorities on the implementation of temporary employment programs and employment with contribution.
11. The government should allocate annual budgets to contribute to existing employment programs for specific time periods for each job seeker
12. Linking technical and vocational training and education programs and self-employment employment programs through various lending funds, and focusing on the occupations required in the labor market
13. Achieving a closer alignment between the outputs of education and training systems and labor market requirements through the re-evaluation of these programs and opening up to employers' needs
14. It is important that the plan pays attention to adopting programs with clear checks for exporting temporary labor and activation of functional placement system.
15. Promoting a culture of work among the youth and providing financial support and guidance for the establishment of productive projects for them, especially among young women

The Fund for Employment and Social Protection: Current situation and development perspectives

Prepared by Dr. Baha Taha Sartawi

Summary

This work paper examined the reality of the Employment and Social Protection Fund in Palestine in terms of rationale for its establishment, its objectives, legal and regulatory frameworks, programs, and procedures. It revealed the constraints and problems faced by the Fund since its inception, which prevented the achievement of its objectives. It also presented successful Arab experiences in this area. In reaching its conclusions and recommendations, it relied on the literature about the Fund and similar funds, and explored the views of a number of employees of the Ministry of Labour and other social partners regarding the problems and challenges that accompany the re-launch of the Fund's work, as well as their views about the mechanisms for the development of the Fund and its programs. The researcher reached the following findings, the most important of which are:

The comparison between the objectives that the Fund seeks to achieve through its three programs and the actual implementation of the programs showed that the Employment Fund is in its first stage. It has not achieved the development of poor human resources in Palestine, it has not developed the business sector in the Palestinian territories and has not provided work opportunities for groups in need in Palestinian society. Likewise, it has not been able to finance development projects.

The researcher considers that at this stage of revival of the Fund and its launch, there are still challenges that affect the Fund's work and lead to its inability to implement its programs. These are similar to the challenges that led to the insolvency and rigidity of the Fund in its first phase. The re-activation of the Employment Fund and its launch also comes at a time when increasing categories of the population are living below the poverty line because of record increases in unemployment rates in the West Bank and Gaza Strip. The researcher does not believe that the Employment Fund with its current structure, programs in place and poor resources can achieve its objectives in a satisfactory manner.

The study has presented recommendations as focal points that can serve an increase of the funds effectiveness and its development towards becoming an organization that leads the implementation process of the Palestinian Employment Strategy and would permit to achieve the Fund's objectives, especially reduction of unemployment. The most important of these recommendations are:

1. Providing an effective legal and organizational framework that will allow the fund to become the only legal umbrella coordinating the programs to fight unemployment
2. There is an urgent need to recruit the necessary funds. In this context, it would be useful to hold an international conference for this purpose through a joint initiative of the ILO, ALO and in cooperation with Palestinian partners.
3. Reaffirming the government's decision to devote 5.5 million US\$ of the government's budget to support the fund's activities and respecting the allocation of a yearly amount to the fund
4. Demanding the transfer of the funds earmarked for the fund through Arabic and Islamic countries, and the ALO
5. Creation of a committee of social partners and preparation of a concept paper on the future orientations of the fund. An initiative to hold a national employment conference would be useful.

Definitions

Employment: Organization of full employment and optimum use of human and material resources. The International Labor Convention No. (122) of 1964 has defined employment as a wider perspective based on the concept of economic development and optimum utilization of the human resources in the growth of the economy in order to ensure employment for all who are seeking work, that such work is productive, and that there is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in a job for which he is well suited. (Rajab and Farra, 2009).

Employment policies: this is the platform (framework) determined and approved by the competent authority in the area of maximum utilization of manpower and employment of job seekers in order to contribute towards reducing levels of unemployment and achieving optimum employment in accordance with general economic policies and stated strategies, addressing poverty levels and reducing them, and achieving integration between economic development and employment objectives. (Rajab and Farra, 2009).

Fund for Employment and Social Protection: this fund has been created by presidential decree No. (9) of the year 2003; it is a legal entity that shall have independent finances and specializes in providing financial and technical resources to assist in the development of human resources and business development in the Palestinian territories, and create job opportunities to respond to the needs of communities by funding or supporting projects in the areas of production or services. It shall have a Board of Directors, an Executive Council, and its financial resources shall consist of grants, donations and amounts received from individuals, Arab and foreign governments, and international, regional and local institutions and organizations for the purposes of the Fund, and the amounts allocated to it in the Palestinian National Authority budget.

1. Introduction

The Palestinian labor market suffers from an imbalance between labor supply and demand, which was reflected in significant increase of unemployment rates. The number of unemployed participants in the labor force was 224 thousand people in the Palestinian territories, including 116 thousand in the West Bank and 118 thousand in the Gaza Strip, and the unemployment rate in the Gaza Strip for the fourth quarter of 2010 was 37.4% versus 16.9% in the West Bank. The unemployment rate in the Palestinian territories for men was 23.4% against 23.2% for women. The age group 15-19 years recorded the highest unemployment rates in the Palestinian territories, reaching 42.5% in the fourth quarter of 2010. Women who have completed 13 years of schooling and above, recorded the highest unemployment rates of all women in the labor force, reaching 31.4% in the fourth quarter of 2010. Bethlehem also recorded the highest rate of unemployment in the West Bank, 22.4%, while the Khan Younis had the highest rate unemployment in the Gaza Strip with 50.6%. The unemployment rate in the Palestinian Territory as per the expanded definition decreased from 33.3% in the third quarter of 2010 to 29.9% in the fourth quarter of 2010 (Palestinian Central Bureau of Statistics, 2010). This means that the phenomenon of unemployment is one of the most important economic and social problems in the West Bank and Gaza Strip. There is no doubt that the main and direct cause to this problem is the interruption of work of Palestinian workers inside Israel, who accounted before the start of the Intifada for about 25% of the workforce in Palestine (Palestinian Ministry of Labour, 2001). The punitive measures taken by Israel after the start of the Al-Aqsa Intifada in 2000 have also contributed to weakening the absorption capacity of local economic establishments, prompting them to get rid of much of their workforce, and thus this increased the problem of unemployment. In addition to the above-mentioned reasons, the problem of unemployment in the Palestinian society has deep roots dating back to essential factors, most importantly weak labor absorption capacity of Palestinian economy on one hand, and the sharp rise of population growth rates on the other. This means in fact that the local labor market has to create up to about 45 thousand new jobs every year (Palestinian Ministry of Labor, 2005), while the following factors still constitute the major causes of unemployment problem(although we are now in 2011):

1. Actions of the Israeli occupation and the policy of destruction of the Palestinian national economy's infrastructure
2. Closure of the labor market or restrictions in terms of Israeli projects open to Palestinian labor force
3. Obstacles regarding the export of manpower to Arab countries and internationally
4. The economic policy pursued by the Palestinian Authority since its establishment, which is a policy of free economy and open markets to foreign goods without the

provision of a minimum level of protection to domestic products and thus protection of the Palestinian labor force.

5. Mismatch between the outputs of higher education and vocational training with the requirements of the Palestinian labor market, especially with the developments of the technology revolution in the labor market.
6. The lack of serious political will in implementing the national strategy for vocational and technical education in Palestine, which would limit the crescent growth in academic education for the benefit of growth in vocational and technical education.

The realization by the Palestinian National Authority, along with many local and international parties, of the risks arising from the unemployment problem and the continuing problems in the local labor market, and the necessity to make a quantum leap in efforts to deal with this problem was motivated enough to establish the Employment and Social Protection Fund in 2003 to provide an effective institutional mechanism of coordination of various efforts and programs designed to combat unemployment, with a focus on the developmental character of these efforts instead of its relief character. Since these justifications existed in the year 2003 and are still pertinent in 2011, we can consider that these arguments can serve to re-activate and re-launch the Fund, as they were valid for its establishment in 2003.

This work paper seeks to review the Employment Fund's previous experience and benefit from it in the formulation of a number of recommendations to secure the requirements for its success in the future. This study draws its importance from frequent criticism directed at the Board of Directors of the Fund and its Executive Board that there is no output and no positive impact on the Palestinian situation since the fund was established in 2003 in terms of: the provision of financial and technical resources to assist in the development of human resources and business development in the Palestinian territories; the creation of job opportunities to respond to the needs of communities through the funding or supporting projects in production or services.

2. Former studies

In 2008, Abdul-Karim Daraghmeh conducted a study on the Employment and Social Protection Fund in Palestine and this was the first in Palestine, which tried to capture the reality of the Employment and Social Protection Fund. The researcher conducted numerous interviews, that included members of the Board of Directors of the Fund and representatives of social partners in Ramallah governorate during the first half of the year 2008. The research was limited to identifying the reality of the Employment Fund in order to develop it, using the descriptive method through interviews and a questionnaire. The study concluded that after

the establishment of this fund more than five years ago, the problem of unemployment and poverty was still prevalent, the efforts to reduce them remained scattered, and programs and projects were closer to relief than development. The study also reached findings, the most important of which are:

- The lack of human resource development among the poor in Palestine
- Substantial weakness in the development of the business sector in the Palestinian territories.
- The Fund does not provides job opportunities for needy groups in Palestinian society.
- The Fund leads the development and formulation of a clear vision for employment in Palestine very little.
- Weak provision of financial resources by regional institutions and organizations.
- The Board of Directors of the Fund's does not provide the financial resources of the amounts allocated to it in PNA budget.
- The Executive Board does not monitor the employment and development needs of the Palestinian society.
- Failure of the Fund in directing and organizing efforts to address the problem of unemployment.

In 2009, Asif Said presented a paper entitled “the Palestinian experience to promote employed”, in which he reviewed the functions of the Fund, the legal, organizational and administrative structure of the Fund, and the Fund's four programs. The paper reviewed the Fund’s implementation of two projects in 2005: the training and employment program of the graduates of vocational training centers in the private sector in collaboration with the YMCA, and the program of small and medium enterprises development in cooperation with the ILO and UNCTAD. The paper also noted that the Fund is temporarily frozen due to administrative technical and financial problems.

3. Previous and similar experiences

The researcher considers it necessary to review most important Arab experiences, whether they concern employment or development funds, which are the Jordanian, Tunisian and Egyptian experiences, in order to define to which extent the Palestinian experience can benefit from those experiences and to see the extent of the success of these experiences compared to the experience of Palestine.

The Jordanian experience

The establishment of the Development and Employment Fund "leadership" in the Hashemite Kingdom of Jordan to alleviate the negative effects resulting from the implementation of economic reform programs and to constitute through its lending activities a government

institution concerned with the development of small and middle income-generating projects and targeting the poor and unemployed. The Fund's vision is to assume leadership in the financing of small and medium enterprises for the poor and the unemployed of both sexes, in order to be the institution most capable of achieving the highest participation rate in reducing the phenomena of unemployment and poverty, promoting sustainable development at the national level, continuing to provide services of excellence to these groups, and surpassing their expectations.

Organizational and functional structure:

- The Fund has a Board of Directors composed of representatives of governmental and non-governmental institutions and it has an Executive Board.

- The Fund's organizational structure includes directorates in the Kingdom. The Fund's work is based on a decision of the Jordanian Council of Ministers to establish a "Development and Employment Fund", dated 18/11/1989. It started its work in February 1991. Then Law No. (33) of 1992 called the " Development and Employment Fund Law " was issued. The Fund counts among the institutions financially independent from the State Treasury.

Summary of the Fund's work: According to international standards, the Development and Employment Fund "leadership," is ranked sixth in terms of the institution's ability to achieve sustainability among 125 competing institutions dedicated to providing small projects. The value of loans provided by the Fund from 1991 to 2006 amounted to 77 million of Jordanian dinars. 131 thousand projects were funded by the Fund and 35 thousand jobs were created in the various regions of the Kingdom. 14 million Jordanian dinars were allocated from the treasury to the Fund during the years 1991-1997, and after that it relied on its operating income. The fund's capital now reaches 42 million dinars.

Programs of the Fund: The Fund has programs for establishment of new small projects, programs for the development of existing projects, programs for domestic projects of persons with disabilities and housewives, programs for leadership projects in cooperation with the Ministry of Planning, and training programs.

The Tunisian experience:

The National Employment Fund, whose creation was announced by President Ben Ali on October 10, 1999, and which became operational on December 31, 1999, is one of the intervention mechanisms to reduce unemployment and a means to counter the effects of economic reform policies. The aim of Fund-supported programs is to achieve lasting

integration of job seekers, and the configuration element is present in most programs to increase opportunities for beneficiaries to obtain a permanent occupation whether as wage employees or independent workers. The Fund works through 35 programs primarily aimed at job seekers, who face difficulties in integrating into the labor market. The Fund's working mechanisms are very flexible and updated almost annually to match the changes in the labor market.

In its first four years, the Fund reached a total number of beneficiaries of 331,471 and it is expected that 93,000 job seeker benefited from the Fund in years following 2004.

Organizational and functional structure: The Fund stands out by its light structure, which enables all its resources to be directed for the benefit of job seekers. The Fund relies on a solidarity dimension, as its funding is based on the mobilization of resources through solidarity. The Fund is working under law number 99-101 of the year 1999, dated December 31, 1999.

The Egyptian experience:

The Social Fund for Development was established to address the impacts of the first Gulf War (the return of Egyptian laborers) and create new job opportunities.

Structural organization: The Fund's Board of Directors includes representatives from the government and other sectors, and is presided by the Prime Minister. Its branches spread in all governorates of the Republic, it is a national body affiliated to the Prime Minister's office, and it operates under the umbrella of the United Nations Development Programme (UNDP), which is subject to all regulatory bodies of the State and donors. The fund aims to: contribute to job creation, work to reduce the problem of unemployment and poverty, address the effects of the economic transition to free market economics, mobilize resources and coordinate efforts with local and foreign donors (through the Small Enterprise Development Bureau belonging to the Fund), development and transfer of small enterprises to achieve successful employment opportunities. The resources of the Fund are the Government of Egypt, Arab funds, the World Bank and other donors, including the European Union. The Fund revenues reached 1.7 billion Egyptian pounds.

The Fund programs: New programs and small sophisticated projects related to the national plan of the State with the aim of the advancement of society as a whole which generates real successful jobs. The Fund is working on the basis of Presidential Decree 189 of 1991.

Summary of the Fund's work: Until 2007, 355,000 projects were implemented and there were 1.3 million beneficiaries.

The Fund started out with a capital of 1.1 billion Egyptian pounds and the returns of the Fund reached 1.7 billion pounds, while the amounts available until the end of 2003 reached 5.7 billion Egyptian pounds.

The nature, content and form of the Employment Fund in Jordan, Tunisia, Egypt and Palestine depends on each country's specificity and needs, and on the historical, economic, social and also political context for their development. However, there are common and shared issues between the tasks, functions and role of these funds. Mostly, the experience of the mentioned Arab countries was benefited from in the establishment phase and composition of the Palestinian Fund for Employment and Social Protection.

If we made a quick comparison between previous experiences and the Palestinian experience, we would realize that the Employment and Social Protection Fund in Palestine did not achieve its objectives and no successes were registered in the implementation of its three programs, namely: the development of infrastructure for local communities program, the enterprise development program and the human resources development program. This means that the experience in its first stage was fragile, weak and stumbling, in comparison with the Jordanian experience, which has funded 131 000 projects, provided 35 thousand jobs, and provided loans of a value of 77 million dinars from 1991 to 2006. The capital of the Fund also reached more than 50 million dinars. Compared with the Egyptian experience, we find that until 2007, it implemented 355, 000 projects with 1.3 million beneficiaries and the Funds' revenues reached 1.7 billion pounds. The amounts available as of the end of 2003 were 5.7 billion pounds. The number of beneficiaries of the Tunisian experience in the first four years was 331,471.

4. The reality of the Palestinian Employment and Social Protection Fund

Through his review of and consideration of the reality of the Palestinian fund, the researcher thinks that he should be divided into two phases:

First stage: the establishment, implementation and stagnation phase from May 20, 2003, to the end of September 2009. It included:

Establishment of the fund: The Palestinian Fund for Employment and Social Protection was set-up through the presidential decree dated 20/5/2003 in response to the requirements of the Palestinian situation, which was represented by a sharp decline in the Palestinian economy and its effects, the most important of which were a sharp increase in unemployment rates and the marginalization of the vast majority of the population, which was living below the poverty level. In this context, the Arab Labor Organization took the initiative to adopt a

resolution calling on the ILO to contribute effectively to the establishment of a "Fund for Employment and Social Protection for workers."

The legal framework of the Fund: The Fund works on the basis of Presidential Decree No. (9) of May 20, 2004, in addition to the Prime Minister's decision of May 2004 regarding the unification of efforts directed to supporting job creation through the Fund. It was reinforced by the decision of the Council of Ministers in January 2004, which calls on all stakeholders to encourage and support the Fund as the organizing framework of Palestinian efforts aimed at tackling unemployment and creating jobs. In addition, there are five internal regulations adopted by the Board of Directors of the Fund.

The Fund's mission:

1. Identification and mobilization of financial resources and provision of specialist support for the design and implementation of urgent solutions to enhance social capital and human development, assistance to and development of the trade sector in the Palestinian territories.
2. Development of various and varied projects for production and services designed primarily to create jobs to meet the needs of population groups as determined by the Ministry of Labour, the Ministry of Social Affairs, the Ministry of Planning.
3. Design of projects and programs aimed at upgrading the skills of the labor force and strengthening their competitiveness while seeking to promote opportunities for women and men to obtain decent and productive work in an climate of freedom, justice, security and human dignity in the framework of a coherent strategy for employment (from the feasibility study of the Fund - International Labour Organization), Geneva, August 2003.

Objectives of the Fund:

1. Obtain financial, national and international resources and ensure specialized assistance.
2. Design and implementation of a set of basic programs that meet the urgent needs of the most affected groups in Palestine.

3. The establishment of support systems and mechanisms designed to create jobs and increase them in new and existing companies, and providing specialized support to ensure their sustainability.
4. Improve the technical and institutional capacity of local organizations.
5. Ensure the participation of the poorest groups in projects that concern them.
6. Support and direct participation of the bodies of workers and employers' organizations and recognized non-governmental organizations and civil society representatives, and others involved in the preparation and implementation of development projects.
7. Work in the long term to strengthen the redistributive system by providing support to governmental and non-governmental organizations that pay particular attention to the needs of the local community. (from the feasibility study of the Fund - International Labour Organization), Geneva, August 2003.

Programs of the Fund:

1. Program for the development of the infrastructure of local communities:

This program will focus on educational services and training for the poorest categories of the population and promoting employment opportunities for them, through local community participation and intermediary agencies, the creation of small high labor-density projects related to the social structures, and through lending and supporting the establishment of projects and absorbing part of the workforce in targeted communities. The program will attempt to create 10,000 jobs annually through 5000 micro-loans for an amount of \$5 million per year and the allocation of \$15 million for social infrastructure projects, high labor density projects, establishment of vocational training centers, etc.

2. Program for Enterprise Development:

This program aims to create new jobs for the unemployed through the development of new projects and support existing projects through a credit program that provides loans to entrepreneurs and technical assistance programs. Representative bodies of workers, employers, and civil society initiatives will play a key role in this.

3. Human Resources Development Program:

This program will assist in activities of labor mobility in private sector enterprises faced by competitive pressure through targeting new projects and training workers, especially women and youth. The training of 20,000 men and women is expected and \$10 million will be allocated.

These programs will help in achieving the following objectives:

Ensuring the participation of the poorest in the projects; supporting and guiding the participation of the representative bodies of workers, employers and civil society institutions in the preparation and implementation of development projects so as to enhance the partnership between them; providing job opportunities for women and youth in particular and the unemployed in general; strengthening the redistribution system by providing support to non-governmental organizations; expanding the social assistance system and linking it to goals that can be measured quantitatively.

5. Evaluating the experience of the Fund

* At the legal level:

- The Board of Directors of the Fund adopted five regulations, which are: project cycle instructions regulation, employees' affairs instructions regulation, mobility and travel instructions regulation, procurement and supplies instructions regulations, jobs description and classification regulation

- The Board of Directors of the Fund adopted the Public Supplies Law of the PNA and the travel allowances system of the Council of Ministers.

- A draft Law for the Fund was prepared

The researcher believes that the lack of adoption of the Employment Funds' Law, its financial regulation and its organizational structure regulation, as well as the non-modification of the Presidential Decree regarding the Fund (an amendment that would have turned the Fund into the only legal umbrella for the coordination of all programs aimed at combating unemployment) are some of shortcomings and gaps that still need to be addressed.

* At the administrative level:

- The Fund is managed by a Board of Directors consisting of 16 members

- The Fund's operations are monitored by an Executive Board (a smaller body of the Board of Directors)

- Four staff members were recruited, but only one remained

- An office was rented and furnished for the Fund, but it was closed in 2006.

Here, the researcher believes there is a need to reconsider the composition of the Fund's Board of Directors and its Executive Board so as to involve a group of experts and competencies of civil society institutions, and social partners that truly represent their sectors and have experience and competence. In addition, there is a need to re-consider the appointment of national figures in the Board of Directors of the Fund, which has proven to be a for the form and ineffective at the levels of performance and commitment to attend meetings because of they are constantly busy with other matters and have many other commitments.

* At the financial level:

1. The ILO million allocated \$1 million to support the Fund, as follows:

2. The Arab Labor Organization allocated \$10,000 that were transferred to the Fund.

3. The Ministry of Finance provided the amount of \$18,000 to cover the rental of the Fund's headquarters in 2005.

4. The Saudi government provided \$ 500,000 that were transferred to the ILO in order to create a vocational training center in Palestine through the Fund.

5. The Turkish government allocated \$100,000 to the Fund and transferred them to the ILO.

6. The Palestinian government allocated \$ 5.5 million to the Fund (which were not transferred) (Employment Fund reports for 2005) (ILO reports 2005).

Financial figures hint at the weakness of the Fund's Board of Directors and its Executive Board in the provision of adequate financial resources, whether from grants or donations (Arab and international), or from individuals; it also failed in obtaining the amounts allocated to the Fund by the government or the ILO.

* In terms of the relationship with the ILO and ALO:

- There is a cooperation agreement with the ILO to assist in the establishment and support of the Fund.
- A committee was created by the Arab Labor Conference, composed of a representative of employers, a representative of governments, the regional director of the ILO in Beirut, and the ILO representative in Palestine, with the mission to recruit funds for the Fund.
- The Arab Labor Conference in its 33rd session, held in Rabat in 2006, decided to allocate \$ 100,000 to support the Fund for each of the budget years 2006 and 2007. The researcher believes that there is a need to review the agreements with the International Labour Organization as they are not bound to the Board of Directors of the Fund, as evidenced by the weakness in following up on the decisions of the Arab Labor Conference to allocate \$100,000 annually.

* In terms of the relationship with the local community:

Only one workshop was held in Ramallah in June 2004 for spreading knowledge of the Fund, attended by representatives of social partners. This means that there are shortcomings in the promotion of the Fund, which did not seek participation of components of society and its institutions through workshops and conferences. Keeping the issues related to the Fund behind closed doors is one of the reasons that led to its failure in the implementation of its programs.

Second stage: the stage of activation of the Fund and re-launch since September 2009

The Palestinian Ministry of Labor, and the Minister as President of its Board, paid renewed attention to the Fund for Employment and Social Protection in September 2009. The Ministry and social partners started considering it as an essential institution for deepening social partnership and contributing to economic and social development through supporting and developing the private sector, human resource development, empowerment of infrastructure, opening up new prospects for the unemployed, providing social protection to them through the provision of employment opportunities and strengthening its existence. They took into consideration that the Fund is a legal entity and possesses technical, financial and administrative flexibility, which enable it to perform its functions in a decentralized fashion, and that it has a Board of Directors created by presidential decree and an Executive Council to develop public policies. Thus, the Ministry of Labour made great efforts since 2009 to re-launch the fund in pursuit of leadership and excellence in the creation of permanent jobs and the development of social capital that will enable to fight poverty on a strategic basis through the recruitment and securing of financial resources. In more than one context, the Ministry of Labor confirmed that the objectives of the Fund for Employment and Social Protection is to contribute to the implementation of government policy interventions in the labor market to

reduce unemployment, participate in the process of sustainable development of marginalized groups, develop the infrastructure, contribute to the development of social capital, support existing enterprises, encourage entrepreneurs to develop new projects towards the generation of permanent jobs, and develop human resources through training programs, rehabilitation and re-training of workers to enable to acquire specialized expertise in order to facilitate the integration of the unemployed in the labor market.

In light of this, social partners made efforts, in cooperation with the ILO, to reactivate the Fund. These efforts have resulted in the re-establishment of the Fund's administrative and functional capacities for the direct implementation of pilot programs supported by the ILO during the next phase. This was based on a memorandum of understanding signed between the Minister of Labor, as Chairman of the Fund's Board of Directors, and the ILO to reactivate the Fund through three programs: providing sustainable opportunities for employment, supporting companies and small businesses to create jobs, and providing jobs for graduates in the private sector. The agreement was signed by the ILO Regional Director during a meeting in solidarity with Palestinian workers organized by the Arab Group, in cooperation with the Palestinian Ministry of Labour and the Mission of Palestine in Geneva as a side-event of the 100th session of International Labour Conference. The grant that will be provided by the ILO to the Fund's Board of Directors (in accordance with the agreement dated 09.06.2011) is of 590,000 US\$ payable as follows: 120,000 US\$ upon signing the agreement, 440,000 US\$ upon completion of the capacity building activity, implementation of three pilot projects and the submission of reports on them, and 30,000 US\$ when submitting the evaluation report at the end of the first stage on the administrative arrangements, the nine months action plan, the objectives of the three pilot projects, in addition to submitting a proposal on the second phase (3 years). There is also a commitment from the Palestinian government to provide 5 million US\$ annually to the Fund, in addition to the existence of an agreement with other donors, like the World Bank and the Islamic Development Bank, to provide continuous support to the Fund in the light of its achievements.

Therefore, the beginning of the Fund's work was officially announced at the Fund's Board of Directors meeting held in its headquarters in Ramallah on 09/20/2011. The Board members discussed the agenda submitted by the Executive Director of the Fund, including the approval of the decisions of the Fund's Executive Council, which includes social partners workers and representatives of the Ministry of Finance, in particular with regard to the process of institutionalization, the appointment of staff and preparing to launch the pilot projects, which will target projects. These projects in their first pilot phase will target an equal number of male and female unemployed young graduates with the goal of employing 300 graduates within three months, in collaboration with the private sector and trade unions; there will be three phases, and in each phase 100 graduates should be hired. The first phase will also target preparations for inserting Palestinian workers in Israeli settlements in the Palestinian labor market in implementation of the Palestinian leadership orientations to boycott settlements and to find alternatives for these workers.

From June to September 2011, prior to the official announcement of the Fund's reactivation, the infrastructure of the Fund was rebuilt. This included constituting its work team with the participation of a number of experts, the appointment of an Executive Director and other staff, and the assignment of four staff members from the Ministry of Labour to work for the Fund as part of the government's contribution in the activation of the Fund, in addition to the contribution of the International Labour Organization by sending missions.

According to the National Employment Strategy that was approved in 2010 and launched with the German Agency for Technical Cooperation, the GTZ, the Fund for Employment and Social Protection is the main tool to implement this strategy in the context of contributing to tackling unemployment in the Palestinian society. In this framework, a Memorandum of Understanding was signed between the Board of Directors of the Fund and the General Directorate for Employment at the Ministry of Labour that should help in the implementation of the Fund's first program; the cooperation between the Fund and the Ministry of Labor will take place through the Ministry's employment offices in governorates and the adoption of a selection mechanism for target groups (100 graduates in the first phase), in coordination also with private sector partners, which will identify their needs for graduates as per private sector requirements. Selected applicants will then undergo a one-week training program to prepare them to enter the labor market. Graduates will be selected in each governorate based on criteria that include the ratio of population and unemployed in each governorate, and parity between the sexes. According to the program, they will be provided jobs for a period of 6 months during which the Employment Fund will pay half their salaries and the private sector represented by the enterprise that employs the graduate will pay the other half. Every private sector enterprise that benefits from the program has to commit to employing the graduate permanently after six months.

According to a researcher, in the light of all what has been mentioned regarding the reactivation phase of the Fund, the Fund's work is still facing difficulties and is unable to implement its programs for the same reasons and challenges that affected its first stage. The first of them is Israel's continued occupation of the Palestinian territories and the dependency of the Palestinian economy upon the Israeli economy, which is the primary cause of poverty and unemployment in Palestine. The re-launch of the Employment Fund also comes at a time of increased marginalization of those living below the poverty line because of the record unemployment rates in the West Bank and Gaza Strip. Thus, it is unlikely that the Employment Fund with its current structure, programs and poor resources will be able to overcome the barriers to the development process in the occupied Palestinian territories. In addition, there are doubts and fears about the possibilities and capabilities of the Executive Council in providing the necessary financial resources for the implementation of programs, in particular since the partnership with the private sector is mostly formal; even in the first pilot phase of employment of hundred graduates, there is no binding obligation on private sector enterprises to permanently employ these graduates after six months.

6. Conclusions and recommendations for the development of the Fund for Employment and Social Protection in Palestine

Main conclusions of the researcher:

- There are gaps in financial resources and technical resources for the management of the Fund's operation
- The Fund has not achieved the development of human resources among the poor in Palestine; it has shown great weakness in the field of developing the business sector; it has not provided job opportunities for groups in need in the Palestinian society; it has been unable to finance development projects in the Palestinian territories and support productive and services projects to a high extent
- The Board of Directors of the Fund failed in developing and formulating a clear vision for employment in Palestine.
- The Board of Directors has shown weakness in mobilizing the local community and its organizations in developing a strategic vision for the Fund
- The Board of Directors' efforts succeeded in providing financial resources from grants and donations, but not at the required level; provision of financial resources from individuals is weak and the Fund has not been able to actually obtain the amounts pledged by the Palestinian government
- The Fund's finances are subject to the same rules as public funds, but there is weak regular monitoring; there are also weaknesses with regard to the financial and administrative regulations for managing the Fund's money; the Council of Ministers has mostly failed to adopt the regulation concerning the funds' bank accounts; there are weaknesses regarding the internal regulation that deals with the Board of Directors' mode of operation
- There are weaknesses in terms of the distribution of the responsibilities and specializations in the Board of Directors, as per the capacities and abilities of its members; benefit is not really drawn from the capacities within and outside the Fund; there is little investment of the capacities of all the members of the Board of Directors at the service of the Fund's purpose and objectives; there are weaknesses in distribution of administrative tasks among the Executive Council based on their capacities; the Executive Council is not following up on the employment and developmental needs of the Palestinian society

This leads us to a lack of optimism regarding the achievement of the goals and the implementation of programs in its second phase, which is the phase of re-activation and launching of the Fund. These reasons are administrative, financial and political, but they also include a potential change of the political will of the President of the Board of Trustees upon alternance, especially in the absence of a true institutionalization of the fund that is not supposed to change when the President of the Board of Directors changes. The researcher

believes that the Board of Directors of the Fund and its Executive Board in the stage re-activation and launching of the Fund does not differ much from these boards in the first phase, in the sense that they still do not include experts from civil society organizations and social partners with efficiency, expertise and independence. In addition, the mentality of working behind closed doors still exists and the failure to hold workshops and conferences to present programs and future directions for the Fund since 1999 points to the trend towards non-participation of experts and societal institutions in the formulation and elaboration of a national vision for the Fund's programs in particular and employment in general. This is one of the most important indicators that may lead to the failure of the Fund's work once again.

Recommendations:

In light of the conclusions, the following recommendations are the pillars that will serve to increase the effectiveness of the fund, enable its development and its transformation towards an institution leading the implementation process of the Employment Strategy in Palestine, leading to the achievement of the objectives of the Fund, first and foremost the reduction of unemployment, which will lead to an effective contribution in the development process, namely:

First, at the legal level:

1 – Providing an effective legal and regulatory framework that allows the Fund to become the only legal umbrella for the coordination of programs designed to combat unemployment; for this purpose, it is necessary to:

- Amend the Presidential Decree for the Fund
- Pass the draft law for the Fund.
- Adopt the Financial Regulation and the Organizational Structure Regulation, ratify and publish them.

Second: at the financial level

1 – There is an urgent need to recruit the necessary funding. It would be useful to hold an international conference for this purpose as a joint initiative of the ILO and ALO in collaboration with Palestinian partners.

2 - Reaffirming the government's decision to allocate \$ 5.5 million from the government budget to support the activities of the Fund and the commitment of allocating annual amounts for this purpose.

3 - Requesting transfer of the amounts allocated to the Fund and transferred by the Arab and Islamic countries and the Arab Labour Organization.

Third, in terms of the relationship with the ILO, the ALO and the international community:

1 - Re-activation of effective networking with regional and international organizations and

institutions

2 – Concluding new agreements and amending existing agreements with the Arab and International Labor Organizations, leading to a wider space for the Fund in the management of allocated funds.

3 - Activating the Arab Labor Conference committee dedicated to the Fund.

4 - Following-up on the resolutions of the 33rd Session of the Arab Labor Conference regarding the Fund.

5 - Reconsidering the composition of the Board of Trustees and the Executive Board so that it includes contain effective experts and competencies from Palestinian society.

6 - Forming a committee of concerned parties and experts to market the Fund in the local community.

7 - Forming a committee of social partners to prepare a concept paper on the future orientations of the Fund; the initiative of convening a national employment conference is also useful.

Fourth: at the administrative level

Re-establishment of the Fund's infrastructure, so that the administrative structure of the Fund includes (in addition to the newly appointed Executive Director) distinctive professional competencies capable of undertaking its work with the highest levels of professionalism and financial transparency. There is a need for making sure that the current Executive Board is actually capable of mobilizing sufficient resources for the implementation of programs or it will fail as the previous Council did. The researcher proposes to give the Executive Council in general, and its Executive Director in particular, a specific timeframe that does not exceed six months after which the composition of the Executive Board and its management should be reconsidered and amended if necessary.

References:

1. Asif Said, the Palestinian experience in promoting employment, paper presented to the employment planners workshop, Dubai, United Arab Emirates, 2009.
2. Palestinian National Authority, (2003), Decree No. (9).
3. Palestinian Central Bureau of Statistics (PCBS), 2010.
4. Employment and Social Protection Fund (2004-2007), financial and administrative reports for Executive Committee and Board of Directors meetings.
5. Abdul Karim Daraghmeh, Employment and Social Protection Fund, Reality and Prospects for Development, paper submitted to supplement the requirements of the research project, Institute for Sustainable Development, Building institutions and Human Development, Al-Quds University, 2008, under the supervision of Dr. Baha Taha. Unpublished research.
6. Mohammed Ghadiyeh (2005), the Palestinian Fund for Employment and Social Protection between Ambitions and Reality, Ministry of Planning.
7. International Labour Organization, (2003), Feasibility study to Establish the Employment and Social Protection Fund for Workers, Geneva.
8. International Labour Organization, (2005), Financial report on the grant provided to the Fund.
9. Mu'en Rajab, Ahmed Al-Farra, Palestinian Labor Force Policies between Theory and Practice, Palestinian Central Bureau of Statistics, Publication and Analysis of Census Data Project, 2009.
10. Palestinian Ministry of Labour, (1998), International Employment Conference.
11. Palestinian Ministry of Labour, (2000), Employment Strategy (2000-2005).
12. Palestinian Ministry of Labour, (2000), Medium-term Employment Strategy.
13. Palestinian Ministry of Labour and Ministry of Planning, (2003), Job Creation Strategy

Social dialogue and socio-economic councils

Towards the establishment of a Palestinian Socio-Economic Council

By Mohammed Ghadiyeh

Introduction:

Socio-economic councils (ESCs) are considered as national frameworks for organizing social dialogue on economic, social, environmental and cultural issues between the various components of society. They represent the highest levels of this dialogue. In order to understand and gain knowledge of the nature of these councils, their composition, mission, role and functions covered by the work paper, we need to address the concept of social dialogue and its content, levels, forms and conditions for its success linked to international literature on the subject, particularly of the International Labor Organization (ILO), Arab and international experiences and our specific Palestinian national experience, in addition to shedding light on the concept and nature of ESCs, leading to the idea of establishing a Palestinian ESC.

1 - The concept of social dialogue:

There are several definitions of social dialogue. According to the ILO, social dialogue is all types of negotiations, consultations and exchange of information between representatives of government, workers and employers on issues of public concern relating to economic and social policy.

Social dialogue is one of the four strategic objectives of the ILO, which are: to achieve workers' rights, employment, social protection, and social dialogue.

Social dialogue is a tool and mechanism for national consensus and to achieve stability, social peace, social justice and economic development.

Social dialogue is an important part of the Decent Work Agenda with its four pillars: fundamental principles and rights at work and international labor standards, employment and income, social protection and security, social dialogue and tripartism. (ILO).

Social dialogue takes diverse forms, many of which are bilateral (between workers and employers), tripartite (between workers, employers, and the government - the Ministry of Labour and other concerned ministries), and tripartite plus (which includes representatives of organized civil society, in addition to government, employers and workers' representatives).

In most countries, social dialogue takes place at enterprise level, sector and national level; there are also regional and international levels.

Any effective and sustainable social dialogue requires development of structures and institutions at various levels, at the enterprise, sector and national level, in order to resolve

individual and collective disputes through conciliation, mediation and arbitration, as well as contribute to the formulation of economic and social policies.

The identification of a framework for social dialogue, its levels, areas covered, participants and forms of appointment of these participants, is done through a legal framework and governing regulations. Here the State's role is crucial, as it can achieve the proper environment, provide institutional and legal support, and provide the conditions for forming independent workers and employers' organizations.

According to successful experiences and documents of the ILO, there are important and essential elements to the success of social dialogue, including:

- 1 - A State of law and institutions that works to enforce the laws.
- 2 - A democratic political system that guarantees political pluralism and trade union and cultural rights as per international conventions.
- 3 - The political will of various parties and their commitment to dialogue.
- 4 - The presence of specific, independent, strong and credible organizations for employers and workers.
- 5 - Provision of institutional and legal pillars based on international conventions and related recommendations governing social dialogue; the State's role is essential in this area.
- 6 - Provision of the necessary information and economic and social indicators for all partners through an institution that enjoys credibility and independence.

The objectives of social dialogue are the development of conciliation between the various parties, resolving economic and social problems, achieving good governance, social security and economic and social development, raising productivity and competitiveness. Additional objectives in the Palestinian context are helping to provide elements of steadfastness for the Palestinian people, especially for workers, marginalized and vulnerable groups, for the realization of national goals.

The issue of social dialogue is one of the components of the labor sector strategy in Palestine and it is embedded in the various sub-strategies for employment, labor inspection, vocational training, labor relations, etc... Therefore, the achievement of the labor sector strategy and associated sub-strategies depends largely on the success of social dialogue between social partners in Palestine.

Tripartism, which includes in its composition representatives of the government, workers and employers, constitutes the first major formulation of social dialogue in different countries. It is established on the basis of the principles, recommendations and guidance of the ILO which are relevant to social dialogue, namely: the Freedom of Association and Protection of the Right to Organize Convention (C87) of 1948, the Right to Organise and Collective Bargaining Convention (C98) of 1949, the Labour Relations (Public Service) Convention (C151) of 1978, the Collective Bargaining Convention (C154) of 1984, the Tripartite

Consultation (International Labour Standards) Convention (C144) of 1976, and the Voluntary Conciliation and Arbitration Recommendation (R92 1951) (ILO).

The functions of tripartism are related to labor relations and its disputes, conditions, circumstances and issues of labor rights, vocational training, employment and social protection of workers, and it is headed by the Minister of Labour. Tripartism has been established in most countries.

2 - Economic and Social Councils

Many years ago, the idea crystallized of expanding social dialogue to include other social groups in addition to workers, employers and the government, through the involvement of civil society organizations in the design and implementation of economic and social policies. This is useful and important at the national level, where it serves in reinforcing democratic practices and plays a role in enriching the debate and improving decisions regarding public policy.

The effects of globalization and structural adjustment, privatization, the dominion of neo-liberalism as a political, economic and social concept, and the declining role of the State in the economy and social services, have been accompanied by crises storming the global economy and the economies of developing countries with spreading phenomena of unemployment, poverty and marginalization. As a result, the organization of broad national social dialogue has become urgent in order to reach a national consensus on solutions to these crises and accompanying social tensions, and achieve social justice and a strong social contract that regulates the relations between the State and its citizens on the solid basis of citizenship rights.

Governments participating in the Copenhagen Summit for Social Development in March 1995 reached an agreement on the need to place people in the heart of the development process. Since that Summit, States have shown interest in the role of ESCs in European countries and Latin America, as a successful mechanism for creating partnerships with civil society and major economic and social groups for economic and social policy-making. (ESCs spread in around 70 developed and developing countries as an instrument of social partnership, and to provide advice to governments on socio-economic policies).

The idea of the councils comes out of the importance of involving people in the development process, the fight against poverty and unemployment, and efforts for employment and social integration as key objectives for development.

As a national high-level consultation mechanism, ESCs are given powers by governments and report to decision makers. They are not an arm of the government and they have a relatively broad independence.

Social dialogue in these councils takes place between the different partners. Recommendations are made to the government on social and economic policies, follow-up on the implementation of these policies in order to improve social justice, equality, equity and

reinforce the principles of human development, evaluate the social impact of government policies and present policy alternatives for employment, economic growth and social justice.

Tripartite committees for social dialogue have been established for some time, and most of them have evolved to integrate different social groups, such as non-governmental organizations, women youth and agricultural organizations, in addition to representatives of workers, employers and the government. As part of their specialized committees, a special committee is formed for tripartite labor relations, employment and unemployment, in addition to a committee for economic policies and another for social policies. Some countries form a committee for education and others a committee for agriculture depending on the country's priorities and specific context.

These councils are concerned with the integration of economic and social policies, and they examine government policies that have social effects so as to ensure social solidarity.

The general experience of the councils has generated many lessons that should be taken into consideration in the context of the establishment of the Palestinian ESC, and most importantly:

*** At the legal and institutional level:**

- These councils are established either through a law, a constitutional provision or a decision of the Council of Ministers.
- The councils are financed by the State's budget
- They are independent and have wide powers
- They have a consultative nature, make recommendations to the government by consensus or a two-thirds majority at the request of the government or on their own initiative.

*** In terms of leadership:**

- The councils have a president, vice-presidents and executive office often composed of the persons responsible for the specialized committees and vice-presidents; they also have a secretariat for daily work
- Daily work of the councils is directed by the executive office
- The head of the executive office is appointed either by the executive office members or the government

*** In terms of membership:**

There is a wide diversity in composition and membership according to each country, its context and its vision of the role of the council; some councils have a wide membership and others a more restricted one. The majority have a large configuration, where the government, employers, labor federations and other interest groups in the society are represented, with an equal membership of the various groups.

Internal regulations differ from one country to another, but councils meet regularly, submit reports and make recommendations to the government.

*** Regarding committees:**

- All councils have committees - departments working on specific issues, they meet regularly to follow-up on their work, and their function is to provide reports and recommendations based on their field of specialization that are discussed at the council's meetings and are submitted to the government.

- All councils have a secretariat in charge of daily work that provides administrative and operational support to the council members and its committees

- Some councils have a center for research and studies, and those who don't need to maintain good relations with research centers, think tanks and study groups in their country.

Examples of the composition and membership of ESCs in the Arab region and other countries:

- **Economic and Social Council of Jordan:**

The Council is composed of four groups and has 40 members; it includes: representatives of the government - ministries and official institutions, three experts in economic and social issues (within the quota the government and are appointed by it), representatives of employers selected in coordination with chambers of commerce and industry, employers' unions, workers' representatives selected in coordination with trade union federations, and representatives of civil society institutions related to the functions of the Council that are selected in coordination with concerned authorities. The Council has four committees: the Economic Policies Committee, the Social Policies Committee, the Labor Policies Committee and the Educational Policies Committee. The Council was established by royal decree and its statute approved by the Council of Ministers and not by law.

- **Economic and Social Council in Lebanon:**

The council includes 71 members representing government, employers, trade union federations, vocational unions, civil society, experts and expatriates.

- **Economic and Social Council of Bulgaria:**

It was founded in 2001 by a special law, and began its work in 2003. It is an independent consultative body and its budget is part of the State budget. It consists of 36 members divided into three groups and a president. The three groups are employers, trade unions, and civil society institutions (agricultural producers, cooperatives, consumers, women, environment, persons with disabilities, pensioners); there are also 2 academic experts appointed by the government upon proposal by the Ministers of Economy, Labour and Environment. The non-participation of government representatives in its membership should be noted. It works

through six committees: economic policies, social policies, budget, finance and social insurances, work, income, quality of life and labor relations, international cooperation and European integration, regional policy and environmental sustainability

- **Economic and Social Council of Spain:**

Founded in 1999, it consists of representatives from government, employers, trade unions, 6 independent experts who are appointed by the government upon proposal by the Ministers of Labor, Social Affairs and Finance, after consultation with the constituent groups of the Council, fishing unions, agricultural unions and cooperatives. The Council has 61 members (each group has 20 members, in addition to the president) and it has 12 specialized committee. It was established by a law.

- **French Economic and Social Council:**

It is constituted of representatives from the government, employers, trade unions, civil society institutions, the agricultural sector, cooperative sector organizations, family organizations, experts appointed by the government (there are 40 experts in economic, social, cultural, and scientific fields). It has 231 members and 18 specialized groups.

- **National Economic Development and Labor Council in South Africa (NEDLAC):**

Founded in 1994, it consists of representatives from the government, employers, businessmen, trade unions and local groups. Financed by the government, it has a membership of 72. There are four groups and each group has 18 members, including ministers and senior government officials.

- **Brazilian Economic and Social Council (CEDES):**

It was founded in 2003 and consists of representatives from the government, civil society, employers, labor unions, social movements, and experts. It has a membership of 102 (90 representatives from various groups and 12 representatives of the government). It has 9 committees, the most important of which are the economic and social policies committees. It is chaired by the President of the Republic.

Thus, the nature, content, form and levels of social dialogue in each country depend on the historical, cultural, economic and social context of its development. Although there are common and shared issues regarding the tasks, functions and role of these councils, there is no specific model that is followed by all.

Comparison between the tripartism and the Economic and Social Council

Tripartism (labor policies committee)

It is established through the labor law and Council of Ministers decisions

Economic and Social Council

It is established through a law and its own statute adopted by the legislative assembly, or through a special article in the constitution, or a law or decision issued by

the Council of Ministers

It is constituted of three parties: there is an equal number of representatives of the government, employers, trade unions. Their number is limited

Its functions are limited by the law and the regulation (labor law and Council of Ministers decisions) to the following areas:

- 1- Employment
- 2- Occupational health and safety
- 3- Labor disputes
- 4- International and Arab conventions and recommendations related to labor relations and adapting local laws and regulations to them

This committee addresses specific issues related to labor relations, work conditions and circumstances in a narrow understanding of these terms.

It has few committees that have specific functions related to its scope of work

It can take decisions in the issues that it addresses and are linked to its functions, except on matters related to laws and legislation

It looks at the legislations and laws related to labor relations and formulates its opinion on

It is constituted of four parties: representatives of the government, employers, trade unions and their federations, related civil society organizations, including academics, experts, media, etc... There number is higher.

Its functions are broader, more comprehensive and it addresses major and macro issues that concern the national economic and social life, in particular regarding economic and social policies such as:

- 1- National developmental plans
- 2- Fiscal policy and inflation
- 3- Budget
- 4- Minimum wage
- 5- Taxation policies
- 6- Social insurances
- 7- Policies related to fighting poverty and unemployment
- 8- Policies related to economic growth and employment
- 9- Macro economic and social policies in the country
- 10- Equality between women and men
- 11- Economic and social legislation

It also addresses any other global economic and social issues.

There are more work committees, they are broader and linked to the great functions of the council

It plays a consultative role to decision-makers, the government, parliament and president

It looks at the various legislations and laws related to the economic and social legislative

them

framework

3 - Social Dialogue in Palestine

There are forms of social dialogue, most importantly:

- The formation of a joint committee between the government and employers, in order to strengthen the private sector as a lever of economic development in Palestine. In 2008, a special conference was held in Jericho to announce this partnership. This committee has also overseen the organization of several conferences for investment in Palestine, and here we should note that it is limited to only two parties, namely the government and employers, while workers and the civil society are absent from this partnership.

- The formation of sectoral policy advisory councils by a decision of the Council of Ministers in 2009, which were associated with the preparation of sectoral strategies and integration in the medium-term development plan. Their membership includes representatives from governmental institutions, the private sector and civil society. Their main tasks are formulating policies for each sector and therefore there is dialogue on sectoral issues and not on overall national economic and social policies.

- The formation of a national consultative framework with representatives of the government, the private sector and civil society for dialogue on the national development plan, which was established by a decision of the Minister of Planning. Its mission will be completed after the completion of the plan.

- Tripartite labor policies committee, which was established on the basis of article 7 of the on Palestinian labor law and a decision of the Council of Ministers on 17.08.2003. It is chaired by the Minister of Labour and includes an equal number of representatives of the three parties (government, employers, workers). This is the framework for social dialogue between the three partners, especially at the level of employment, vocational training and labor relations.

From its establishment until 2009 (a period of 6 years), the labor policies committee only held two meetings! When Dr. Ahmed Majdalani became Minister of Labor, he started working to revive and activate it, and issued a decision for this purpose on 14/01/2009.

Since then, the labor policies committee has held several meetings that addressed many important issues. Focus was placed on the importance of activating its role and functions and adopting an action plan to improve its work. It took several approaches, including holding a training meeting for all the members of the committee at the ILO's International Training Center of Turin on social dialogue, its mechanisms, forms, institutionalization, agreeing on the agenda of dialogue and elaborating an action plan for 2010.

Declaration of Turin: The Tripartite Labor Policies Committee held a consultative training meeting at the International Training Centre of the International Labour Organization in

Turin from February 8 to 13, 2010. This meeting was aimed at developing and strengthening the capacity and skills of members of the Committee for effective social dialogue.

At the end of this consultative training meeting, the committee agreed on an action plan for the Committee for the coming period, that deals with the main areas of its work and enters into details in terms of: the institutional framework and direction for the formation of a Palestinian ESC and the promotion of social dialogue (to promote a culture of tripartism and social dialogue, development of a social dialogue system, commitment to and development of good labor relations - information and data - collective bargaining -, prevention and resolution of labor disputes, promote and increase the effectiveness of the labor inspection system, national labor laws and international labor conventions). Each area of work includes concrete interventions and activities.

The Declaration of Turin represents a significant leap in raising the capacities of the Tripartite Committee in terms of knowledge and planning, and it equipped itself with a clear and enforceable action plan.

This requires working on defining a timetable and projects to achieve practical progress. In addition, relevant departments at the Ministry of Labour can integrate interventions contained in the Declaration of Turin in their strategies and action plans, and report to the Tripartite Committee on progress made, because it is responsible for its achievement in relation with its role and functions.

In its consecutive meetings, the committee discussed many reports, in particular reports on labor inspection, labor disputes, collective bargaining and agreements, occupational health and safety, employment, in addition to a short-term plan for developing and institutionalizing social dialogue in Palestine. This plan is being implemented as learning visits have taken place to some countries to exchange experiences and look at their experiences in social dialogue. These visits included the Jordanian ESC in May 2011 and the Bulgarian ESC in July 2011. Workshops were held for workers and employers on ILO conventions and recommendations on social dialogue, the Palestinian labor law, tripartite experiences, ESCs, economic, social and legal conditions in which social dialogue takes place in Palestine. This had a good effect on enhancing a culture of dialogue and getting to know its requirements, conditions, rules, and the basis on which it is built. There is on-going work to complete these workshops with workers and employers, as well as for Ministry of Labor employees (in particular those in the labor relations and inspection departments) in governorates, and make preparations for the holding the national conference for social dialogue in Palestine, that is planned for January 2012.

4 – Strengths, Weaknesses, Opportunities and Threats

Strengths and weaknesses relate to internal elements, whereas opportunities and threats relate to external elements.

Strengths	Weaknesses
------------------	-------------------

Strengths	Weaknesses
Existence of political will on part of the government, the Ministry of Labor and the Minister of Labor	Geographical and political division between the West Bank and Gaza Strip
Government program – Ending the occupation and establishing the State	Weakness, fragility and vulnerability of the Palestinian economy and deformation of the labor market
Labor Ministry strategy and confirming the importance of social dialogue	High unemployment and poverty rates
Turin statement and its work plan	Reliance on politically oriented external aid
Existence of a tripartite committee presided by the Minister of Labor with representatives of government, private sector and trade unions	Widespread informal sector, and predominance of small enterprises in the structure of the Palestinian economy
Various partners comprehend the importance of national and societal unity to achieve national liberation and democracy	Lack of political will among some social partners and their fear of social dialogue which they consider as affecting their interests
Existence of a democratic political system that believes in political, trade union, and cultural pluralism, respect of the opinions of others, individual liberties and human rights	Absence of unified workers' federations, lack of a coordinating mechanism between them, conflict is given priority over reaching a consensus between them
Successful and continuous implementation of the governmental reform program, institution building, and remarkable development at the level of personal security, individual freedoms and human rights	Association of trade unions with political forces, which affects their independence and labor role (independence problems)
PNA and Ministry of Labor commitment to international conventions, principles and standards of the ILO as well as international social values	Weak representation by partners of the social groups whose interests they represent (representation problems)
Ongoing evolution regarding the development and institutionalization of social dialogue in Palestine through training courses for trade unions, employers and Ministry of Labor, and related study trips	Weak organizational building of various partners' organizations in terms of skills, organization, administration and capacities

Strengths	Weaknesses
Relative current evolution regarding more profound and accurate understanding of the philosophy and content of tripartite social dialogue and ESC	Weak enforcement of laws
Council of Ministers decision in August 2011 to establish the Palestinian ESC, which opens the way for a wide and institutionalized national dialogue	Absence of many laws and regulations related to social dialogue (trade union law for example), necessity to develop the labor law, and need for abidance by Palestine to international conventions and recommendations related to social dialogue and their practical implementation (legal and legislative aspect)
Low level of culture of social dialogue	Establishment of a preparatory committee for the establishment of the Palestinian ESC headed by the Ministry of Labor with the participation of government, employers, trade unions and civil society representatives
In most cases, social partners are giving priority to politics over development and democracy	
Rapid succession of governments and change of ministers, with varying interest and follow-up from one minister to another	
Variety of forms of social dialogue that are not institutionalized and lack of a national framework for social dialogue that includes all components of the society	
Opportunities	Threats
International consensus on the establishment of a Palestinian State	Continuation of Israeli Occupation and the conflict
Support of the international community to the program for establishing the State and ending the Occupation	Stalling of the peace process
Financial and technical support of the ILO to the Ministry of Labor and various partners so	Set-back in donor and international organizations' assistance due to the global

that they assume their roles with regard to social dialogue, the presence of many related programs, moving towards holding the national conference for social dialogue, action plan for reinforcing social dialogue, institutionalizing it, expected financial and technical from international institutions for the establishment of the Palestinian ESC as a framework for social dialogue in Palestine

financial crisis and due to the politicization of the aid process

Strengthening of the relationship between Palestine and regional and international counterpart ESCs; there are some encouraging beginnings as Palestine has been invited to participate in Euro-Mediterranean conferences for ESCs and implementation of joint programs related to social dialogue, women and youth. Palestine has also been invited to participate in a conference by the Spanish ESC.

Palestinian economy continues to be subordinated to the Israeli economy

External interferences and their effects on decision-makers in organizations representing social partners

Conclusion:

Palestine needs to the formation of an Economic and Social Council for the following reasons:

- 1- The importance of societal unity, in addition to the political unity under Israeli occupation.
- 2- Correlation of national liberation with the tasks of institution building, democracy and development.
- 3 - Absence of a lasting, comprehensive and institutionalized national framework for social dialogue.
- 4 - The functions and role of the tripartite labor policies committee does not reach the level of addressing socio-economic policies, as its role as defined by the labor law is linked to issues of employment, unemployment and labor relations. Furthermore, it does not include non-governmental organizations, academics and experts in its membership.
- 5 - The ESC, composed of all the components of Palestinian society, will expand national participation necessary to make economic and social policies and adhere to the most

important goals of social dialogue, which are consolidation of social cohesion and civil peace; it will enable to build a consensus on solutions around these issues that will strengthen and consolidate the social contract and benefit of the society as a whole.

6 - The establishment of a Palestinian ESC is an important national framework for relations with the similar councils in other countries, regional and international frameworks, which were formed from ESCs such as the Economic and Social Council of Europe, and the Euro-Mediterranean Economic and Social Council and other platforms, which Israel currently uses to the benefit of its policies and positions.

In its meeting held in Ramallah on 12/7/2011, the Council of Ministers adopted a decision to establish the Palestinian Economic and Social Council and to regulate the work of the Council by law. It commissioned the Minister of Labour to take appropriate steps to implement this decision. This decision opens the door for discussion between partners regarding the future Council's composition, functions, its composition, its committees, as well as the law, system and internal regulations that will govern its work. The Minister of Labour established a preparatory committee that he chairs, with representatives from the public and private sector, trade unions and civil society to oversee this task. This committee will provide the documents that it is going to elaborate (the general framework of the Council, law and regulation) to the Council of Ministers for approval, in light of which the Council will be established and begin its work.

Hereafter are the questions, which will be the discussed between the partners, after the composition of the Council of four equally-represented groups (government, employers, trade unions, civil society) has been decided.

- How many members will the Council have (40-50, or more)?
- Who will represent the government? In addition to the Ministries of Labor, Finance, Economy, Health, Education, is there a need for other ministries due to the Palestinian particularity and which are they?
- Academics will be counted in quota of the government, how many should there be and what are their specialties? Of course, there should be experts in economic and social policies, but is there a need for experts in other areas due to the Palestinian particularity?
- Who will represent Palestinian trade unions and at what level? Secretary-General or his deputy, or another level? Which federations and trade unions that will represent all Palestinian trade unions?
- There is a coordinating council for the private sector that includes all federations and chambers of commerce and institutions related to the work of the private sector, is it this coordinating council that will determine their representatives in this Council? What is the level of representation? Heads of federations, chambers of commerce or other private sector institutions, and will they vary from time to time?

- Who will represent relevant civil society organizations? What are the social groups that the Council will pay attention to and that will be represented, such as women, youth, people with disabilities, the media, and are there others? How will they be represented (as individuals, representatives of organizations, or both)?

- Finances will be from the State budget - Council of Ministers or the Ministry of Finance – as happens with the vast majority of councils. Are there other suggestions?

- With regard to committees, there are great variations in their number (from 4 to 21) in the experiences of other councils according to each country. How many committees do we want? What are they: economic policies, social policies, labor policies, education? Do we want committees associated with the Palestinian particularity, for example, a special committee on Jerusalem, agriculture, cooperatives, etc?

All these questions will be formulated in a special paper prepared under the supervision of the preparatory committee that will be discussed with the various partners in the near future. This workshop can present ideas on this topic that can feed into the current preparatory process towards the establishment of the Palestinian Economic and Social Council.

References:

1 – Documents of the ITC-International Training Center-ILO

2 - Social dialogue in the Arab world, reality and prospects, Rabat, December 2010.

3 - Social Dialogue for Sustainable Development, Arab Labour Conference, 28th Session, Cairo, 12-22/5/2011.

4 - Economic and Social Council of Bulgaria - a study visit attended by the expert with a Palestinian delegation from the private sector, trade unions and the Ministry of Labour headed by the Minister of Labor, in the framework of the project for the development and institutionalization of social dialogue in Palestine, for exchange of experience and access to the Bulgarian experience in social dialogue, July 2011.

5 - Economic and Social Council of Jordan - a study visit attended by the expert with the Palestinian delegation, as indicated in the fourth point regarding the visit to Bulgaria, May 2011.

6 - Lebanese Economic and Social Council - Website of the Council.

7 – French, Spanish, Brazilian and South African Economic and Social Councils

The experience of Economic and Social Councils-ESCWA-Beirut-2007

8 - Minutes of meetings of the Tripartite Committee (Labor Policies Committee) – Secretariat of the Committee - Ministry of Labour.

9 - Palestinian Labor Law of the year 2000.

10 - Council of Ministers decision on the work regulation for the labor policies committee, 2005.

11 - Council of Ministers decision on the establishment of the Palestinian Economic and Social Council, July 2011.

12 - Minister of Labour's decision to form a preparatory committee for the establishment of Palestinian Economic and Social Council, August 2011

13 - Statement of Turin, February 2010

Ways and requirements for activating the Palestinian Employment Agency

Prepared by Ibrahim Hantash

1. Introduction

The Palestinian economy is going through a critical phase of building a State with its basic elements, infrastructure and institutions, that requires uniting all efforts at various levels. The current situation requires the use of all available tools and resources to address crises and imbalances affecting the Palestinian economy. This economy suffers from many structural distortions and imbalances, including the inability to absorb the entire workforce, which results in a surplus in the workforce and the persistence of unemployment affecting the other components of the economy, such as consumption, poverty, investment and production.

Despite the intentional and unintentional efforts deployed by the Palestinian Authority over past years to absorb a large part of the Palestinian labor force, discouraging external effects, specifically those related to Israel and international aid, contributed to the complexity of the problem and did not lead to radical solutions. These efforts remained unable or insufficient for stimulating the Palestinian private sector to perform its vital role in absorbing the workforce surplus and solve the problem of unemployment and its negative effects.

The preparation of the National Employment Strategy is one of the joint efforts that have been undertaken. This strategy has indicated the need to establish a National Employment Agency (as an institution) with the primary function of providing services to employers and job seekers to reach an optimum balance between labor supply and demand. However, until the time of writing this paper, subjective and objective conditions have prevented the activation of this agency. In this paper, we will attempt to highlight the overall context and circumstances in which the proposal of establishing this agency was made. We will present the experience of a number of countries regarding the work mechanisms and fields of the agency to draw lessons from their successes and failures. The paper will also present a number of suggestions that will contribute in activating the agency and achieving its goal.

2. The reality and characteristics of the labor market

The Palestinian economy, and the labor market in particular, suffer from many structural distortions as a result of the practices of the Israeli occupation authorities. The Palestinian labor market is characterized by its low absorption capacity for the increasing numbers of workers. Palestinian workers have found their way out of unemployment either by emigration and employment outside the Palestinian Territories, to the Gulf countries for example, as was the case throughout the end of the last century, or by joining the Israeli labor market after it opened to Palestinian workers after the 1967 war in various degrees depending on Israeli interests, political and security situation. With the beginning of this decade, and the outbreak

of Al-Aqsa uprising, the Israeli authorities closed their labor market more than once to the Palestinian work force as a whole or partially, leading to a rise in unemployment rates from 11.8% in 1999 up to its maximum of 26.8% reached in year 2004. The last available statistics on the unemployment rate indicate that it stabilized at 18.7% during the second quarter of 2011, with 15.4% in the West Bank and 25.6% in the Gaza Strip.

The high unemployment rates in the Palestinian territories led the Palestinian Authority from its inception in 1994 to search for solutions to this problem, one of which was absorbing the increasing numbers of workers in civil and military governmental sectors. Although this solution is effective in addressing the problem of unemployment in the short term, it led to many negative effects. The most important of these effects was the significant inflation of the public sector over past years and high costs of salaries, which sometimes reached more than 50% of total public expenditures. Despite official attempts to curb the ever-increasing numbers of public sector employees incarnated mainly by a policy of abstaining from any new recruitment except in the health and educational sectors, the confrontations that were later known as “political division” and the takeover of Hamas in the Gaza Strip resulted in setbacks; employment in the governmental sector picked up again significantly in both the West Bank and the Gaza Strip, and this time on the basis of political affiliation.

The participation rate in the labor force is 42.7% according to data from the second quarter of 2011, and thus it has maintained the same level for years as indicated by Palestinian Central Bureau of Statistics (PCBS) data. It should be noted that this rate is significantly lower than in Israel, where participation in the labor market exceeds 55%. The proportion of female participation in the Palestinian Territories is very low when compared to male participation, and a majority of women, especially educated women, choose not to join the labor market because working conditions do not match their aspirations. The female participation rate during the second quarter of 2011 reached 16.2%, whereas the male participation rate was 68.6%. In counterpart, the unemployment rate among women is much higher than among men, 28.6% compared to 16.4% in the second quarter of 2011.

High unemployment and low participation rates in the labor market are not the only problems that the Palestinian labor market experiences. There are other problems that include high wage rates when compared to neighboring countries, low value-added generated by workers (labor productivity) and low productivity of the dollars spent on the worker in order to generate added value. In addition to the aforementioned problems, high population growth in Palestine remains a problem, as there will be a need to find nearly 270,000 job opportunities for those who will be entering the labor market during the years 2010-2015.

Despite the importance of quantifying the problems experienced by the Palestinian labor market, reviewing the legal and institutional reality is also important in clarifying the situation and diagnosing the reality and characteristics of the Palestinian labor market. At the legal level, the labor law was adopted in 2000 and started being implemented in 2005. However, the legal environment is not encouraging to improve the situation and indicators of the labor market, due to several factors: non-completion of the framework of labor legislations and associated legislations, in particular the social insurances law, employers

non-abidance by the labor law articles, lack of clarity of some of its articles and clauses that allow for different interpretations on part of production parties and stakeholders, in addition to the fact that not all labor law by-laws have been issued yet.

On the other hand, the institutional structure of the labor market is experiencing serious problems that affect its capacity to generate an efficient and effective labor market. One of the problematic areas is union organizing, which suffers from serious difficulties due to the low level of representation, weak decision-making mechanisms, limited financial resources and the absence of a legal framework for freedom of association and the right to organize. This affects the ability of trade unions to play an active role in improving the situation of the labor force in the Palestinian labor market. In addition, there is an absence of specialized labor bodies and committees that are supposed to provide support to reach the goals set by the interested parties and decision-makers in the field of labor and workers.

The aforementioned issues clearly show that that the Palestinian economy suffers from structural imbalances that affects its ability in absorbing the surplus of workforce. Therefore, great efforts should be made to promote self-reliance of the economy, enabling it to perform its vital role in absorbing the labor force. Such efforts should be accompanied by similar efforts to improve the legal environment, particularly labor legislations, the reorganization of the trade union situation and the creation of an institutional structure that matches the desired overall objective of reducing unemployment and improving the situation of Palestinian laborers.

3. The Employment Agency from the perspective of the National Employment Strategy

When reviewing the National Employment Strategy, it is clear that the strategy's primary objective is "to work on configuring conditions (policies, measures, institutions and infrastructure) to face the growth that occurs on the Palestinian labor force, which will lead to poverty reduction". The strategy emphasized the need to establish competent bodies to achieve its objective of the strategy, and these bodies are: the Fund for Employment and Social Protection, the Economic and Social Council and the Palestinian Employment Agency.

Those who prepared the Employment Strategy singled out the eighth item of the strategy, because it includes mechanisms to traduce the strategy into an action plan. The focus was on key areas of institutional development, which included: the establishment of social partnership, setting principles for institutional development, establishment of an employment agency, creating a smooth cooperation between the employment agency and the union of chambers of commerce, the educational sector, and technical and vocational education and training. The strategy has also linked measures related to the institutional structure to the increase of the number of enterprises that employ more than 20 workers.

In this framework, there is a clear indication that the elements of the strategy's success in achieving the goal of institutional development, activating cooperation and social partnership, is dependent upon large enterprises. These large enterprises constitute the main future perspectives for employment, although they do not absorb more than 18% of the Palestinian

labor force. Small enterprises absorb the remaining labor force. In another part of the strategy (item 8-3-1-3) a special part has been devoted to community training on self-employment and the creation of small enterprises. The authors of the strategy have made rational justifications for paying attention to small enterprises and self employment, such as providing individuals with technical and entrepreneurship skills and necessary support services to enable them to become business owners, employ themselves and undertake income generating activities in their communities. These rationales for paying attention to small enterprises are consistent with the strategy, its spirit and its objectives that aim at reducing unemployment.

Although the authors of the strategy succeeded in pointing out the importance of small enterprises, this enters in contradiction with the aforementioned subject of focus on large enterprises and their role in the strategy's success. This requires that the authors remove this discrepancy in the implementation mechanisms and tools of the strategy, as the persistence of such ambiguity and contradictions will lead to confusion and hamper the achievement of the objectives that have been set.

On the other hand, the strategy has devoted its sub- item (8.3.3) to addressing matters related to the establishment of the employment agency. According to the strategy, the agency will offers a range of services, including: providing information, registration of job seekers, providing advisory services to workers, and training services for workers and employers, among others. The strategy has stipulated the establishment of employment services offices, the "One Stop Shops (OSS)" where communication and service provision for workers will be centralized.

The overall context and circumstances under which the National Employment Strategy has been prepared, and the indicators that refers to the need to find mechanisms and create institutions (including employment agency) to implement the strategy and achieve its objectives, requires us to focus our attention on reviewing the basic elements that must be provided for ensuring the success of the agency's work and achieving the purpose for which it was proposed. This leads us to look for successful experiences in other countries related to the agency's field of work and sources of success that can be emulated in the Palestinian experience.

4. Employment agencies in Arab and European countries

In this part, we will review the Tunisian and German experiences in the establishment and operation of employment agencies. Tunisia was chosen on the basis of economic and social similarity to the Palestinian situation and the great success the agency was able to achieve in Tunisia, while the German experience was chosen as an example because of its development and advances in this field.

4.1. The Tunisian experience (National Agency for Employment and Independent Work - ANETI) ¹

¹<http://www.emploi.gov.tn/index.php?id=61&L=1>

The Tunisian government established the “National Agency for Employment and Independent Work” based on law no 11 issued in 1993. It is a governmental institution that functions under the supervision of Ministry for the Employment and Professional Insertion of Youth. The agency is concerned with the implementation of government policies in the field of promoting employment, and its basic tasks are:

- Revitalization of the labor market, particularly through employment offices and independent work;
- Enriching information on employment and professional skills for the benefit of organizations and job seekers;
- Implementing programs to promote employment and integration of youth in professional life;
- Providing necessary support and assistance to ensure the advancement of micro-enterprises and independent work ;
- Providing information and professional guidance to applicants of vocational training in order to integrate them into professional life;
- Regulating and supervising the employment of Tunisian workers abroad
- Facilitate the reintegration of Tunisian migrant workers into the national economy after they return

The National Agency for Employment and Independent Work mainly targets the following categories:

- Job seekers: it helps them through several programs, including a special program for first-time job seekers, who hold university degrees and registered with the employment agency’s offices and who have exceeded a 6 month period of unemployment from the date of graduation; they are given a monthly grant called “active search for a job” of 200 Tunisian Dinars, in addition to medical coverage for a maximum of one year.
- Groups that face difficulties in integrating the labor market: this includes workers, who have been laid-off by institutions; the State guarantees for one year the payment of 50% of their former wages, and in the range of 200 TD monthly for those who lost their jobs due to economic or technical reasons or the permanent closure of the institution or suddenly or illegally, provided that they have been working in the institution at the time of its closure for not less than three consecutive years.
- People with disabilities: the agency receives requests from persons with disabilities, who have the needed competencies, and works to help them by encouraging employers to recruit them; in exchange, employers are exempted from all or part of the social costs (the contributions of employers in the legal system for social security) depending on the worker’s situation.
- Business owners, who are in need for personnel: the agency helps them in obtaining human resources from among those registered with the agency.

4.2. The German Federal Employment Agency (Bundesagentur für Arbeit - BA)²

The Federal Employment Agency is the labor market's biggest service provider. As a public body with self-governance, it acts independently within the framework of the applicable law, which is the German social law in its 3rd formulation. The agency is headed by an Executive Board. It consists of the chairman of the executive board, and two other members. The agency is composed of the head office in Nuremberg, 10 regional directorates responsible for the successful implementation of the regional labor market policies, 178 employment agencies, and approximately 610 branch offices, in addition to a number of independent agencies:

- Institute for Employment Research in Nuremberg
- International Placement Service in Bonn
- Staff College of the Federal Employment Agency
- University of the Federal Employment Agency - University of Labour Market Management
- IT System House
- BA Service House - Service Provider of the Federal Agency
- Family Benefits Office

The agency provides 10 forms of direct and indirect assistance for target groups, as follows:

1. Child benefits: the agency provides aid for families of children up to age 18 depending on specific conditions and criteria
2. Education and further training allowances: the agency provides travel and accommodation allowances and child care for people, who are starting their further education to gain extra skills and knowledge while they do not work.
3. Employment of older persons: the agency requires that the beneficiary's age is over 50 years old and earns a low wage, in which case this allowance is allocated to compensate for the low wage for the purposes of pension benefits.
4. Insolvency payments: the agency pays this allowance for workers, whose wages are affected as a result of the failure or bankruptcy of the institution they work for.
5. Persons with disabilities benefits: the agency covers the expenses of vocational training for this group to help them integrate the labor market.
6. Business start-up benefits: the agency provides financial assistance to entrepreneurs in self employment projects. The agency determines the amount, duration and conditions of payment related to the financial grant.
7. Short-time working allowance: in cases of low weekly working hours, the agency allocates an allowance to compensate for the decline in income.
8. Unemployment benefit II: According to this program, if the person is able to work and is not working and is between the age of 15-67 years, the worker gets an unemployment allowance. If this person is unable to work, then he/she will get a social allowance of a sufficient amount to meet his/her basic needs.

² <http://www.arbeitsagentur.de>

9. Vocational training benefit: vocational training students get this allowance if they are studying far away from their families, or if the student is studying in this institute in order to rehabilitate him/herself for finding a job.

5. Ways of activating the Palestinian Employment Agency

The Palestinian Employment Agency is an agency, whose establishment has been proposed in the National Employment Strategy as one of the important tools for the implementation of the strategy. It has been more than two years since the adoption of the strategy, but the agency and its sister bodies contained in the strategy have not been established yet. Many demands on part of trade unions and civil society organizations have stressed the necessity of establishing the agency. However, the main question revolves around the existence of appropriate circumstances and the availability of basic elements necessary for the agency's establishment and operation.

- The legal framework for the establishment of the agency

There is no specific law that regulates all matters related to the agency; this law should include the legal framework of the agency, its administrative and financial structure, formation its the Board of Directors, its basic functions, ways to achieve the objectives, its financial resources and other issues that organize the agency's affairs. The efforts for passing a law regarding the employment agency must be accompanied by similar efforts to make necessary amendments to the labor law, obtain the issuance of a set of complementary laws, such as the social insurances law and law for protection against unemployment, activate the public pension law and adopt a special law for trade unions.

It should be noted that the Palestinian Ministry of Labor has prepared a draft proposal for a law regarding the employment agency. However, this draft law has not yet completed the necessary legal procedures for its implementation. The completion of these procedures will provide a legal framework for the establishment and operation of the agency. The accumulated experience and the achievements of the General Directorate for Employment and its staff that works on a national level should be taken advantage of.

- Promote self-reliance of the Palestinian economy

The Palestinian private sector is considered the main absorber for the local labor force. Thus, it should be given special importance and attention that will contribute to enhancing its ability to withstand pressures and develop in order to fulfill its required role in absorbing the surplus in the labor force and contribute to the success of the employment agency's mission. In this regard, the following policies can be proposed (for further information see the study by Mohammed Naser, 2003)³ :

- Improving the investment environment, and providing incentives and exemptions to the private sector, specifically in the areas of prices, services, the development of

³ Promote self-reliance of the Palestinian economy, Muhammed Naser, MAS institute, 2003

infrastructure facilities and the granting of preferential treatment for the enterprises that employ additional workers

- Complete the formation of institutions that support investment
 - Encourage the private sector to establish labor-intensive industries
 - Give priority to the Palestinian private sector in governmental procurement and tenders
 - Pay increased attention to small enterprises, adopt policies and stimulating procedures for their development, as well as focus on pilot projects for youth and women.
- Development of human capital

Special and important efforts should be made to improve the performance of Palestinian workers, develop their abilities and rehabilitate their skills to enable them to enter the labor market and enjoy professional and career development. These efforts include (refer to Basem Makhoul study and others, 2001)⁴:

- An evaluation study on the efficiency of current training programs
 - A periodic survey on the needs of business sectors in terms of skills and knowledge
 - Reviewing the curriculum provided by the training programs and adapting it to labor market requirements.
 - Raising the level of coordination between the General Employment Agency and vocational and technical training institutions, the Ministry of Higher Education, Ministry of Labor and trade unions.
- Creating support bodies

The success of the General Employment Agency requires support from a number of institutions that have a complementary role with the agency. The most important of these institutions are:

- Establishment of General Commission for Regulating Cooperatives (GCRC) to supervise and guide the cooperative movement, strengthen the role of cooperatives and their self-reliance.
- Attract well-known private multinational employment agencies to take advantage of their expertise in inserting the long-time unemployed into the labor market and in labor market project management.
- Enhancing cooperation and coordination with the Fund for Employment and Social Protection as it is responsible for mobilizing funds and financial resources to implement the National Employment Strategy. In addition, this cooperation should also include the Economic and Social Council.

6. Role of different parties in the activation of the employment agency

⁴ Policies to improve the labor absorptive capacity in West Bank and Gaza Strip – the available alternatives, Basem Makhoul, Samia Al-Butmeh, and Naser Atiani, 2001

The success of the employment agency and the achievement of its goals depends on the integrated role of various relevant parties, who share the same interest regarding the labor market. These roles can be distributed onto four parties, as follows:

- **The Ministry of Labor**

- To improve and modernize the legal framework regulating the labor market, and to accelerate the adoption of supporting and complementary laws (social security law, protection from unemployment law, trade union law, completing the adoption of by-laws of the labor law).
- Developing the labor inspection system on work conditions and ensuring that establishments are abiding by the law, which includes provision of facilities and needed resources for labor inspectors in their workplaces in different governorates.
- Placing focus in the current stage on vocational and technical training institutions, their programs and training curricula in a manner that will contribute in increasing the participation of graduates and workers in these programs. Moreover, surveys should be conducted periodically to identify the training needs for the business sector in terms of skills to knowledge, in order to design training programs that will meet these needs.
- Developing the cooperative movement, especially in rural areas, because of the role cooperatives play in job creation.
- Intensifying the Ministry's efforts to mobilize financial resources needed for the agency's operation, for conducting its activities and maintaining its independence.

- **Workers and trade union bodies**

- Improving the trade union situation autonomously by strengthening democratic practices in trade unions, so as to guarantee a more realistic representation and expression of workers' approaches. This will be led to more powerful trade unions and an increase in the level of union membership, in addition to increasing trade unions' effectiveness in addressing imbalances in the labor market.
- Developing and implementing a vocational guidance and counseling system for workers, and promoting a positive image of vocational training among workers to motivate them to participate in vocational training programs, as this will increase their level of efficiency and ability to enter the labor market and find job opportunities.
- Promoting the culture of pilot and self-employment projects among workers in order to create employment opportunities for them
- Strengthening cooperation with social partners and supporting institutions, and creating work relationships based on a balance between the public interest and workers' interests.

- **Employers and representative institutions**

- Unifying efforts and activities of institutions representing the private sector, towards a complementary rather than a competitive role.

- Provide support and direct funding to vocational training programs and institutions as they are considered the key provider of trained labor for the economic sectors.
 - Funding researches that address labor market and training needs for workers in various economic sectors.
 - Support programs that absorb graduates in coordination with universities and presenting proposals for the development of university curricula and courses that meet the needs and requirements of the private sector.
- **Other supporting bodies**
 - Focusing attention towards the employment offices that are part of the National Employment agency. This includes offices implementing its assigned and required tasks, such as: channeling resources, strengthening guidance and awareness systems related to workers and employers, searching for markets and job opportunities for the Palestinian labor force locally and abroad, alignment between the outputs of the higher education system, the vocational system and the requirements of the labor market.
 - Supporting bodies (employment agency – employment fund – socio-economic council) should build a database on the labor market, conduct analytical studies on the labor market’s development and present suggestions to increase its efficiency.
 - The Federation of Chambers of Commerce, federations of industries and the economic units that they include have to intensify their efforts to support the private sector leading to the improvement of the supporting investment environment. This can be done through intensifying promotional activities for national products through exhibitions, using social networking and websites to promote and introduce these products, in addition to providing the necessary facilities and information for enterprises in the field of importing, exporting and marketing.

7. Marketing methods for the agency

The above mentioned parties (workers, employers, the Ministry – supporting bodies) hold the responsibility, collectively or individually according to their respective role and duty, of ensuring the agency’s success, providing the means needed to promote the agency and spreading knowledge of its various activities, functions and objectives. This can be done through the use of the following means:

- Using various media outlets (printed, audio, video, social networks, websites) to present the services provided by the agency and mechanisms of communication with its employment offices
- Increasing the activation of employment offices, where they are present in various governorates, and increasing the scope of their work (geographically and by sector) to reach as many workers, job seekers, employers and establishments possible in order to build a comprehensive and useful database.
- The agency and employment offices should hold periodic workshops and meetings and invite social partners, donors and academic institutions.

- Increasing the number of campaigns and field visits in schools, targeting tenth grade students to educate them and direct them towards vocational training programs.
- Conducting field visits to vocational training centers and providing trainees with information about the importance of the agency, its activities and the services it provides.
- Holding specialized meetings with high school students in collaboration with universities, to educate them and guide them towards the specialties required by the job market.