



Vision and Actions to Promote Employment in the Southern Mediterranean

Role and Contribution of the Union for the Mediterranean



Union for the Mediterranean
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Foreword

By the UfM Secretary General, H.E. Nasser Kamel



H.E. Nasser Kamel,
Secretary General of the
Union for the Mediterranean

Unemployment and underemployment, in particular amongst young people and women, present one of the most pressing challenges on both shores of the Mediterranean. In fact, the UfM Region registers one of the highest unemployment rates in the world. The COVID-19 pandemic has further aggravated the situation and has deepened already existing socio-economic and gender disparities. The consequences are uncontrolled migration, radicalization, violence, political unrest and the expansion of the informal economy.

I am pleased to present to you this brochure, which was jointly developed by the UfM Secretariat and the German Development Cooperation. It focuses on four crucial areas: Women's employment, entrepreneurship, skills and employability and social dialogue. The brochure takes stock of the UfM Secretariat's engagement with respect to employment challenges in the UfM Southern Mediterranean countries as well as the contribution of the UfM to employment promotion via its unique working methodology.

While the economic consequences of the COVID-19 pandemic threaten to undo years of economic development in the Southern Mediterranean, the UfM Secretariat remains even more committed to use its resources towards tackling the difficulties associated with the employment landscape. In this spirit, the UfM launched in summer 2020 the "UfM Grant Scheme for Employment Promotion – Regional Response to the COVID-19 Pandemic" to support projects that enable people to find jobs, continue to gain a living and improve their work and living conditions.

The nature and magnitude of the employment-related challenges in the Mediterranean Region have been showing once again the essential need for coordinated intergovernmental efforts. To this end, the UfM Secretariat will continue to develop and support regional responses to the existing employment challenges, in particular for the youth – the most valuable asset that the region possesses and our promise for a better future.





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Background | Introduction

// The UfM at a glance

The Union for the Mediterranean (UfM) is an intergovernmental organisation that brings together, on equal footing, the European Union Member States and the countries from the Southern and Eastern shores of the Mediterranean. The UfM seeks to enhance regional cooperation and dialogue through the implementation of concrete projects and initiatives addressing human development, regional stability and integration. The Secretariat, created in 2010 and based in Barcelona, is the operational platform of the UfM, while the Senior Officials of the 42 Member States meet regularly to oversee and coordinate the UfM's activities.

The UfM has consolidated an action-driven methodology to create effective links between the policy dimension and its operational translation into concrete projects and initiatives on the ground.

This methodology comprises three components:

Political Framework

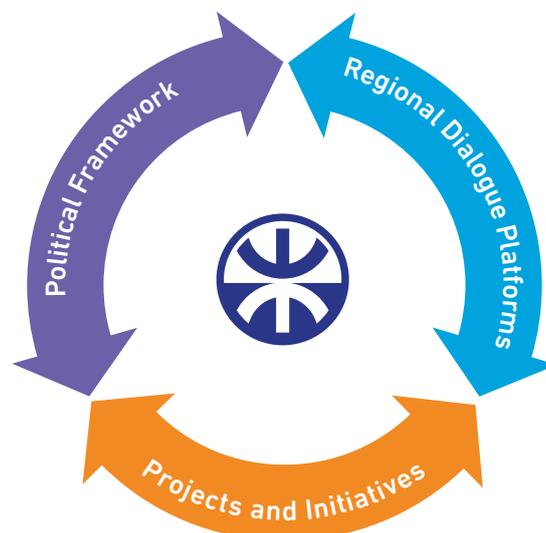
The UfM's political dimension is structured around Ministerial and governmental representatives' meetings that specify work priorities in key strategic areas. Through declarations adopted by consensus, the UfM Ministers define the scope and objectives of a common, comprehensive Mediterranean agenda. In 2017, the UfM Member States endorsed an action-oriented Roadmap titled "**The Union for the Mediterranean: An action-driven organisation with a common ambition**".

Regional Dialogue Platforms

Based on the mandate by its Member States, the UfM Secretariat coordinates regional dialogue platforms. They involve not only representatives from governmental institutions but also experts from regional and international organisations, local authorities, civil society, academia, private sector and financial institutions. These multi-stakeholder platforms serve the purpose of identifying needs, exchanging ideas, sharing experiences and best practices as well as promoting multilateral cooperation projects.

Projects and Initiatives

The UfM identifies and supports concrete regional cooperation projects that enhance partnerships and interactions between promoters, partners and beneficiaries through the scaling up effect and development of innovative initiatives. The UfM acts as a catalyst of projects, accompanying promoters throughout the project lifecycle and enhancing regional dialogue to create synergies for partnerships. A UfM project label increases visibility and acts as leverage for funding and associating new partners.





// The UfM and the issue of employment

The Southern Mediterranean Region has high unemployment rates and faces numerous structural employment-related challenges. At the 3rd UfM Ministerial Conference on Employment and Labour, held in Cascais (Portugal) in 2019, the UfM Labour and Employment Ministers highlighted “the **low rate of labour participation** and **the high rate of structural unemployment**; the **scale of informal employment and low-quality jobs**; the **rapid growth of the population**, the **high proportion of young people entering the labour market**, and the **persisting migration pressure due to the lack of job opportunities** and inequalities of development; the **impediments that prevent promising small enterprises from growing** and limit job creation in the formal private sector; the **weaknesses of the education and training systems** and **of the school-to-work transition**; the **high exposure of young people and women to unemployment**, precariousness and social discontent; and the **persistence of poverty and inequality**”.



UfM flagship initiative:

Med4Jobs works to increase the employability of youth and women, close the gap between labour demand and supply and foster a culture of entrepreneurship and private sector development. Developed by the UfM Secretariat, **Med4Jobs** is a cross-sector initiative driven by the need for an **integrated regional approach to job creation**. A major focus lies in supporting and harnessing the potential of creative industries and the social economy in the region. Med4Jobs identifies best practice models and replicates them in the region. The initiative benefits from the expertise of the Med4Jobs Advisory Board, whose members include the ILO, UNIDO, OECD, ETF, GIZ and UNCTAD. The portfolio currently encompasses 13 labelled projects, including the ones portrayed here.

To support its Member States, the UfM is engaged in boosting employment and advancing economic regional development through projects and initiatives, such as the **Mediterranean Initiative for Jobs (Med4Jobs)** which:

- **Supports the development of Micro, Small and Medium enterprises (MSMEs):**
MSMEs are responsible for 80 % of jobs created, they are prime drivers of economic growth in the Mediterranean Region.
- **Creates employment opportunities:**
By bringing together stakeholders from the public, private and education sector, the UfM supports the development of common agendas and action plans for employment promotion.
- **Increases employability of jobseekers:**
Med4Jobs supports supports the identification and development of region-specific skills necessary to succeed on the job market.

On the account of the specific challenges some groups encounter in the labour market, the activities have a special focus on women and youth employment.

In the region, the economic consequences of the COVID-19 pandemic threaten to undo years of economic development, further aggravated by its fragility and the intense effects of climate change that are multiplying the economic threats. As a regional response to the COVID-19 pandemic¹ the UfM has initiated the UfM Grant Scheme for Employment Promotion (see box) with the aim to strengthen resilience and provide opportunities to the most affected Southern Mediterranean citizens.



UfM regional response to the COVID-19 pandemic:

The UfM Grant Scheme for Employment Promotion actively *supports non-profit organisations* in the Mediterranean that work to give people opportunities in view of the COVID-19-induced economic crisis. In doing so, the scheme has three priority areas:

1. Improving the economic resilience of citizens, especially vulnerable demographic groups, through employment-related capacity development.
2. Promoting new channels of training and skills attainment in order to foster employability and economic activity.
3. Supporting entrepreneurial activity and building the capacities of MSMEs to enable income generation and job creation.

Overall, the initiative *helps people adapt to a new world of work and economic activity* and *strengthens the region's economic resilience*.

¹ See also the [UfM's website on COVID-19](#).

10 Background | Introduction

// About the publication

This publication showcases the UfM's activities on the topic of employment in the Southern Mediterranean. It also gives an outlook on potential further action to be taken in the fields of employment and economic development. The concerned UfM Member States are **Algeria, Egypt, Mauritania, Morocco,** and **Tunisia** from North Africa, as well as **Israel, Jordan, Lebanon, Palestine** and **Turkey** from the Near East.²

Map

This brochure has been initiated and produced by the UfM Secretariat's Economic Development and Employment Division with the support of the German Development Cooperation.

Its main topics, in line with the priorities of the two Ministerial Declarations on Employment and Labour of 2016 and 2019, are:

1. Women's Employment
2. Entrepreneurship
3. Skills and Employability
4. Social Dialogue

Each of the four focus chapters provides information about the state-of-play in the Southern Mediterranean as well as the related UfM activities and best practices of stakeholders from the region. The chapters also identify possible next steps to enhance the regional employment situation in line with the UfM's mandate. With the COVID-19 pandemic severely impacting the employment situation in the Mediterranean, its effects are discussed in each chapter and integrated when outlining a possible way forward for the region.

² Syria suspended its membership to the UfM on 1 December 2011, Libya has an observer status at the UfM.

Women's Employment



Ministerial mandate: Gender equality as a cross-cutting priority issue

The 2016 UfM Ministerial Declaration on Employment and Labour calls for policy reforms to tackle women's structural disadvantages on the labour market (notably high unemployment and extremely low labour participation rates). In 2019, the Employment and Labour Ministers "reiterated their commitment to create the conditions for a gender mainstreaming approach to Employment and Labour".

A UfM-wide Gender Mechanism and the ***4th UfM Ministerial Declaration on Strengthening the Role of Women in Society adopted in 2017 in Cairo*** are also dedicated to promoting gender equality as a priority regional topic.

Employment-related recommendations of the Cairo Declaration include:

1. Raising women's participation in public life and decision-making, by removing legal, social and cultural obstacles and by ensuring that women can access, actively participate and remain in leadership positions.
2. Raising women's economic participation through improving labour legislations and company practices, tackling the gender pay gap, promoting access to training and legal rights and to quality childcare and other care services for dependant people, improving safety and protection, promoting women's entrepreneurship, including in the digital and green economy, and actively supporting the transition from informal to formal work.



// Social and economic barriers

The persistent inequality in access to jobs, mostly for women and young people, is a long-standing and pressing labour market challenge in the Southern Mediterranean. Women in the region continue to be underrepresented in the labour market due to persisting social and economic barriers and a remaining gap between legislative efforts and actual implementation.

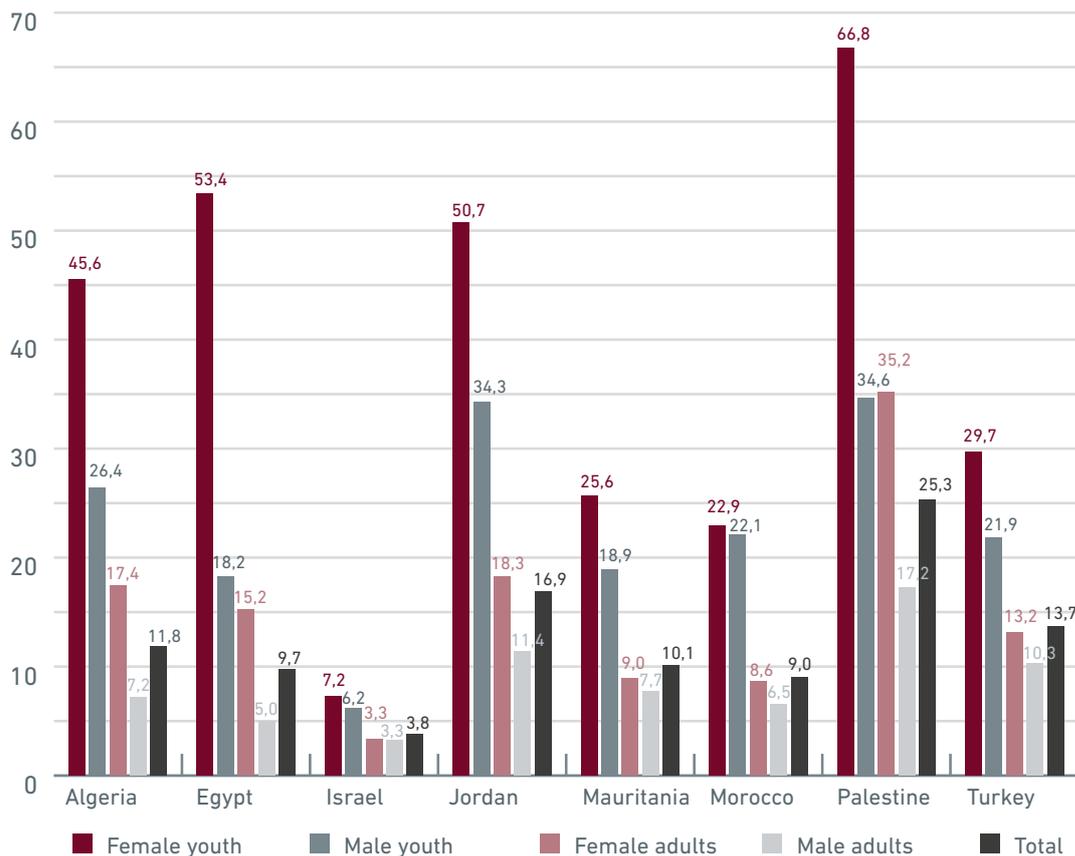
“ The promotion of women's economic empowerment sees strong engagement across all countries. Nonetheless, women still experience greater obstacles when it comes to accessing the world of business or simply employment, despite higher levels of enrolment in, and completion of, tertiary education.

Union for the Mediterranean, Annual Report 2019



Indeed, while the Southern Mediterranean Region generally suffers from high unemployment rates, particularly among young people, women are disproportionately affected. Estimates of the International Labour Organization (ILO)³ show an almost three times higher unemployment rate for adult women than for men in the whole MENA Region (16.2 % compared to 5.6 %). Youth unemployment rates in the same area are 40.5 % for young women and 22.8 % for young men of the same age group. **Figure 1** shows the official unemployment figures in selected UfM countries.

Figure 1: **Gender-specific unemployment in the concerned UfM countries**
(official SDG labour market indicator)



Another broader and more informative measure of potential youth labour market entrants is the share of young people not in education, employment or training (NEET). National statistical data shows that the NEET rate for women aged 15-24 years is above 30 % for most of the concerned UfM countries⁴ (compared to an estimated 11 % in the European Union). In most countries, this is 1.5 to 2 times higher than for men of the same age group.

³ ILOSTAT, ILO modelled estimates, 2019

⁴ ILOSTAT, no national data for Morocco available.

In addition, women workers worldwide have been disproportionately affected by the COVID-19 pandemic, "creating a risk that some of the modest progress on gender equality made in recent decades will be lost, and that work-related gender inequalities will be exacerbated".⁵ ILO monitoring data shows that women are over-represented in some of the economic sectors most affected by the crisis, such as hospitality, food, sales and manufacturing. Moreover, their high participation in domestic work as well as health and social care leaves them at greater risk of infection and income loss, while being less likely to have social protection. There is little to indicate this uneven burden will be lifted off of women's shoulders, as "the pre-pandemic unequal distribution of unpaid care work has also worsened during the crisis, exacerbated by the closure of schools and care services"⁶

// Women entrepreneurs and leaders

Empowering women and unlocking their potential to find and create employment is at the centre of the UfM's action. This shows the following statement from a recent regional online summit:

 For many years, my worry was how gender remains an obstacle for many girls when wanting to achieve their goals because of what society and culture teach them. However, my current worry is that girls actually believe that their gender is in fact considered as an "obstacle", whereas, in reality, it is their greatest gift.

Yasmin, 25 years, Jordan, participant of the EconoWin online summit, June 2020⁷

When it comes to women in employment, several indicators show that women are disadvantaged in various ways. The female share of employment in managerial positions, for instance, is on average 19 % in the countries included in this study, with some countries having only around 8 % of women in management.⁸ With the UfM Women4Mediterranean Conference 2020, the UfM highlighted the role of women at the forefront of the battle against the COVID-19 pandemic. The digital conference specifically focused on the role of female health employees and women entrepreneurs. Amongst the outcomes was the fact that unpaid care is a major barrier to self-employment and equal participation in the labour market – women often are responsible for both, for their households and for contributing to the family income. Equal conditions at the workplace, including equal pay, are a key factor to empower women in the region and to support them during and after the pandemic. The conference also outlined the way women entrepreneurship can and should play a role in building economies back better. The participants agreed that investments in skills development for women, continuous training and mentoring is crucial in this endeavour, particularly in times of crisis.

⁵ [ILO Monitor: COVID-19 and the world of work. 5th Edition, 30 June 2020](#)

⁶ [ILO Monitor: COVID-19 and the world of work. 5th Edition, 30 June 2020](#)

⁷ [ECONOWIN Summit Blog Gallery](#)

⁸ ILOSTAT, SDG indicator based on national statistics.

The UfM organizes a regular Women Business Forum and initiates, supports and implements projects and events for women entrepreneurs and leaders. The UfM-labelled project **Promoting women empowerment for inclusive and sustainable industrial development in the MENA Region** is one example of this involvement (see box)⁹. Also, the Med4Jobs project **CEED GROW** aims at growing and scaling up MSMEs with a particular focus on women and their constraints in business, including those related to access to finance. The recurring Women Business Forum serves as a platform for women-owned and women-led businesses.

 Women's economic participation and empowerment are fundamental to strengthening women's rights. But even more so, women's entrepreneurship is an untapped source of growth, prosperity and poverty reduction, as well as being fundamental to women's empowerment for creating more equitable societies.

UfM Secretariat website



UfM-labelled project:

Promoting women empowerment for inclusive and sustainable industrial development in the MENA Region applies a regional, integrated approach to support women entrepreneurship and employment:

1. **on a macro level**, policy dialogue is fostered with the aim to feed informed and targeted policy reforms;
2. **on a meso level**, capacities of women business associations, banks and business development services are reinforced for providing entrepreneurship development services to other women, and
3. **on a micro level**, the entrepreneurship capacities of individual women entrepreneurs are strengthened including business development training and access to investment and finance.

⁹ [UfM Secretariat project site: promoting women empowerment for inclusive and sustainable industrial development in the MENA Region](#)

// Informality

The UfM Secretariat is involved in a range of events and initiatives tackling informal employment. The topic is highly important given that almost 70 % of the working population in the Arab World are informally employed. It has a direct connection to female employment: While the share of informal employment is similar for men and women, women are especially vulnerable to the conditions of informal labour, including low and unstable income, a lack of social security and poor working conditions (see box).



What is informal employment?

More than 60 % of the world's employed population are in informal employment, meaning they are either employed in the informal sector (in unregistered enterprises) or informally employed in the formal sector or in households. These workers are deprived of decent working conditions, lack fundamental rights at work and usually do not enjoy social security or paid annual and sick leave. Most people end up in the informal economy not out of choice, but out of need in the absence of any other viable and decent alternative. Most affected by informality are young people and older persons, less educated individuals and people living in rural areas. Women are over-proportionally represented in the most vulnerable situations.

The UfM Secretariat joins the regional and global efforts aiming at accelerating the transition from informal economy to formal employment, promoting the ILO Principles of Decent Work and actively addressing the labour-related challenges in the UfM Region, including gender-specific constraints. The UfM workshop on "Informal Business Integration", held in 2019, was dedicated to the protection of women, young people and vulnerable groups at risk of economic exclusion. Social norms, the gender wage gap and migratory pressures were among the key issues identified. The participants also called for effective and inclusive social dialogue in order to ensure the social and economic inclusion of vulnerable target groups (see also the respective chapter on Social Dialogue).

// Promising sectors for women employment

Tourism and the hospitality industry are of particular importance in the Mediterranean and are relevant sectors for women's employment. According to the World Tourism Organization¹⁰, the majority of people employed in tourism worldwide are women, both in formal and informal jobs. However, while tourism offers many income-generating and entrepreneurship opportunities, employment quality needs to be considered. The Global Report on Women in Tourism 2019¹¹ found that women are often concentrated in the lowest paid, lowest skilled sectors of the industry and carry out a large amount of unpaid

¹⁰ UNWTO, [Gender and Tourism](#)

¹¹ UNWTO, [Global Report on Women and Tourism](#), second edition, October 2019

work in family tourism businesses. A major issue also addressed in the respective Action Plan is the underrepresentation of women in the highest levels of employment and management of the tourism industry.¹²

In 2019 the UfM Secretariat organized an event on “Women as Leaders in the Hospitality Industry” within the confines of the Mediterranean Tourism Forum in Malta. The same year, a working group on “Tourism as a catalyst for job creation on both shores of the Mediterranean” confirmed women’s underrepresentation in managerial and leadership positions and the many challenges women face in entering and working in the sector. Also, the working group concluded that “specific capacity building, standardisation and training skills in the tourism sector would help to alleviate youth unemployment and create various opportunities for women”¹³. They further suggested to set up a UfM regional dialogue platform for tourism. While the sector’s employment potential, especially for youth and women, is widely accepted, the COVID-19 crisis presents challenges in this sector.

A high employment potential, especially for women, is attributed to the social economy (discussed in detail in the Entrepreneurship chapter below) as well as the digital economy. This assessment has been further supported by the effects of the COVID-19 pandemic.

E-Commerce for instance offers a huge employment potential, especially for women, according to the Med4Jobs Advisory Board¹⁴. The Board also states, however, that “the digital transformation can impact women negatively, disturbing the already delicate life-work-balance for home-based working women”.

Social economy and the inclusion of women and youth was discussed at the roundtable on “Regional Economic and Social Challenges for Women and Youth” as part of the UfM Regional Dialogue “Shared Views on key issues in the Mediterranean” held in 2019. The same year, the positive effects on labour market access and decent work for women was highlighted at a UfM workshop on “Social Economy in the MENA Region and the Balkans”.



Social economy fosters economic growth, it eradicates poverty, it builds up sustainable local development and it improves labour market access and decent working conditions especially for women and young people, as well as for various categories of disadvantaged communities.

*Conclusions and Key Messages from the UfM Workshop on
“Social Economy in the MENA Region and the Balkans”, Barcelona, 5 July 2019*

¹² UNWTO, *Global Report on Women and Tourism, second edition, Action Plan*

¹³ *Outcomes of the UfM workshop on “Tourism as a catalyst for job creation on both shores of the Mediterranean”, Barcelona, 4 December 2019*

¹⁴ Report on the Fifth Med4Jobs Advisory Board, Barcelona, 8 October 2018





Inspiring practice from Jordan: Women in plumbing – finding a niche for employment

In Jordan, one of the world's most arid countries, women in plumbing created a niche for women employment well adapted to socio-cultural realities.

Women plumbers in Jordan fill a unique market need. Because of cultural norms, many customers do not feel comfortable having a man plumber visit their home unless a male head of household is also present. This means a husband or son may have to miss work or delay necessary repairs until he can be home. This inconvenience can be avoided if a woman plumber is hired for the job.

Several women plumbers' projects have been implemented in Jordan, providing vocational training, business start-up and marketing know-how and basic equipment to interested women (e.g. by [MCC](#)), including from refugee communities (e.g. by [GIZ](#)).

// Possible next steps for action

- **Support for women in the COVID-19-induced economic crisis:** Through the **“UfM Grant Scheme for employment promotion – Regional response to the COVID-19 pandemic”**, the UfM supports projects that encourage entrepreneurship and empower citizens to improve their employment situation, in particular with regards to vulnerable groups such as women and young people. An in-depth evaluation of identified best practices and challenges while working with these target groups should act as a new reference for the UfM's work on women's employment. Based on it, the UfM can raise its contribution in the region as a promoter of the topic.
- **Further engagement on informal employment:** Informal employment has been one of the key topics of the UfM's work on employment. The UfM has promoted further emphasis on the presence of women in the informal economy, mainly in rural areas, and the difficult working conditions they face. The UfM's developing work on entrepreneurship promotion is one prominent channel of tackling these challenges in the Mediterranean region. During the COVID-19 lockdown, the UfM has directly reached out to support entrepreneurs through webinars. Informal women entrepreneurs have the chance of breaking into the formal sector if equipped with the right knowledge and information, e.g. through directly reaching out via such **digital events**. The topics of **formalization, licensing and registration of micro- and small businesses**, and women specific barriers in entrepreneurship will be prominently featured in future activities to encourage business activity in the formal sector.

Entrepreneurship



Ministerial mandate: Supporting decent job creation and entrepreneurship

The 2016 Declaration states that “to promote job creation, a strong emphasis should be put on the demand side of the labour market”. This includes, among other things, encouraging entrepreneurship, and fostering a sustainable business environment. In addition, the support for decent job creation and entrepreneurship is one of the four regional priorities defined in the Ministerial Declaration of 2019.



The UfM adopts a broad understanding of entrepreneurship, treating it as a cross-cutting issue, relevant for all fields of its activity. Given the high unemployment rates in the region, entrepreneurs are supported to create jobs for themselves and others. At the same time, they positively influence the general mindset of the young generation.

|| At the UfM, entrepreneurship is seen within the framework of promoting economic growth, cultivating a culture of business-minded youth and women, and graduating job-creators rather than job-seekers.

Mohammed Elrazzaz, UfM Economic Development and Employment Division

The young generation is thus the focus of most entrepreneurship-related activities of the UfM. The conference “EU Med means Business – Shaping the future of entrepreneurship in the South” held in 2019 focused on youth and its entrepreneurial potential. Also, the two UfM-labelled projects **Generation Entrepreneur** and **Maharat MED** (see box) focus on entrepreneurial skills for youth and youth employability.

// Access to finance

Alleviating the region’s structural constraints in access to finance is not only a key factor for enterprises to achieve employment-intensive growth but also a major concern; innovative, accessible financial instruments are much needed¹⁵. In the Southern Mediterranean Region, 33% of registered firms, irrespective of their size, ranked access to finance as a major constraint in 2013, and only 20 % of MSMEs had a credit line with financial institutions.¹⁶ The finance gap for MSMEs in the MENA Region, i.e. the imbalance between potential demand and existing supply for finance, is at 88 %, making it the highest in the world.¹⁷

¹⁵ UfM Secretariat Private Sector Strategy 2017

¹⁶ MedPro Technical Report No.35/April 2013

¹⁷ The World Bank, SMEs finance





UfM-labelled project:

Maharat MED: developing youth employability & entrepreneurial skills

The project aims at encouraging an entrepreneurial spirit amongst youth, transforming job seekers into job creators who are able to provide employment opportunities for others, build entrepreneurial capacities and enhance the employability skills of young people.

Through a blend of effective market-responsive and holistic initiatives, Maharat equips youth with the tools and skills required to become productive members of society, capable of obtaining jobs as well as becoming successful entrepreneurs and even creating jobs themselves. To sustain this holistic approach, the programme strives to create a community, e.g. through the Alumni Club for continuous peer communication and support or the Maharat Future Leaders Program that provides international scholarships.

Developed by the Business Development Center (BDC) in Jordan, the project, with the support of the UfM, successfully scaled and replicated the approach in three more countries of the Southern Mediterranean.

UfM countries concerned: Egypt, Jordan, Morocco, Palestines

Also, the individual's knowledge about access to finance needs to be enhanced. Financial literacy is among the business skills that need particular attention in the region, especially for a better financial inclusion of disadvantaged groups¹⁸ (see also this chapter's inspiring practice INJAZ Al-Arab). Financial literacy has also gained attention during the COVID-19 pandemic. As a response, the UfM offered an online training on access to finance for start-ups and young entrepreneurs in summer 2020.¹⁹

// Social economy

The social economy (see box) has gained momentum since the COVID-19 pandemic. It is estimated that this sector constitutes more than 3.2 million enterprises and organisations and 15 million jobs across the Euro-Mediterranean Region. Already in the UfM Ministerial Declaration 2016, the Employment and Labour Ministers called for legislation and incentives for social economy and social entrepreneurship. The UfM also promotes the social economy as an agent of post-pandemic recovery as its potential "continues to be largely unexplored".²⁰

¹⁸ E.g. subject of the UfM workshop on Credit Guarantee Schemes in 2019

¹⁹ The UfM Secretariat on promoting financial literacy among young professionals

²⁰ The UfM Secretariat on promoting the social economy as agent of post-pandemic recovery

What is Social Economy?



The UfM defines Social Economy as an enterprise model based on participatory management, on the primacy of people over capital and on solidarity, where profits are reinvested in the creation of new jobs or in achieving goals that encourage sustainable development or that favour the public interest. This model makes Social Economy a key player in achieving the Sustainable Development Goals and in reducing inequalities in the Euro-Mediterranean Region.

*UfM workshop “Social Economy in the MENA Region and the Balkans”,
5 July 2019, Barcelona, Spain*

The UfM workshop “Social Economy in the MENA Region and the Balkans” focused on entrepreneurship and job creation in the social economy and looked at social innovation for a positive socio-economic impact. The social economy was identified as “a smart way of unlocking resources, creating sustainable employment, and generating inclusive economic growth”.

|| Social economy fosters economic growth, it eradicates poverty, it builds up sustainable local development and it improves labour market access and decent working conditions especially for women and young people, as well as for various categories of disadvantaged communities.

*Conclusions and Key Messages from the UfM Workshop on
“Social Economy in the MENA Region and the Balkans”, Barcelona, 5 July 2019*

In summer 2020, a UfM online workshop on “Social Economy and the Post-Pandemic Recovery” was held with the support of GIZ, the and in partnership with the Spanish Confederation of Social Economy Enterprises (CEPES) and the Euro-Mediterranean Network of Social Economy and Social Economy Europe (ESMED).

|| The participants pushed to have the social economy increasingly incorporated into initiatives and programmes aimed at strengthening the private sector in the MENA region and the Balkans. They also declared the importance of improving digital competences within the social economy and increasing their development in emerging and innovative sectors in accordance with the 2030 Agenda for sustainable development.

*UfM communication on the online workshop
“Social Economy and the Post-Pandemic Recovery”, 26 June 2020*



Inspiring practice from Turkey and Lebanon: Self-driven and passionate entrepreneurial communities

Impact Hub Istanbul – co-working, innovative content, global movement

Impact Hub Istanbul is the only current branch of the Global Impact Hub Network in the Southern Mediterranean, offering a membership based co-working space to empower impact driven, creative people that collaborate in prototyping the future of business and society. Impact Hub Istanbul's community consists of entrepreneurs, consultants, investors, software developers, designers, artists, creatives and freelancers. Institutions and community members are not only provided with an environment and events that get them inspired to increase their impact, but also with an authentic ecosystem where there's strategic resources and collaboration opportunities.

Tripoli Entrepreneurs Club (TEC) – a community-led startup ecosystem

TEC is a dynamic social enterprise that inspires and empowers talents and businesses to build value-driven innovation through a sustainable startup ecosystem. The growing community consists of well-educated individuals in Tripoli in the North of Lebanon that are motivated to bring change to one of the country's economically most disadvantaged regions. One of TEC's flagship events is the Tripoli Startup Forum, an annual exhibition for North Lebanon Startups and the entrepreneurship ecosystem institutions with approximately 1000 attendees.

Inspiring practice from the region: INJAZ Al-Arab

INJAZ AL-Arab is part of a global network, that aims at creating the type of supporting communities and networks that allow youth to learn and thrive. With offices in 13 Arab countries – including in Lebanon, Egypt, Palestine, Morocco, Tunisia and Algeria in the order of the office opening – it has become the largest non-profit organisation dedicated to overcoming unemployment in the region.

With its programmes in entrepreneurship, financial literacy and work readiness for students, INJAZ effectively bridges the gap between the classroom and the world of work. Successful local business leaders serve as classroom mentors. Private sector volunteers work directly with the students to provide youth with the business foundations to become economically active, employ others, and finally reduce youth unemployment in the MENA region.



// Possible next steps for action

Targeted digital support for (social) entrepreneurs:

During the COVID-19 lockdown the UfM directly reached out to support entrepreneurs through webinars. Their topics included the role of skills development during and after the crisis and how inclusive tourism provides economic opportunities to vulnerable citizens in the UfM Region. This kind of targeted and efficient support for entrepreneurs will continue to complement the UfM's physical activities. Due to their far reach, **online trainings** will remain an effective way of supporting promising entrepreneurs on their journey to the successful establishment and growth of their business. Potential topics include **access to finance, successful business and financial planning as well as navigating administrative barriers**. An important part of the target group are **social entrepreneurs** as agents of change in the region.

Regional community building for entrepreneurs:

The UfM is in a unique position to reach out to a large number of entrepreneurs in the region: It can connect to Arabic speakers lacking information in their native language, bring together actors from both the Northern and Southern Mediterranean to share their practical experience and build on its vast network of relevant institutions such as universities and training providers. Already, the UfM has amplified the voices especially of young entrepreneurs, for example by hosting the ARLEM Local Entrepreneurship Award ceremony, which awards innovative local entrepreneurs from the Mediterranean Region. The UfM will continue to **reach out to youth as target group** and complement its Member States' efforts to **build entrepreneurial ecosystems on a regional level**. This can include hosting community events and digital community-building that brings together innovators from different UfM Member States.

Support trade and investment to boost MSMEs in the region:

The Southern Mediterranean Region has long been recognized for its entrepreneurial potential. However, investments and trade within the region remain low. With its annual Trade and Investment Forum, the UfM already provides high-level public and private sector stakeholders from the region with a platform to coordinate policy and exchange best practices. The UfM will work to further address regional priorities such as **access to finance and the mobilization of investments** in order to support employment and business creation.

Skills and Employability



Ministerial mandate: Labour market-oriented skills for employment

|| The Ministers underline the role that skills development plays to boost employability, competitiveness and growth and to address better the challenges of technological change and digitalization of the economy in the region.

UfM Ministerial Declaration 2019

To effectively tackle unemployment in the region, the Labour and Employment Ministers of the UfM Member States called in 2016 for a ***“holistic, integrated policy approach to labour demand, supply and matching”***. In this context, they emphasized the importance of skills development policies and measures that are based on labour market needs, stating that ***“these have to be developed consistently with the demand-side policies, with a particular focus on young people and women.”***

The Ministers also highlighted that labour market orientation of education and training programmes and improved school-to-work transition of graduates strongly depend on the involvement of social partners and the active participation of companies.





Linking education to employment is at the core of the UfM's work. The persistent gap between skills acquired at universities or vocational training institutions and the requirements of the labour markets is a major concern, both for Southern Mediterranean countries and the EU. Despite significant resources being invested in specialised training programmes and the rise in numbers of university graduates across the Euro-Mediterranean Region, (youth) unemployment, underemployment and brain drain remain regional challenges. One reason for the still insufficient labour market orientation of training programmes is the weak involvement of social partners in the design and implementation of respective strategies and programmes. This is of particular importance for vocational education and training (VET). Accordingly, the UfM Roadmap for Action, adopted by the UfM Ministers of Foreign Affairs in 2017, addresses the importance of cooperation with the private sector in VET.

|| In VET, there is a need to further coordinate at regional level efforts to promote and improve vocational education and training through increased networking, peer-learning and cooperation between providers including the private sector.

UfM Roadmap for Action 2017

// Soft and job-finding skills

Insufficient “soft skills” or key competences are usually among the major employability challenges for young people in the region (see box); sound approaches to tackle them are much needed (see inspiring practice from Tunisia in this chapter).

 Quality of education remains an issue to be further addressed to equip young people with basic skills and competences, including key competences.

Outcome Document of the UfM Workshop on “The Future of Work and Skills for the Future”, Turin, Italy, 25 November 2019

Young graduates and researchers also often lack the skills needed for finding or creating meaningful job opportunities. Therefore, tackling unemployment and strengthening employability among university graduates and researchers has been subject to various UfM events and projects. A side event to the 4th UfM Ministerial Conference on Employment and Labour in 2019 was organized on “The employment of Mediterranean university graduates: Bridging the employability gap between advanced skills and markets”. Other issues related to higher education that the UfM Secretariat is working on include skills development on the blue economy²¹, cross-border internships to combat the skills mismatch²², regional recognition of qualifications²³, regional centres of excellence in higher education²⁴ and various VET initiatives²⁵.

What is employability?



While there is no clear definition of employability, the concept's core is the ability to participate in the working life. Most concepts focus on the individual's continuous development and ability to adapt to the needs of the labour market. In a constantly changing environment, workers must maintain their specialist, social and methodological skills in order to remain employable.

²¹ Subject of the UfM-labelled [BlueSkills](#) project (Blue Jobs and Responsible Growth in the Mediterranean throughout Enhancing Skills and Developing Capacities); one of the topics of the Fourth Ministerial Conference of the 5+5 Dialogue on “Research, Innovation and Higher Education” held in 2019.

²² Subject of the UfM-labelled project [HOMERe](#) (High Opportunity for Mediterranean Executive Recruitment).

²³ E.g. discussed at the conference “Recognition of Higher Education Qualifications: Where does the Euro-Mediterranean Region stand?” in 2019.

²⁴ E.g. the [Euro-Mediterranean University of Fes](#) (UfM-labelled project). In addition, the [ETF](#) promotes centres of excellence in VET, an option that could have a great impact in the Southern Mediterranean too.

²⁵ E.g. the UfM-labelled [Mediterranean New Chance network](#) (MedNC).

// Skills anticipation

The capacities in identifying labour market needs and anticipating demanded skills at local level are crucial prerequisites for the design of demand-driven skills development strategies. These need to be strengthened in all countries of the region (see inspiring practice from Morocco in this chapter). The same applies for employment services (job matching, as well as job orientation and preparation, with an increasing importance of career-change management). The UfM-labelled project **YouMatch** (see box) initiates cross-regional dialogue amongst national practitioners as a key element to improved employment services. A major focus is on young people as they find it particularly difficult to gain a foothold in the labour market due to a lack of work experience and the necessary networks and strategies.²⁶ Improving the quality of career guidance services, more efficient school-to-work transitions, better vocational preparation, adequate job placement services and robust labour market information systems could significantly improve their prospects for employment.



A lot of exchange is happening between decision makers but not among practitioners in the field of employment services. YouMatch provides practitioners a platform for peer-learning and exchange.

Pierre Lucante, Programme Manager



UfM-labelled project:

YouMatch is a global initiative on innovative employment services for youth launched in 2015. YouMatch initiates knowledge networks and needs-based, interregional Communities of Practice (CoPs) to foster peer-exchange among employment service practitioners in currently 25 African and Middle Eastern countries. The nine CoPs to date address topics such as career guidance and life skills, setting up effective job centres, labour market information systems, public-private partnerships and multi-stakeholder approaches and employment services for rural youth. The YouMatch network brings together around 90 practitioners from Ministries, public employment agencies, trade and employers' associations, private employment agencies, universities and other education institutions, NGOs and youth organisations.

UfM countries concerned:

Egypt, Jordan, Morocco, Mauretania, Palestine, and Tunisia

// Skills for the future

The ability of institutions and individuals to cope with change and adapt to evolving needs is crucial in a changing world of work. The COVID-19 pandemic has been a stark reminder of this fact. The future of work requires skills such as creativity, collaboration, communication, critical thinking and a general ability to learn continuously. Skills development has a crucial role in dealing with the challenges of the future of work, including technological change and digitalization.

|| A reflection on the changing role of education and training in empowering individuals to cope with change is needed, given its role as a vehicle for permanent adaptation of people's skills and the support system for lifelong learning.

*Outcome Document of the UfM Workshop on
"The Future of Work and Skills for the Future", Turin, Italy, 25 November 2019*

The UfM conference on "Digital Transformation and Digital Skills for the Future" held in 2019 in Estonia, was dedicated to digitalization. It stressed the importance of skills development and ICT education to boost employability, competitiveness and growth and to better address the challenges of technological change and digitalization. The conference's recommendations included the regional harmonization of digital skills development and digital transformation policies, as well as supporting the development of smart, conducive and secure digital ecosystems.

The workshop with the European Training Foundation (ETF) on "The Future of Work and Skills for the Future" held in 2019 in Italy more broadly addressed the skills needed in the future. Building on the ETF's work, participants identified digital skills, entrepreneurial skills and green skills as crucial for future economies and societies. Youth in the Mediterranean should therefore be equipped accordingly, adapting training provisions and implementing cross-border projects in these fields.

The UfM webinar "Economic Opportunities and Skills in the Post-Pandemic Horizon: Reasons for Hope", held in spring 2020, showcased some of the promising sectors and the required skills that have the potential to contribute to the post-pandemic recovery. Technology-related examples included fin-tech, healthcare technologies, online education and supply chain logistics.





// Blue skills

In the Mediterranean, green skills are complemented with so-called “blue skills”, referring to the skills needed for sustainable marine and maritime careers and jobs. Various UfM activities, events and projects are related to the blue economy and blue skills. For instance, the UfM-labelled **BlueSkills** project promotes blue jobs and responsible growth in the Mediterranean by improving higher education and enhancing professional training in maritime sectors.



Inspiring practice from Tunisia: Pioneers in integrating soft skills in job coaching

This pilot project is aimed at job seekers with a clear and feasible employment or self-employment vision but lacking soft skills to reach their goal successfully. It is implemented within the public employment service (PES) in Tunisia’s North-West and governed by a national pilot committee led by the Ministry of VET and Employment and four committees in the respective governorates.

The 6 weeks soft skills coaching programme is tailor-made and includes group meetings, sharing of experiences and the development of a professional network. The programme is facilitated by a job counsellor who is responsible for needs assessment and individual follow-up of job seekers; specialised coaches are providing specific trainings, such as coping with change, self-esteem, innovation and creativity, stress management, leadership, decision making, negotiation and teamwork. These transversal competences are complemented with financial education.



Inspiring practice from Morocco: Local dialogue platforms to understand rural labour markets and provincial employment services outsourced to individuals

To tackle the unemployment challenge in rural areas, the national employment agency of Morocco (ANAPEC) established **provincial employment committees** in the Northern Fès-Meknès Region. The aim is to anchor the employment issue at the provincial level, create a space for exchange and multi-stakeholder dialogue and get concrete proposals for employment promotion measures. The local actors provide up-to-date local sector analyses, adopting a participatory approach involving public and private stakeholders and civil society organisations.

To finally bring rural youth into employment and provide services adapted to rural contexts, **provincial career counselling centres** are established as a multi-stakeholder cooperation between ANAPEC, civil society organisations and the concerned municipality. The counselling services are provided by self-employed individuals who get technical support by ANAPEC and are paid monthly based on results achieved. This modality allows for flexible management and funding of the centres and has been proven successful.



Social Dialogue



Ministerial mandate: Social dialogue to be encouraged and strengthened in the region

The importance of social dialogue has been emphasized at the UfM Ministerial Conferences on Employment and Labour in 2016 (and reiterated in 2019): The Ministers acknowledged *“the positive contribution that social partners can make to improve the content of economic, employment and social policies, including through national dialogue on employment promotion, decent work for all, labour market reforms and the transition from the informal economy to formal employment”*.

In the 2016 Declaration, the Ministers recommended to develop social dialogue strategies, both tripartite and bipartite, to involve social partners in skills development and matching activities, and to work on enabling framework conditions, including *“strengthening the capacity of social partner organisations and social dialogue bodies, and the culture of social dialogue, and developing sound social dialogue practices at company and sectoral level.”*



In 2008, the European Union, in the framework of the UfM, initiated a process to strengthen the role of social dialogue in the Mediterranean countries and to increase its effectiveness.

Experts from the region state that while the Ministers show a lot of interest and willingness to implement social dialogue, most decisions are still taken by governments without having social partners involved. Communication from governments to employers' and workers' organisations is not sufficiently institutionalized. Building sustainable and stable social dialogue between social partners, governments and civil society in countries of the Southern Mediterranean is therefore key.

What is social dialogue?



Social dialogue, as defined by the ILO "includes all types of negotiation, consultation and exchange of information between or among representatives of governments, employers and workers on issues of common interest relating to economic and social policy. Social dialogue is both a means to achieve social and economic progress and an end in itself, as it gives people a voice and a stake in their societies and workplaces".

A distinction is made between bipartite social dialogue, happening between workers' and employers' associations, and tripartite social dialogue that also includes government representatives.

*ILO Report VI, Social dialogue and tripartism,
International Labour Conference, 107th Session, 2018*

// Role of social dialogue

Institutionalized social dialogue is crucial for the region's development, as confirmed by the Ministers and social partners alike.



Effective social dialogue at all appropriate levels plays a crucial role in dealing with the challenges of competitiveness, growth, job creation and social cohesion in the southern Mediterranean region.

Social Partners Declaration 2019²⁷

²⁷ Social Partners Declaration 2019: The social partners of the Union for the Mediterranean, Joint Statement, Fourth Ministerial Conference of the Union for the Mediterranean on employment and labour held on 2 and 3 April in Portugal

More concretely, social partners have an important role to play in the design and implementation of skills strategies (in VET, for instance, social dialogue and the involvement of the social partners are a prerequisite for success). They are also essential for job orientation and matching activities of both public and private employment services (to ensure labour market relevance of training delivery and appropriate matching of labour supply and demand). These topics are confirmed by the Ministerial Declaration 2016. In 2019, the UfM Employment and Labour Ministers stated that a functional social dialogue is considered crucial to jointly tackle the various challenges surrounding the future of work.²⁸ The same year, the importance of social dialogue to addressing the informal economy was highlighted at the UfM workshop on “Informal Business Integration” as well as the need for representation of the informal sector in structured social dialogue.

 Social Dialogue in its different modalities plays a fundamental role in reducing the share of informal economy and addressing its many ills.” Therefore, “involvement of representatives of the informal sector into structured social dialogue alongside other social partners” needs to be ensured.

*Outcome document of the UfM Workshop on “Informal Business Integration”;
Barcelona, Spain, 18 March 2019*

// Representation in social dialogue

In addition to the need for better representation of the informal sector in social dialogue, it is evident that women are strongly underrepresented (much more than in business in general). Conclusions of the UfM workshop on “Informal Business Integration” held in 2019 state that “there is a dire need for an equitable representation of women in this dialogue and for mainstreaming the gender balance dimension in it.”²⁹ While social dialogue is a vehicle for promoting gender equality and non-discrimination in the world of work, the ILO estimates that representation of women in national social dialogue institutions is less than 20 % on a global level.³⁰ In the Southern Mediterranean, women are almost non-represented in the region’s social partners organisations.

 We need to insist in having women involved in social dialogue! The EU’s target is 30 % but in the Southern Mediterranean usually only men are participating; we have women in business, but they are not active in social dialogue.

Jihen Boutiba Mrad, Deputy Director SOLiD and Secretary General BUSINESSMED

²⁸ According to the ILO these challenges include “widening income inequalities, the changing nature of employment relationships, the prevalence of informal employment and reduced public expenditure. They are exacerbated by a number of mega-drivers of change, in particular technological advances, demographic shifts, climate change and deepening globalization”. ILO Report VI, Social dialogue and tripartism, International Labour Conference, 107th Session, 2018

²⁹ Outcome document of the UfM Workshop on Informal Business Integration; Barcelona, Spain, 18 March 2019

³⁰ ILO Report VI, Social dialogue and tripartism, International Labour Conference, 107th Session, 2018

“Civic Dialogue” that includes civil society organisations in addition to workers’ and employers’ associations (bipartite social dialogue) and government representatives (tripartite social dialogue) aims to increase the trust between stakeholders and the efficiency of social dialogue. The Tunisian National Dialogue Quartet³¹ is an example of successful “Civic Dialogue”. It received the Nobel Peace Prize in 2015 “for its decisive contribution to the building of a pluralistic democracy in Tunisia”³² and served as a role model for the SOLiD pilot project (see also this chapter’s inspiring practice) that successfully introduced the concept to the Southern Mediterranean.

// Enabling framework

A well-working and effective social dialogue, both tripartite and bipartite, requires suitable framework conditions, a fact highlighted by the UfM Ministers in 2016. These consist of an appropriate legal framework (allowing for freedom of association and collective bargaining), sufficiently strong, representative and independent social partner organisations, a developed culture of social dialogue as a results-oriented win-win process and appropriate institutional settings and procedures. With its Social Dialogue Forum, the UfM regularly organizes a platform that enables policymakers to tackle these issues together with the region’s social partners.

³¹ Consisting of the Tunisian General Labour Union, the Tunisian Confederation of Industry, Trade and Handicrafts, the Tunisian Human Rights League, and the Tunisian Order of Lawyers.

³² [The Nobel Peace Prize for 2015, Press Release](#)





"We, as professional employers' organisations, trade unions and civil society organisations, pledge through our collective will to pave the way for the promotion of bipartite and tripartite social dialogues and collective bargaining and the development of networking and civil partnership relations."

SOLiD Charter, Paragraph 10

Inspiring practice from the region: SOLiD – South Mediterranean Social Dialogue programme

The **SOLiD programme**, co-funded by the European Union and the International Trade Union Confederation (ITUC), successfully introduced the concept of civic dialogue – civil society representation in addition to tripartite social dialogue – to the Southern Mediterranean. According to an employers' representative from Tunisia, SOLiD represented "the launch of a new type of social dialogue different from its classic form, which was limited to working conditions and conflict resolution between employers and employees". As a workers' representative from Jordan puts it: "This dialogue is the only way to economic development, social welfare and a decrease in the unemployment rates; this enables tackling other important issues away from conflicts and disputes."³³

The **SOLiD Charter on Social Dialogue** is the final result of the programme's first phase (2016-2019). It has been prepared by the consortium that coordinated SOLiD, representing the social partners and civil society from the region and countries concerned. The Charter was officially adopted by the three Ministers of the target countries on 2 April 2019 in Cascais, Portugal, on the sidelines of the 4th UfM Ministerial Meeting on Employment and Labour. In a second phase, the Charter will be implemented in three new partner countries.

UfM countries concerned: Jordan, Morocco, Tunisia, plus Algeria, Lebanon and Palestine in a next phase starting in 2021

³³ SOLiD Pilot Project for the Promotion of Social Dialogue in the Southern Mediterranean Neighborhood, Report 2016-2019, p. 25

// Possible next steps for action

Encouraging representation of women and the informal sector in social dialogue:

Not only since the COVID-19 pandemic – a crisis that has over-proportionally affected women and workers in the informal sector – the need to have these two groups represented in the region's social dialogue on all levels is expressed by many stakeholders in the Mediterranean. The UfM will continue to initiate and support **pilot projects, communities of practices and other regional dialogue formats** that address this topic. Also, **SOLiD 2** will be working on social dialogue and the informal sector, so synergies with and opportunities within this flagship programme are to be explored.

Strengthening the role of skills attainment in social dialogue:

While the importance of skills development in employment promotion is generally recognized, it has not always played an appropriate role in social dialogue. The **UfM Forum on Social Dialogue**, successfully bringing together the social partners, has set out to make the topic more prominent. The UfM will use its experience and resources to put especially the **development of digital skills** on the agenda of bipartite and tripartite social dialogue in the region.



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