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«EUROMED EMPLOYMENT»

**The impact of the Euro-mediterranean Partnership on employment
in eight Southern and Eastern Mediterranean countries**

**L'Impact du Partenariat Euro-méditerranéen sur l'Emploi dans Huit
Pays Méditerranéens Partenaires**

دراسة مقارنة حول أثر الشراكة الأورو متوسطية (منطقة التبادل الحر الأورو متوسطية، برنامج
MEDA) على الشغل وعلى الحق في العمل في الدول المتوسطية الشريكة الثمانية مع نشر للنتائج.

PROJECT DESCRIPTION

Comparative Study of the Impact of the Euro-Mediterranean Partnership (Euro-Mediterranean Free Trade Areas and MEDA Programme) on Employment and the Right to Work in Eight Mediterranean Partner Countries and Publication of the Results

Employment is, so far, one of the dimensions of the Euro-Mediterranean Partnership which has received less attention; this is shown, in particular, by the fact that not a single meeting of the Ministers of Employment of the 27 partner countries has taken place in the ten years since the Barcelona Conference. Employment has been dealt with as a by-product of the economic growth that is assumed to be a consequence of economic liberalization and economic reform. However, it will be impossible to build the shared area of security and prosperity aimed at by the Barcelona process without a massive and immediate creation of jobs. Fulfilment of the right to work is critical as a material basis for people's other economic and social entitlements, such as the rights 'to live a long a healthy life, to acquire knowledge and to possess resources necessary for decent life' (according to the concept of human development elaborated by the UNDP). So there is the risk that unemployment will become the main threat to social stability and the prospects for economic development in the southern Mediterranean over the next few years: "the greatest single issue facing the economies of the Middle East and North Africa is the challenge of employing its people in good jobs" (World Bank). In this context, the lack of any pro-active strategy to deal with this enormous challenge in the framework of the Euro-Mediterranean Partnership is one of its most astounding features.

To a large extent, the region's future will depend on the evolution of its labour markets. The Euro-Mediterranean Forum of Economic Research Institutes (FEMISE), which usually focuses on macroeconomic developments and trade and investment flows, devoted the first chapter of its 2003 annual report to the "urgent need for new jobs". According to its estimations, if the present level of occupation is maintained in the twelve member countries of the Euro-Mediterranean Partnership (that is, the ratio between the labour force and the working-age population, which is currently at 48 percent, and lower than 25 percent specifically for women), it would be necessary to create about 20 million jobs by 2010, and almost 34 million jobs by 2020, just to prevent the current rate of unemployment from deteriorating further. According to FEMISE, this estimate does not take into account the foreseeable drop in agricultural employment, which currently accounts for thirty percent of the region's labour force. Even if this goal is met, three quarters of working-age women would still continue to be excluded from the job market and the absolute number of the unemployed would increase from the present figure of 8 million people to 12 million in 2010 and 16 million in 2020 [own calculation, not stated in the FEMISE's report]. Attending to these job creation needs will mean increasing the working population in the region –i.e. the total number of jobs- by more than 50 per cent in the next 10 years. However, the FEMISE report did not tackle the issue of how to create these jobs nor whether the Euro-Mediterranean Partnership as it is currently designed will contribute to this.

So employment is set to become one of the hot political topics in the framework of the Euro-Mediterranean Partnership in the near future, especially as the implementation of the Euro-Mediterranean Free Trade Areas begins to make its effects felt in the economic tissue of MPCs (mainly in the last four years of the 12-year transition process provided for in the Association Agreements; so far only Tunisia amongst the MPCs has recently entered this stage). There is now a broad consensus that, at least for a long first period, this impact is probably going to be negative.

In the context of the forthcoming establishment of a Euro-Mediterranean Free Trade Area, the Euro-Mediterranean Trade Union Forum has focused its activities on the defence of employment and the right to work and the demand for an active employment policy. On the other hand, as the tenth anniversary of the Barcelona Conference approaches, several non-governmental initiatives are focusing on assessing the impact of the Association Agreements (MEDA funds, EIB credits under the FEMIP facility, mise-à-niveau programmes) in the MPCs. For instance, the Euro-Mediterranean Human Rights Network has analysed the impact of the Partnership on human rights and the situation of women. In 2002-2003, the Euro-Mediterranean Trade Union Forum conducted a series of comparative studies on social protection, social dialogue and Labour Law in Southern and Eastern Mediterranean Countries.

This project is a joint initiative of Comisiones Obreras (and its Fundación Paz y Solidaridad) and the Euro-Mediterranean Trade Union Forum to undertake **a comparative study of the consideration and the impact of the Euro-Mediterranean Partnership (Euro-Mediterranean Free Trade Areas and MEDA Programme) on employment and the right to work in 8 Southern and Eastern Mediterranean Countries (i.e. Morocco, Algeria, Tunisia, Egypt, Jordan, Palestine, Lebanon and Syria)**. The Euro-Mediterranean Human Rights Network and the Friedrich Ebert Stiftung joined the project as full partners to add an economic and social rights approach to the project and to search for synergies between the trade unions and the human rights appropriation of the study and its results.

As a basis for the comparative study, the project commissioned eight national studies to be conducted following a common questionnaire (see below) by independent national experts (in most cases economists) specialized on labour and social issues and the Euro-Mediterranean Partnership focused on the consideration of employment

and the prospective impact of the Euro-Mediterranean Partnership on employment and the rights to work in each of those countries, plus an additional study on how employment has been considered in the formulation and negotiation of Euro-Mediterranean instruments (official declarations, Association Agreements, Strategy Papers, National Indicative Programmes, Action Plans, MEDA Programmes...) by the European Union institutions. These national studies, after being discussed in two sub-regional meetings held in Rabat and Amman in 2005 will serve as a basis for a Mediterranean regional comparative synthesis report (of around 100 pages). The goal is to have an overview of the interaction between employment and the Euro-Mediterranean Partnership to eventually serve as a basis for a joint Euro-Mediterranean Trade Union Forum platform on employment and the right to work and/or a first step for an EMHRN Programme on Economic and Social Rights.

Of course, national studies are not meant to come up with quantified estimations of the impact of the Euro-Mediterranean Free Trade Areas and MEDA programmes on employment, but to make a qualitative, policy-oriented assessment of how the right to work is going to be affected and how employment considerations have been taken into account in the negotiation, drafting and implementation of Association Agreements, National Indicative Programmes, Action Plans..., including its probable impact on labour conditions and analysing all available evidence so far. This will be studied against the background of national employment prospects, a description of national labour market and regulation, the role of the informal economy and the main actors in the labour market, following a standard questionnaire.

The methodology used will be the same already implemented in the 2002-2003 studies by the Euro-Mediterranean Trade Union Forum: appointment of a scientific coordinator, identification of national experts, drafting of a detailed questionnaire presenting the methodology of the study, joint discussion of national studies in two sub-regional workshops, redrafting of national studies, drafting of two sub-regional comparative studies and a Mediterranean regional comparative study, and discussion of the final results and of possible elements for a joint platform of the Euro-Med Trade Union Forum on this issue. The final results will be published in four languages (French, English, Arabic and Spanish) and distributed to the EMTUF and EMHRN members, EU institutions and EU and MPCs governments, as well as other interested parties. The 8 national studies and the Euro-Mediterranean Institutions study will be made available shortly after the final conference of the project and eventually published in a volume.

Funding: Fundación Paz y Solidaridad, AECl (Spanish International Cooperation Agency), and Friedrich Ebert Stiftung (FES)
Duration: 24 months (2005-2006)
Steering Committee FPS-CCOO, EMHRN, FES, Euromed Trade Union Forum + academic coordinator

Deliverables:

- Creation of a network of experts on employment in the framework of the Euro-Mediterranean Partnership and a network of NGOs and Trade Union practitioners on this issue
- A standard questionnaire and methodology
- 8 national studies on the Euro-Mediterranean Partnership and the right to work and 1 study on the consideration of employment by EU institutions in the Euro-Mediterranean process
- A comparative regional study and two sub-regional studies (Maghreb and Maschrek)
- Publication and distribution of results in four languages (French, English, Arabic and Spanish)

Schedule of activities:

- Appointment of a scientific co-ordinator and identification of 8 national experts and an expert for the study on consideration of employment by EU institutions in the Euro-Med process, as well as a steering committee (January 2005)
- Establishing and validating the questionnaire and methodology of the study and the terms of reference for the experts (January-March 2005)
- Conducting and writing-up of national studies (March-October 2005)
- Extended workshops for discussing and validating national studies (Rabat, Amman), with the participation of national experts, local resource persons and additional EMHRN and Trade Union practitioners, a maximum of 20 in total (November-December 2005)
- Drafting of final national studies (January-March 2006)
- Meetings of Steering Committee
- Drafting of a comparative synthesis report on the basis of national studies (with specific chapters for Maghreb and Maschrek countries) (March-June 2006). Translation to English and French
- Extended final workshop (final meeting) for discussing the comparative study with the participation of national experts, resource persons and additional EMHRN and Trade Union practitioners, 40-60 persons (Tunis, Sept. 2006)
- Translation to four languages of the comparative study, editing, publication and distribution (end 2006).

Confederación Sindical de Comisiones Obreras (CC.OO)
Fundación Paz y Solidaridad Serafín Aliaga (FPyS)
Euro-Mediterranean Trade Union Forum
Friedrich Ebert Stiftung (FES)
Euro-Mediterranean Human Rights Network (EMHRN)

Project « EuroMed Employment »
**Comparative Study of the Impact of the Euro-Mediterranean Partnership
on Employment and the Right to Work in Eight Mediterranean Partner Countries**

List of experts

Scientific co-ordinator :

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Universidad Carlos III de Madrid

Expert on EuroMed European Institutions

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Ghent University

Morocco

Prof. Larabi Jaidi
Université Mohammed V de Rabat

Algeria

Prof. Dr. Rafik Bouklia-Hassane (Director)
Université d'Oran

Prof. Dr. Youcef Benabdallah (Expert)
CREAD

Prof. Fatiha Talahite (Expert)
Univesité Paris 13-Nord/CNRS

Tunisia

Prof. Dr. Azzam Mahjoub
Université de Tunis

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STANDARD QUESTIONNAIRE

Overall objective of the study

To produce rigorous elements for analysis with the aim of establishing a trade union platform on employment in the framework of the Euro-Mediterranean Partnership.

Contents

1. The labour market in #: situation and prospects

Objectives: To show the importance of employment for national development and stability, the main national challenges in the field of employment and the right to work and the main features of the national labour market. This section is not meant to be innovative, but it is important that it should be clear and instructive and not too long or detailed. The data requested will, obviously, only be given where possible. It may be based exclusively on documentary sources. Approximate length: 10-15 pages plus tables. A country model for this section will be sent out soon

1.1. Demographic prospects:

Data to be compiled and analysed:

- working age population,
- economically active population,
- labour force participation rate

Years to be covered: 1995; 2000; 2005; 2010; 2005; 2020

Source of data: National and UNFPA

1.2. Characteristics of the labour market and the labour force:

- Employment structure

By level of education: illiteracy, primary, secondary, university

By sector of activity: agriculture, industry, services (main sectors and data for 1990-2000-latest available statistics)

By employment sector: public sector, private sector

By sex: male and female employment

- Wage data

Wage trends (convergence with the EU?).

Average wages in the main industries (in local currency and equivalent in euros)

Proportion of wages in national income 1990-2000-latest available statistics

1.3. Regulation of the labour market and of the right to work

Legal protection of the right to work: Constitution, legislation, ratification and application of the ILO Conventions and the Covenant on Economic, Social and Cultural Rights

Brief description of legal hiring modalities

Regulation of working conditions and of redundancy

Job stability/instability and trends (with figures)

Regulation of minimum wage

1.4. Informal economy: estimates, size (sources of information), prospects and main issues

1.5. Impact of migration on the labour market (in quantitative terms and on training of the labour force)

1.6. Unemployment situation and trends (1995-2000-latest)

Unemployment benefit schemes (if available)

Issues relating to quantifying and measuring unemployment (alternative sources of information)

1.7. Main issues / main challenges

- Women employment
- Youth employment
- Discrimination against minorities/child labour
- Regional employment challenges
- Training
- Market organisation
- Intermediary institutions, main agents involved and collective bargaining

1.8. Employment policy / National employment strategy

1.9 Recent changes in the legislation and reform projects:

Reason for reforms: analysis of content and impact (any link with the Partnership/Conditions?)

2. The Euro-Mediterranean Partnership's place in the national development strategy and involvement by the economic and social partners

Objective: To show the importance of the Partnership in the authorities' economic strategy and the involvement of the social partners. This part should be based on published documents but also on interviews with those involved

2.1. Brief description of the process of negotiation and adoption of the various instruments (Tables on Instruments/Dates of adoption/implementation):

Association Agreement – National Indicative Plan – MEDA Projects- FEMIP/EIB loans – Neighbourhood Action Plan (if any).

2.2 Links / Parallels / Comparison with other processes of international economic integration or external liberalization (WTO, free trade areas with other partners...) and inclusion of these agreements in the national development strategy (according to the official discourse but also according to the analysts)

2.3. National accompanying measures / plans to face free trade

2.4 Description, where applicable, of consultation processes and methods – formal or informal – between the authorities and the economic and social players prior to adoption of the various Partnership tools, apart from formal ratification by the national legislature (political parties, employers' organisations, trade unions, NGOs)

2.5 Reactions of social partners (trade unions, employers' organisations, NGOs) to the Euro-Mediterranean Partnership and to trade deregulation in general

3. Challenges posed by the Euro-Mediterranean Partnership in the fields of employment and the right to work

Objective: To analyse to what extent and how employment and the right to work have been taken into account in the framework of negotiation and how these two issues will be affected by implementation of the Euro-Mediterranean Partnership. This analysis should refer to the discourse of the agents and to their perceptions. It should also cover impact studies carried out on these matters. This part should be based on an analysis of public documents and on interviews with those involved.

3.1. Analysis of the labour/employment content of the Partnership instruments (how has employment and the right to work been taken into account in these instruments?) To what extent have the ratification and actual implementation of the ILO Conventions and the Covenant on Economic, Social and Cultural Rights been taken into account? To what extent have the issues of work for young people and for women, and the informal economy been covered?

3.2. Analysis of the official discourse concerning the link between Partnership and employment (based in public documents).

3.3. What link has been established between the Partnership instruments and the national employment strategy and policy?

3.4. Identify references to employment and the right to work (in the sense of a pro-active employment policy) in meetings of the Association Council and Committee.

3.5. Analysis of the perception of the social partners (especially employers and trade unions) concerning the impact of the Partnership on employment and the right to work (based on published documents and interviews)

3.6. Analysis of (public or private) published studies on the impact of the free trade agreement in general and references to employment in such studies (the aim is to examine the attention paid to employment in impact studies)

4. Elements for analysing the impact of free trade and the MEDA projects on employment and the right to work

Objective: to offer a qualitative analysis of the impact of the various Partnership instruments on employment and the right to work

4.1. Tariff dismantling programme: main sectorial and regional challenges (brief analyses based on indirect sources on competitiveness in the different industries taking into account the importance of certain industries in each region). Tariff dismantling schedule.

4.2. Sectorial profile and labour intensity of MEDA projects (including modernization or mis-à-niveau programmes)

4.3. Sectorial profile and labour intensity of EIB credits

4.4. Elements for analysing the impact of free trade (qualitative, not quantitative)
Impact on employment (sectorial and territorial challenges, productivity)
Impact on working conditions (wages, contracts, legislation, etc.)
Impact on the informal economy and migration
Impact on work for women and young people (taking into account, for example, sectorial impacts)

5. How to reorientate the Partnership to create employment and strengthen the right to work?

Objective: *Unlike the other sections, here the aim is that authors should be given free rein to propose measures that might be included in the framework of the Euro-Mediterranean Partnership as driving forces for job creation and for strengthening the right to work in the region. This part should not necessarily be limited to a national view, but should be based as far as possible on specific proposals rather than on general considerations/recommendations. These proposals are meant to feed the trade union platform on employment within the Euro-Mediterranean Partnership.*

6. Conclusion

Annexes:

The study should include the following annexes:

1. Bibliography (when in Arabic, please give a translation of the title)
2. List of official documents quoted /consulted (when in Arabic, please give a translation of the title)
3. List of people interviewed (position, dates)
4. List of key sources of information on the different issues studied: statistical sources but also references to large studies with, where applicable, a very brief comment on their content (the aim being to provide a basic orientation to external analysts)

Methodology to be followed:

Analyse all the official documents from the Partnership and from the national authorities
Bibliographical research
Interviews with those involved (see below)
Qualitative analysis with a sectorial/regional dimension, taking into account the right to work of different social groups

List of institutions to be consulted by country and for the main issues

Clearly this will not be an exhaustive list and may be expanded and adapted as required by the author.

European Commission delegation: Director (if possible); person responsible for social affairs, person responsible for MEDA projects
Representative from the Ministry in charge of Partnership negotiations (foreign affairs and/or trade)
Representative from the Ministry of Labour/Directorate for Labour
National representatives at the Association Council and/or Committee
At least one person in charge of a MEDA project
EIB representative
Trade union representative(s)
Employers' organization(s) representative(s)
Relevant international agencies as required (ILO, UNDP, etc.)