

# **Decent Work Country Programme**

# Republic of Yemen







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# Decent Work Country Programme 2008-2010

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Mr. Mohammad A. Saeed President of the Federation of Chambers of Commerce and Industry Date	Mr. Mohamed Mohammed El Jadri President of the General Federation of Workers Trade Union Date		
Signature	Signature		
Nada Al-Nashif, Regional Director	H.E. Ms. Amat Al Razzak Ali Humad Minister of Social Affairs and Labour		
International labour Organization Date	Date		
Signature	Signature		

#### **Acronyms**

**IFAD** 

CCA Common Country Assessment

CEDAW Convention on the Elimination of all Forms of Discrimination against Women

CPAP Country Programme Action Plan

CSO Central Statistical Office

DGWW Directorate General for Working Women
DFID Department for International Development (UK)

DPPRR Development Plan for Poverty Reduction and Reform (2006-2010)

International Fund for Agricultural Development

EU European Union

ETF European Training Foundation

FAO Food and Agriculture Organisation of the United Nations
FCCI Federation of Chambers of Commerce and Industry
GAIP General Authority for Insurance and Pensions
GCSS General Corporation for Social Security
GFWTU General Federation of Workers' Trade Unions
GTZ German Technical Agency for Development

ILO International Labour Organisation
IMF International Monetary Fund
MDGs Millennium Development Goals

MFIs Micro-finance Institutions

MOCSI Ministry of Civil Service and Insurance

MOF Ministry of Finance
MOHR Ministry of Human Rights
MOI Ministry of Industry

MOPIC Ministry of Planning and International Cooperation

Ministry of Social Affairs and Labour MOSAL **MSME** Micro, Small and Medium Enterprises NGO Non-governmental Organization National Human Development Reports **NHDRs PRSP** Poverty Reduction Strategy Paper RNE Royal Netherlands Embassy SFD Social Fund for Development **SMEs** Small and Medium Enterprises

SMEPS Small and Micro Enterprise Promotion Service

SSN Social Safety Net

TVET Technical and Vocational Education and Training

UN United Nations

UNCT United Nations Country Team

UNDAF United Nations Development Assistance Framework

UNDP United Nations Development Programme

UNESCO United Nations Education, Scientific and Cultural Organisation

UNFPA United Nations Population Fund

UNHCR United Nations High Commissioner for Refugees

UNICEF United Nations Children's Fund

UNIDO United Nations Industrial Development Organisation

UNS United Nations System

WB World Bank

WFP World Food Programme

WHO	World Health Organisation
WNC	Women's National Committee
WTO	World Trade Organisation
YMU	Yemen Women's Union

#### 1. INTRODUCTION

The DWCP for Yemen is a strategic and operational framework for ILO interventions and expresses common commitment of the Government, Workers and Employers' organizations and the ILO to collaborate on specific objectives aimed at ensuring opportunities for women and men to obtain decent work in conditions of freedom, equity, security and human dignity. It responds to current national priorities and supports the existing policy framework. It aims to address the challenges of enhancing governance and legislative environment; improve national capacities to increase effectiveness and extend coverage of social protection; and improve the capacity of the government to generate new employment opportunities.

The document defines the priorities based on an analysis of the labour issues and identifies results to be achieved and strategies for implementation during the period 2008-2010. It has been developed within the context of a coherent United Nations support to complement the national efforts to achieve national development goals.

#### 2. COUNTRY CONTEXT

#### 2.1. Overview

Yemen's population of 19.7 million is predominantly rural (71,4%) and it is a young country with nearly 50 percent of its population below 15 years <sup>1</sup>. At Yemen's current average population growth rate of 3%, the population will grow to 59.5 million in 2050<sup>2</sup>. Yemen is the least income regional economy with a nominal annual per capita GDP less than \$600<sup>3</sup>. In 2007 the UNDP Human Development Index (HDI) placed Yemen 153 out of 177 countries, in its list of countries with low human development<sup>4</sup>. Despite the efforts made on poverty reduction, poverty levels are still high (37% in 2006), particularly in rural areas<sup>5</sup>.

#### **Employment and labour market situation**

The labour force increases annually by 3.3%, and the unemployment has increased over time and has done so consistently and significantly from 9% in 1994, to 11% in 1998 to 16% in 2005, with a focus on urban areas. The educated Yemenis have the highest unemployment rates: 44% among those with intermediate level of education and 54% among university graduates<sup>6</sup>. The fast growth of the work force reflects mainly the effect of past high birth rates and the increasing readiness in recent years of Yemeni women to enter the labour market. The relatively slow growth of labour demand, on the other hand, reflects the limited job opportunities in the private sector and the saturation of the government as an employer of the last resort. The challenges ahead is thus enormous: not only jobs are required to meet the new entrants in the labour market every year, but also to decrease the pilled up stock of unemployment, many of them young graduates, and increasingly women.<sup>7</sup>

The analysis of the results of the labour demand survey of 2003<sup>8</sup>, indicated that job creation in existing establishments is not likely to make a major dent in satisfying the 188,000 new jobs required per year to meet annual increase of labour force from 2004-2006. An implication of this result is that the employment problem in Yemen should be addressed not only in terms of job growth in existing establishments, but also in terms of employment generation through enterprise creation and this on a massive scale. The labour demand survey results also points to a need to widen and strengthen not only the vocational training programmes and specialized university education, but also the development of managerial and administrative skills through special training programmes, as these are among the areas of skills shortages and skill gaps most reported by establishments, and perceived as sources of mismatch between education and occupation by the graduate employees.

<sup>&</sup>lt;sup>1</sup> 2004 & 2005, CSO, Yemen

<sup>&</sup>lt;sup>2</sup> UNFPA, State of world Population 2007, Yemen

<sup>&</sup>lt;sup>3</sup> World Bank, country programme, 2006.

Yemen, Human Development Report, 2007/2008, UNDP

<sup>&</sup>lt;sup>5</sup> Yemen Poverty Assessment Reprot, World Bank and UNDP, 2006

<sup>&</sup>lt;sup>6</sup> Yemen, Ministry of Planning and International Cooperation 2007.

<sup>&</sup>lt;sup>7</sup> Yemen National Employment Agenda, Towards an Employment Strategy Framework, ILO 2004

<sup>&</sup>lt;sup>8</sup> Mehran Farhad, An analysis of the results of the labour demand survey of establishments in Yemen , ILO 2004.

Despite the recent enthusiasm for Small and Medium Enterprises (SMEs) support and promotion in Yemen, actual policy and practical improvements in various key aspects of the overall economic environment remain quite limited. Current government initiatives are closely tied to poverty reduction programmes, and do not address wider issues related to facilitating the general legislative and administrative environment confronting SMEs<sup>9</sup>.

The PRSP<sup>10</sup> focused on technical education and vocational training (TEVT), due to its direct relationship toward reducing poverty and unemployment. The PRS targeted an increase in enrolment in technical and vocational institutes, expansion of vocational training institutes, and their development in accordance with the labour market needs. In addition, emphasis has also been on establishing new fields suitable for women and for opening up job opportunities.

#### Fundamental principles and workers' rights

Article 24 of the Yemeni Constitution stipulates that the government shall ensure equal political, economic, social and educational opportunities to all citizens. In terms of legislation, the following are related to labour:

- 1- Labour Law 5/1995 and its amendments covers the private sector (revised in September 2007 will be sent to Cabinet and the Parliament for adoption).
- 2- Civil Service Law, 19/ 1991 regulates employment in the public sector.
- 3- Civil Law 14/2002
- 4- Trade Unions Law 35/2002
- 5- Law 43/2005 for Wages and Salaries
- 6- Insurance and Wages Law 25/1991
- 7- Social Security Law 26/1991
- 8- Rights of the Child Law 45/2002
- 9- Law of Chambers of Commerce and Industry No29/2003

The vast majority of the population remains however largely unaffected by formal regulatory provisions. Most of the labour force is engaged in informal subsistence employment, mainly in agriculture.

Yemen has ratified 29 ILO Conventions including the eight core conventions. The country is also a signatory to the three priority conventions: Labour Inspection Convention (No. 81), Employment Policy Convention (No. 122), and Tripartite Consultation (International Labour Standards Convention (No.144). However the country still lacks behind in the incorporation of these international conventions into its national legislations. Moreover, numerous challenges still persist in the face of the full application of international labour conventions in Yemen. Technical support of the ILO to the government of Yemen in the realm of harmonizing national laws to be in conformity with international standards should be given a priority in the upcoming ILO programmes.

Even though Yemen has endorsed CEDAW and taken some steps to revise laws that are not in conformity with its provisions, the country is far from providing conditions that allow women to participate fully in the development of their country. The Yemeni society at large is still heavily influenced by traditional perceptions of gender roles. Although right to work is recognized as a basic entitlement of all citizens irrespective of gender, gender disparities in employment prevail. Women only account for 21.8% of the labour force. In addition, women often work in low skilled and poorly paid jobs. The Labour Force Demand Survey 2003, revealed that close to 85% of establishments gave priority to employing men and that only 8% of jobs in the surveyed establishments were held by women. The same survey also indicated widespread unemployment amongst educated women, with 32% of them being without a job as opposed to 13% of men<sup>11</sup>.

Child labour is a pervasive and growing problem in Yemen, which if left unmonitored will have serious implications for the future and economic development of the country. The situation analysis conducted by

<sup>&</sup>lt;sup>9</sup> Yemen National Employment Agend, ILO, 2005

<sup>&</sup>lt;sup>10</sup> PRSP 2002-2005, MOPIC

<sup>&</sup>lt;sup>11</sup> Central Statistical Organization, 2004. Labour Force Demand Survey, 2003.

the IPEC project in Yemen underscores the risks the children in the worst forms of child labour face. Children in agriculture, street work and fishing have been identified as worst forms of child labour.

Employment opportunities for people with disability are very limited: several studies <sup>12</sup> indicated that people with disability do not have access to vocational rehabilitation, training or employment services. According to disability Law No 2/2002, five percent of the total workforce should be reserved for people with disabilities. In reality however, few employers comply with this quota system.

#### **Social protection**

Social protection in Yemen is divided between the social insurance schemes covering workers in the formal economy (public sector and private sector schemes), and a large Social Safety Net (SSN) as an integrated package for poverty reduction, by means of increasing productivity of local communities and focusing on poverty pockets. The latter includes the Social Welfare Fund, the Social Fund for Development, the Productive Family Initiative, and the Public Works project, the Disability Fund and the Agricultural Production and Fisheries Promotion Fund. In addition to these special funds, a sizeable proportion of the public budget is allocated to a number of subsidies on basic commodities and services, especially on petroleum and transportation.

The government has taken steps to extend social insurance coverage through the inclusion of small enterprises in social security coverage, yet these provisions are only partly enforced. Addressing the lack of access to health care (affecting 50% of the total population and 75% of the rural population according to WHO estimates), the government is introducing a social health insurance which is supposed to improve access to health protection for larger groups of the population, yet will need some time to reach beyond workers in the formal economy.

#### Social dialogue and labour administration

The structure of the labour administration and its functions has been the subject of continuous change over the past decade in Yemen. These changes have gone beyond the required revisions for the purpose of development and appear entirely bureaucratic in origin. The current labour administration does not function to its maximum capability and does not, in fact, presently contribute much to the development of Yemen's labour force. It is characterized by its incapacity to offer and provide services to both employees and employers, and this unfortunate situation is constraining the development of a well-functioning labour market.

The Directorate General of Labour Inspection at the Ministry of Social Affairs and Labour has been one of the weakest departments of the Ministry. The number of labour inspectors is very limited and cannot cover the large number of registered industries and/or small enterprises let alone the informal economy that is not monitored by any agency until now and is mushrooming in most of Yemen. In addition, in a country with tough segregation rules, most of the inspectors are male, preventing the proper inspections of women workers conditions in the respective establishments.

There is recognition by constituents and national partners for the need to exert efforts towards the promotion of Social Dialogue, although it is still at very initial stages of development, both conceptually and in practice. The principal challenges for improving tripartism and social dialogue in Yemen rest with further increasing the scope of representation, especially of SMEs, within the informal sector and amongst women; realigning the labour legislation to ensure *full* consistency with ratified ILO Conventions; and eliminating workplace practices that restrict the rights of association, organization and collective bargaining, through better enforcement of the rule of law.

With regard to the legal framework which regulates the social dialogue in Yemen, a study entitled "Tripartite and Social Dialogue in Yemen between Legislation and Practice" (2006) confirmed that the Yemeni government has established the legal structure that gives the workers' union the right to participate in the formulation and implementation of development policies in Yemen. According to the study, Article 3 of the Law No. 35 (2002) concerning the Organization of Workers' Unions stipulates that the Executive Office of the GFTU should participate in the discussion of proposed national economic and social plans. Article 36

<sup>&</sup>lt;sup>12</sup>Majid Turmusani, Disability profile, Yemen, Disability world 2004., Issue No.26

confirms that the "GFTU may participate in the meetings to discuss the proposed laws but not to participate in the voting".

In addition, article No.11 stipulates that a Labour Council should be established in which the MoSAL, the workers' unions, and the employers are represented. The main task of the council is to give recommendations to the government in three aspects: proposed Labour laws and regulations, national wages policies, and vocational training programs. However, the Labour Council has been dysfunctional since its official establishment.

#### 2.2. National response and priorities

Several plans have been developed to foster development and reduce poverty in Yemen. In recent years, the government's economic reform policy has been driven by the Poverty Reduction Strategy Paper (PRSP) 2002-2005, supported by the international donor community at the consultative Group Meeting held in Paris in 2002. The key objective of the PRSP is to reduce poverty by 13% through interventions in four areas: economic growth, human resources development, improvement of infrastructures and reinforcement of the social protection system. Under the PRSP, some important initiatives have been undertaken by the Yemeni government, with support of the international community, to implement strategies in key areas such as basic education, technical education and vocational training.

According to the progress report of 2005, the PRSP has not yielded the expected results, due to the weakness of the analytical base and the overestimation of government capacities to effectively implement the strategy.

The cornerstones of Yemen's government policy for the coming years will be the new Development Plan for Poverty Reduction and Reform, based on the Millennium Development Goals (MDGs). In 2004, Yemen was selected by the UN Millennium Project as one of the eight pilot countries to prepare an MDG-based development plan. As a result, the Government recently approved the third Development Plan for Poverty Reduction and Reform, 2006-2010 (DPPRR), prepared on the basis of an MDG-country analysis carried out in 2005 with the participation of various stakeholders and donors. The DPPRR reaffirms Yemen's commitment to pursuing social, political and economic reforms aimed at strengthening democratization, improving governance, deepening citizens' participation in development processes and enhancing people's standards of living. The DPPRR identifies high population growth, high unemployment, low human resources development and fragile infrastructure as major challenges. For the long term, the government has set three objectives: to move Yemen from the Low to the Middle Human Development Group by 2025, to sustain higher economic growth and to halve poverty by 2015.

The World Bank and ETF have supported the development of a strategic development plan for TVET, being carried out through 3 phases, covering the years 2005-2014. The strategic plan was prepared with the objectives of expanding the sector to absorb 15% of students at the upper secondary and tertiary levels, while shifting from supply-driven to demand-driven vocational and training system with measures aiming to improve labour market linkages, enrich programmes, develop management responsibilities and diversify financing. Another strategic plan for the reform of higher education was prepared and adopted by the government in 2006, focusing on the role of higher education in economic growth and diversifications, applied research and ICT development, and improvement in the quality of the education system as a whole.

The government is currently working with the private sector on developing a strategic plan to enhance the business and investment environment. It aims at providing more incentives than those provided by the Investment Law, accelerating Yemen's accession to the WTO, encouraging privatization, particularly in the fields of telecommunication and infrastructure.

#### 2.3 Social partners

#### (a) The Ministry of Social Affairs and Labour (MOSAL)

MOSAL combines, as its title indicates, two ministries. The 'Labour' side of the Ministry constitutes the mainline ministry responsible for all issues concerning labour and employment. The Social Affairs responsibility includes the poverty reduction, social protection and special groups.

The Ministry has been restructured four times since 1990. It used to be the Ministry of Labour and Vocational Training (1990-1993), and then the Ministry of Insurance, Social Affairs (1993-1997), to Ministry of Labour and Vocational Training (1997-2001) and Ministry of Insurance and Social Services, and from 2001 up to this date the Ministry of Social Affairs and Labour with a separate Ministry of Technical Education and Vocational Training established in 1998 and with Social Insurance attributed to the Ministry of Civil Service. Understandably, these changes and redeployments have had negative repercussions on the performances and capabilities of the Ministry's employees, as well as the coordination process between the different Directorates concerned with the labour force sector. It also had consequences on the relationship between the Central Administration of MOSAL, its employment offices and LMIS, and with the ministries and institutions concerned with labour force development issues.

A department of Women Workers was also established in 1998 and its mandate to promote women workers according to the "National Woman Employment Strategy" operationalized with the support of the ILO Netherlands Partnership Programme (2005-2008).

MOSAL is also responsible for implementing occupational safety and health policies and programmes, the General Directorate of Occupational Safety and Health operates in various governorates and employs a total of 35 professional staff including physicians, OSH inspectors, laboratory technicians, and others. There is a need to upgrade the institutional capacity of MOSAL to enable it carry out its safety and health responsibilities effectively.

The MOSAL role should be developed to provide the appropriate legislative, regulatory and administrative environment in which issues such as labour market legislation, administration and government-backed institutions are becoming of critical importance. With regards to the labour market in particular, effective labour administration and well-functioning institutions such as employment offices can provide significant support to both individuals and the private sector whilst retaining fundamental protections for citizens.

ILO's assistance is needed to support the administration for labour relations, which deal with issues related to the labour unions, labour education, social dialogue, collective bargaining and the settlement of labour disputes.

#### (b) Yemen General Federation of Workers Trade Unions

The Yemeni trade unions movement started in 1940, and the first trade union was established in 1956. In 1970 a law was promulgated for the Federation's right to exist. While the Federation started to take shape by 1984, it was only between 1990 and 1993 that it was fully institutionalized, with its headquarter established in Sana'a. The 9<sup>th</sup> General Trade Union Conference was held in March 2008, and considered the first Conference after unification of Yemen. The Recommendations of the Conference focused on the following issues:

- Strengthening trade union movement towards more independent and democratic representations.
- Promoting protection of acquired rights, freedom of association, social dialogue, collective bargaining and negotiation skills.
- Building capacity of trade union leaders to be able to represent workers, specially the newly elected members.
- Participating in socio-economic decisions related to social security, wages policy, and improving living conditions.

- Amending social security law and extension of social protection to include health insurance and expand coverage to informal economy workers.
- Expand participation and membership with special emphasis on the private sector and youth members
- Increase the membership base of women in trade unions (25%) and ensuring women's participation in leadership roles.
- Improving social dialogue, tripartism, and collective bargaining and negotiation skills.

A Directorate of Women and Children was also established in 2001. The Directorate's role includes enhancing women's awareness of their legal rights and their rights to represent other women in the Unions. 24 women have been elected during the last general trade union conference.

#### .(c) The Federation of Yemeni Chambers of Commerce and Industry

The Federation is the umbrella embracing eighteen member chambers of commerce and industry established in the different larger cities. Through its member Chambers, the Federation represent both the private (80% private enterprises) and the public (20% public enterprises) sectors in Yemen.

The services rendered by the Federation to its members, and enterprises are limited in scope and in depth. The weak financial situation of most of the chambers does not allow for the recruitment of high-level capacities which in turn weakens the position and the role of these organizations. Furthermore, the difficult economic situation prevailing in the country is putting too much pressure on the private enterprise which finds it practically impossible to fulfill its financial obligation as member of the chambers.

The structure or the FCCI is about to be reformed in order to focus its activities on specific issues such as the improvement of the investment environment

In Sana'a, a women's committee was recently formed. As compared to the other two tripartite institutions, the Chambers of Commerce and Industry is lagging behind in terms of showing progress on commitments to women's rights and needs. Taking some initiatives towards the inclusion of business women constitutes only one dimension of what they could contribute in the area of gender equality.

Employers' organizations frequently engage with the main body of the workers' representatives, and lobby the government on economic and social policy decisions of consequence to labour and employment. The principal challenges for improving tripartism and social dialogue in Yemen rest with further increasing the scope of representation.

#### 2.4. UN in Yemen: Synergies between the ILO and other UN agencies

As clearly articulated in the CCA, completed in 2005 and based on the Government's own self assessment of progress against MDGs, Yemen is not on track to reach most MDGs by 2015 without substantial redirection of policies, injection of additional funds and institutional and human capacity building.

The ILO has been actively involved in the drafting of the CCA and UNDAF (2007-2011) and is currently participating in the review of UNDAF outcomes and monitoring plan through its participation in the Gender, pro-poor growth and basic social services working groups. In addition, the CTA of the ILO Gender project represents the ILO in the meetings of the UN Country Team, the Gender task force and the Gender thematic group.

The multi-disciplinary mission led by the Director of the regional office for Arab States in September 2007 was the occasion to highlight ILO's achievements in the country (eg ILO-UNFPA Gender audit cited as a model of UN coordination) and to present to the UNCT the concepts of Decent Work. The major entry points where ILO comparative advantage could play a critical role in complementing initiatives of other UN agencies were discussed, with a focus on legislation review to enhance access to the labour market for women

Three of the four UNDAF main outcomes are in line with the identified priorities that have resulted from the Decent Work gaps analysis: These are (1) improved institutional and human capacity to promote gender equality and empowering women in social, political, economic and legal spheres; (2) the creation of an environment that fosters the efficient and sustainable use of resources leading to equitable, job-creating growth in promising sectors, with a focus on youth and women, and (3) enhanced transparency and accountability of public institutions and participation of all constituencies in systematic national and local decision-making within the scope of international treaties ratified by the Republic of Yemen.

ILO and UNDP are coordinating their interventions in two areas: improvement of institutional and human capacity to promote gender equality and empower women in social, political, economic and legal spheres, and efficient and sustainable use of resources for equitable, job-creating growth, with a focus on youth and women. More specifically, UNDP will assist in building the capacity of Yemeni institutions to equip new entrants to the labour force, especially youth and women, with the requisite skills and package of support services to either enter formal employment or engage in self-employment activities. Both agencies will also collaborate for the establishment of a new Labour market information and analysis unit at the Ministry of Labour, in charge of monitoring the National Action Plan on Employment.

One of the main strategic goals of UNICEF CPAP is the achievement of "Improved national /local level capacities of the government, local institutions, and communities for creating protective environment for all children." This strategic goal has several outcomes which are in line with the main components of the DECP particularly combating child trafficking and increasing awareness of stakeholders on the importance of protecting working and trafficked children. The DWCP will ensure close coordination with UNICEF ongoing program in combating child trafficking phenomenon.

ILO and UNFPA will strengthen their collaboration to further enhance the capacity of the National Woman Committee, the main national machinery responsible for gender equity and women empowerment in Yemen. This collaboration will be based on the lessons learnt form their joint initiative to support the NWC in adopting gender auditing as a diagnostic and monitoring tool for gender mainstreaming in Yemen's ministries and institutions.

Additional collaboration opportunities have been identified with WFP (addressing school dropouts), UNHCR (livelihood opportunities for refugees) and UNIFEM (women migrant domestic workers).

## 3. OVERVIEW OF RESULTS ACHIEVED AND PAST AND ONGOING TECHNICAL COOPERATION 2005- 2007

ILO strategic objective 1

- The draft Labour law amended in conformity with International Labour Standards and discussed with tripartite constituents in August 2007.
- A national strategy (NPPF) for the elimination of child labour was adopted by the Government in September 2007 and effective interventions were undertaken to withdraw and prevent exploitative situations of boys and girls in worst forms of child labour.
- The first phase of a technical cooperation project on the elimination of child labour was implemented during 2000-2005, and the second phase of the project from 2006-2008; steps have been taken to include child labour concerns in the third Five-Year Plan for socio-economic development, and the Youth and Childhood Strategy. Three rehabilitation centers for working children were established in Sana'a, Aden, and Seyoon, and five Action Programmes have been technically approved and started implementing their activities. These programmes are targeting 1750 working children, 1450 siblings and 790 families. At MOSAL a database system on child labour was established.
- > Studies/research on child labour were carried out during the ILO project: Rapid Assessment of working girls in entertainment, streets and agriculture in three Yemeni governorates; the effect of pesticides on working girls in Seyoon/Hadramout; baseline study on working children in fisheries in Aden; and study on harmonizing the national laws on child labour according to the international

- conventions were prepared. IPEC/SIMPOC in collaboration with UNICEF, Central Bureau of Statistics and Ministry of Planning and International Cooperation is conducting a National Child Labour Survey; the survey is expected to be completed at the end of 2009.
- > The institutional capacities of the Ministry of Social Affairs and Labour, social partners and other key national stakeholders in addressing gender inequalities in the labour market enhanced.

#### ILO strategic objective 2

- The National Employment Agenda (NEA) and National Action Plan (NAP) were prepared and discussed with a wide range of key line ministries, the social partners and other concerned national and international stakeholders. The NAP will be launched in Max 2008.
- ➤ The ILO has been an implementing partner in the UNDP-funded project, "Labour market information system and human resources development strategy", (2004-2006) with the aim of developing national capacities for human resources development planning, through establishing an information system across the network of public employment offices, conducting labour market surveys and associated analysis.

#### ILO strategic objective 3

- ➤ A 'Social Security Inquiry' was conducted by ILO in 2005 that included information on the existing formal social protection schemes and community based services offered to informal economy workers. In addition, a workshop on social security statistics was undertaken with national stakeholders in November 2005.
- ➤ The ILO, the WHO, and the GTZ in 2005 carried out a joint mission to Yemen in order to assess the national health insurance system and to suggest options for its implementation.
- In 2007 ILO carried out a feasibility study on improving access to health services in Yemen funded by WHO. The study focused on extending health protection for the informal economy workers and their families.
- A mapping study on Women Domestic Workers, with a focus on migrant workers, was prepared in 2006.

#### ILO strategic objective 4

During 2001-2006 an ILO/DANIDA inter-regional project on "Workers Education Programme" was implemented aiming at assisting the trade unions in developing democratic institutions and strengthening their capacity in defending and furthering the interests and aspirations of Yemeni Workers. In particular, the project sought through enhanced women participation in trade union life to improve the living and working conditions for Yemeni women in general. The project contributed to promotion of the social dimension of globalization and sustainable development in policy debates at national level within the PRS process.

#### Gender issues

First phase of the project (2005-2007) entitled Strengthening the National Machinery for Advancing Women's Employment" adopted its mandate from the National Woman Employment Strategy (2001-2011) and focused on enhancing the capacity of MOSAL and partners in coordinating the implementation of the national strategy on women's employment. The project was extended to a second phase (2006-2008) with the title of "Promoting Decent Work and Gender Equality in Yemen" and has enhanced its mandate to promote Decent Work and Gender at macro level. Activities of the project include a Policy Advocacy Network for Women Workers in the Health Education and Agricultural Sector, sensitization of over 20,000 women and men workers in their rights and entitlements under the mandate of Decent Work and Gender Equality and an Advocacy Platform encouraging positive perceptions on women workers in Yemen through the media.

- The ILO Gender Bureau in HQ have worked in coordination with ROAS and the ILO/NPP project in Yemen in the implementation of Gender Auditing in Yemen. The exercise included training of 25 representatives from the Social Dialogue institutions and the National Woman Committee in Gender Audit methodology and an audit exercise with MOSAL and MPIC.
- > Synergies were created on the ground utilizing Gender Cash Surplus and Dutch funding to use Social Dialogue as a means to promote gender equality and bring women's employment issues back on the agenda of social partners. Specifically, the ILO mandate of Decent Work and Gender Equality has been a strategic entry point for Social Dialogue. Various initiatives have been conducted consistent with pushing forward a platform for Social Dialogue.

#### Main lessons learnt:

- The institutional capacity of ILO constituents and partners has to be built and needs to be mainstreamed as a core element of all intervention. This element has to be taken into consideration for realistic programming and planning of activities.
- Developing partnerships (UN, national institutions) and ensuring the constituents' involvement with other key Ministries is critical to achieve sustainable results.

#### 4. DWCP PRIORITIES AND OUTCOMES

The development goal of this DWCP is to contribute to poverty alleviation and human development through decent work. The fundamental link between employment creation and decent work for all with poverty reduction has now become explicit in the international agenda. Consequently, it has been requested as one of the indicators of MDG 1 on poverty reduction. Addressing poverty reduction through the lens of the Decent Work Agenda requires tripartite participation and social dialogue, which in turn facilitates national ownership of poverty reduction strategies. Through a close collaboration with the Ministry of Labour and the Ministry of Planning, the ILO will ensure integration of the DWCP and the national employment strategy in the Yemen Third Development Plan for Poverty Reduction and Reform, 2006-2010 (DPPRR).

The priorities of the proposed ILO Decent Work Country Programme in Yemen have been formulated to respond to the gaps identified in the previous section and the needs expressed by ILO's partners.. These priorities have been categorized in three major areas which constitute the major components of the ILO DWCP: improved governance and legislative environment for compliance with International Labour Standards; social protection for the most vulnerable workers enhanced; and improved capacity of the government to generate new employment opportunities.

The following process was conducted to ensure the full involvement of the constituents and other key stakeholders in the preparation of this Decent Work Country Progremme:

- A Decent Work Concept Paper was drafted by a national consultant, highlighting national priorities, ILO
  past cooperation and Decent Work deficits, with a view to identify the main areas of focus for the DWCP
  priorities and outcomes.
- A multidisciplinary programming mission led by the regional Director was fielded in September 2007. A tripartite workshop was organized to launch the consultation process and discuss the findings and recommendations of the concept paper. In addition to the constituents, the mission met with the Minister of Interior, the Minister of Human rights, the Deputy Minister of Planning, the Minister of Industry and trade, the Minister of Technical Education and Vocational Training, the Minister of Finance, representatives of the parliament, the General corporation for social security, the Governor of Aden and other national institutions. Major donors were also consulted (World Bank, GTZ, EU, Dutch Embassy, DFID, Japanese embassy)
- An initial DWCP draft was elaborated and additional technical missions were fielded to refine and discuss some of the proposed interventions with the partners,
- A tripartite workshop with more than 60 participants took place in April 2008 to discuss the draft document and the proposed implementation plan.

The final draft was sent to the Quality Assurance Mechanism in ILO Geneva for appraisal.

#### 4.1. Priorities and Outcomes 2008-2010

#### **DEVELOPMENT GOAL:**

Contribute to poverty reduction and human development through decent work

#### **PRIORITIES AND OUTCOMES:**

- I. Improved governance and legislative environment for compliance with International Labour Standards.
- 1. National legal frameworks and capacity of the government to enforce, and social partners to monitor, laws in line with ILS improved.
- 2. Improved workers' and employers' participation in policy formulation through strengthened social dialogue.
- II. Improved national capacities to increase effectiveness and extend coverage of social protection.
- 3. Social security strengthened and extended to uncovered population

#### III. Improved capacity of the government to generate new employment opportunities

- 4. Improved institutional capacity for labour market information analysis to produce required data, in support of employment strategy implementation.
- 5. Institutional framework and mechanisms for SME development implemented, and entrepreneurship culture fostered.
- 6. Women's competitiveness and access to income generation activities in the labour market increased.

(See also Annex I, DWCP logic model and results framework)

#### 4.2. Overall strategy and articulation of the programme

The DWCP components will be fully integrated in the national strategies and development plans, ensuring centrality of ILS, Gender, tripartism and social dialogue. The support and assistance to the Government and its social partners in the priority areas identified, and in achievement of the outcomes of this DWCP, will be through a coordinated multi-component approach and interventions, based on current national priorities and ILO comparative advantage.

The current mid term review of the third economic development plan for poverty reduction will be an opportunity to concretely integrate the DWCP components into the national development framework, in close coordination with the Ministry of Labour and Social Affairs and the Ministry of Planning.

A coordinated approach to institutional capacity building will be promoted to enhance the capacities of the Ministry of Social Affairs and Labour, the employers' and workers' organizations, and other stakeholders

relevant to the achievement of Yemen national development goals in relation to labour and employment issues and poverty reduction.

As the first DWCP for the country, the programme will have an initial duration of three years. This will allow for its alignment with the national development plan DPPRR (2006-2010) thus ensuring a stronger focus for the allocation of resources and greater flexibility in reviewing and assessing the results of the programme and taking the necessary corrective measures.

Priority I: Improved governance and legislative environment for compliance with International Labour Standards

DWCP Outcome 1. National legal frameworks and capacity of the government to enforce, and social partners to monitor, laws in line with ILS improved.

#### Programme strategy:

The framework for good governance will be strengthened around the elements of: compliance with international labour standards; labour law enforcement; effective labour administration; and sound industrial relations, tripartism and social dialogue at the workplace.

Effective labour laws and regulations applying fundamental principles and rights at work are essential to making labour relations more fair and ensuring respect of trade unions, freedom of association and collective bargaining. The ILO provided technical assistance in modifying the labour law to comply with the ratified Conventions. The new text put forward for the Cabinet approval in 2007. The ILO will organize training of legal experts from government, employers' and workers' organizations, and will provide technical support to strengthen institutions responsible for laws enforcement mechanisms, including labour administration and labour inspection.

The ILO will provide technical assistance and legal service to redress the ILO comments with a view to giving a full effect in law and in practice to the ratified ILO Conventions as well as to comply with the ILO Constitutional reports obligations. It is important to note that Yemen fails to submit the ILO adopted instruments to the House Representatives (Majlis El-Nouwab), the Committee of Experts has raised this issue in its comments concerning the submission to the competent authorities of Conventions and Recommendations, in this respect the ILO could provide assistance to the Ministry of Labour in carrying out the technical part of the submission procedures.

Technical assistance will be provided to the Ministry of Labour for application of the Forced Labour Convention 1930 (No, 29), the Committee of Experts noted that as the government indicated that the draft amendment to the Labour code, which aims at ensuring that a worker has the right to terminate employment upon his/her request without indicating any particular reason for termination, provided that a request is submitted at least one month prior to the date of resignation, but still the draft has not yet been discussed.

Progress at national level in implementing the Declaration can come in many forms. Steps include advocacy, codes of practice, and incremental changes in law and policies, institutional reform, strengthening law enforcement and empowerment of social partners. The ILO will therefore focus on strengthening the capacity of the governments and employer's and workers' organizations to develop effective measures to improve governance and legislative environment in addressing economic, labour and social issues.

New approaches, guides and tools developed by the ILO related to labour administration will be a key part for strengthening the capacity and responsiveness of MOSAL. Continuing attention will be given to systems and mechanisms needed to promote workers' rights, in line with the Labour Administration Convention, 1978 (No.150). This will be accomplished by focusing on specific priority areas for capacity building, which correspond to the four main labour administration function as identified by the ILO Convention: Labour law

and policy; labour inspection and research; industrial relations and social dialogue; and employment and advisory services. An essential component of the ILO assistance will encourage labour administrations to practice effective and sustainable dialogue with employers' and workers' organizations on employment matters and improve services and strengthen industrial relations policies for the benefit of the social partners and the labour market as a whole. The ILO will promote the ratification of the convention No (154) 1981 related to collective bargaining.

Good governance and law enforcement requires strong labour inspection systems as an integral part of sound labour administration and labour-management relations based on modern labour laws. The ILO will promote the ratification and implementation of relevant ILO standards, it will also provide technical assistance for tripartite labour inspection audits and the formulation and implementation of national action plans with due regard to the observations of the supervisory processes in relation to the Labour Inspection Convention 1947 (No.81), the Labour Inspection in Agriculture Convention 1969 (No.129), and the Occupational Safety and Health Convention 1981 (No 155), 161, 170, and 187)

The ILO will promote the adoption of modern inspection practices focusing on prevention and integrate labour inspection more effectively within other programmes. Extensive efforts will be made to improve inspection especially concerning the worst forms of child labour and the informal sector. The ILO will also focus on the enhancement of hiring and training of women inspectors in order to ensure proper inspection of women workers conditions.

The ILO will use knowledge base developed by the two technical cooperation projects implemented in Yemen on gender equality and decent work to identify additional measures to advance gender equality, with particular attention to vulnerable groups of women workers, and to influence national policies. Theses measures and programmes will be consistent with the Equal Remuneration Convention, 1958 (No.111), the Workers with Family Responsibilities Convention, 1981 (No.156), and the Maternity Protection Convention 2000 (No.183). As the Committee of Experts has raised under Conventions Nos: 100 and 111 points which bear direct relevance to the needs of raising awareness for the principles of non-discrimination and equal remuneration between men and women in sales, agricultural types of occupation and production and transport sector.

The ILO will continue providing technical assistance to make progress in applying Conventions Nos. 138 and 182 through legal change, data collection, child labour monitoring systems, and rehabilitation programmes for working children. The aim is to consolidate the progress made over the past years of ILO's experiencing in implementing child labour programmes, special attention will be given to the girl child as IPEC has developed tools and good practices for gender and child labour in Arabic The ILO will implement upstream interventions as a contribution to the attainment of the national goal of elimination of the worst forms of child labour in the medium term and creating the social foundation to address all other forms of child labour in the long term. Upstream interventions will focus on follow up work needed to translate national strategy (NPPF) for the elimination of Child Labour into concrete and effective action against child labour at central, sectoral and local government levels. The DWCP will give priority to the comprehensive integration of child labour and youth employment issues into national development police and programmes. As the child labour project will be completed in May 2008, a new framework of technical assistance will be developed based on the recommendations of the evaluation that was conducted at the end of the project. In order to sustain progress made in the past years, MOSAL is planning to develop the capacity of Child Labour Unit and develop the unit into a Directorate General for Child Labour.

Institutional capacity to apply occupational safety and health standards effectively at the workplace will be strengthened through guidelines, information and advocacy materials, training programmes and practical tools. The wider application of the guidelines on occupational safety and health management systems will be promoted and special attention will be given to hazardous work in specific sectors and industries and to enhance national capacity to prevent work related injuries and illnesses.

A national programme for the improvement of employment conditions through occupational safety and health will be established with the aim of improving working conditions in the workplace through development of

OSH legislations; building the capacity of MOSAL and social partners; establishing major hazard control system; establishing OSH laboratory and occupational accidents; and diseases data system.

#### **Key performance indicators:**

- Number of labour-related laws amended in accordance with ILS, and endorsed by the legislative.
- Proportion of ILO-trained labour inspectors that perform their duty according to internationally accepted standards increased
- Recommendations based on ILO assessment of labour inspection system implanted by the MoSAL
- Recommendations of the evaluation of child labour project conducted in 2008 implemented by the Government and social partners

Outputs	Partners
Legislation related to fundamental rights, child labour, gender equity and establishment of trade unions reviewed and aligned with ILO conventions.      Strengthened capacity of the MOSAL and social partners to implement and promote labour laws.	<ul> <li>The Ministry of Social Affairs and Labour</li> <li>Ministry of Human rights</li> <li>Workers' organization</li> <li>Employers' organization</li> <li>UN Agences (UNICEF, UNFPA, WFP) and EU.</li> </ul>
1.3 Strengthened labour inspection in line with ILO Conventions C.81, C.129, C.155	
1.4.Enhanced national and local capacities to provide prevention, protection and rehabilitation services to children affected by child labour and trafficking	
1.5. Capacities of Government and social partners to develop and implement policies and programmes on occupational safety and health improved	

## DWCP Outcome 2. Improved workers' and employers' participation in policy formulation through strengthened social dialogue.

#### Programme strategy:

Social dialogue and tripartite institutions are essential in promoting and operationalizing the Decent Work Agenda for improved governance. Realizing the potential for social dialogue requires strong, representative and democratic employers' and workers' organizations with the capacity for full and effective participation. The ILO will promote and enhance social dialogue, freedom of association and institutions for dialogue and collective bargaining with the aim of promoting decent work. An integrated approach to social dialogue, labour law and labour administration will be pursued in order to provide a strong framework for good governance. Ensuring that institutions and policies are effective and equitable requires gender-responsiveness in all these areas, which will be pursued actively.

Building the capacity of employer's and worker's organizations is essential to develop social dialogue in Yemen. This includes the ability of social partners to influence socio-economic and governance policies. The ILO will facilitate the participation of employer's and worker's organizations in policy discussions and DWCP, and will help them with strategic approaches to policy-making in the following areas: sustainable

right-based development, poverty alleviation, decent work for women and men on the basis of Global Employment Agenda; gender sensitive social protection; gender equality; informal economy; and effective elimination of child labour.

Assistance will be provided to support the proper functioning of tripartite institutions as well as improving dispute prevention and resolution machinery and processes, through redesigning the institutional structure of the Labour Council, which was established by the Cabinet Decision number 174/1995 and amendment of 176/ 1997. The role of the Labour Council focus on providing recommendations to the government on issues related to labour legislations, wages policy, vocational and skill training, and social security. According to the tripartite partners the Council is not operational since 2001. The ILO will assist the Government and social partners redesigning the role of the Labour Council to be fully operational to ensure greater respect for the principle of freedom of association, improvement of social dialogue and collective bargaining system and the effectiveness of dispute prevention and resolution processes and machinery, as an important aspect of social dialogue process. The Labour Council will be supported by the ILO to be the vehicle for social dialogue in Yemen, it will focus on improving governance in addressing economic, labour and social issues, promoting and implementing appropriate labour polices and laws, efficient and responsive labour administration and meaningful and effective tripartism and social dialogue, collective bargaining practices, industrial relations and labour management cooperation. It will propose suitable mechanisms for prevention or peaceful resolution of disputes through creating the channels for the democratic participation of social partners and free tripartite negotiations. The Government and social partners plan to develop the Council into an Economic and Social Council in the future

The ILO will start its support with developing a programme to develop the workers' and employers' organizations to achieve their objectives through improving social dialogue and tripartism that is fundamental to obtaining consensus to work-related and other social problems. Increasing the scope of representation, especially SMEs within the informal sector and amongst women, realizing the labour legislation to ensure full consistency with ratified ILO Conventions and eliminating workplace practices that restrict the rights of association, organization and collective bargaining, through better enforcement of rule of law.

The ILO will assist the employers' organization to attract and retains membership, and provide quality services to business. Direct services, such as networking, training, information and advice have to be timely, relevant and effective. Representational services need to improve economic and social policy in order to create the conditions for enterprises to succeed in competitive markets. The role of employers' organization in helping to create a positive investment climate for business improvement will be strengthened, in particular more and better employment for women and men. The role of the Chamber in helping create a positive investment climate for business will be strengthened. Assistance will be provided to support employers' participation in tripartite institutions, as well as in relation to improve dispute prevention and resolution machinery and processes.

Strengthened and representative workers' organizations are preconditions for their effective contribution to decent work for all. Building the capacity of the workers' organization will be the bedrock of activities aimed at consolidating social dialogue and tripartism as means of delivering the Decent Work Agenda. The representation of women at decision-making levels will be important aspect of the ILO strategy.

The ILO will provide assistance in organizing workers in the informal economy; emphasis will be placed on increasing the membership and leadership from under-represented groups of workers.

Key performance indicators: - Number of policy discussions that actively invol	ve workers' and employers' organizations
Outputs	Partners
Enhanced capacity of social partners to effectively engage in social dialogue, establish trade unions and advocate for the fulfilment of rights      National labour council revitalized and made operational	<ol> <li>The Ministry of Social Affairs and Labour</li> <li>Workers' organization</li> <li>Employers' organization</li> <li>UN organizations</li> </ol>
2.3.Strengthened capacity of tripartite constituents to monitor, evaluate and coordinate programmes and leverage	

Priority II. Improved national capacities to increase effectiveness and extend coverage of social protection.

#### DWCP Outcome 3- Social security strengthened and extended to uncovered population.

#### Programme strategy:

resources

The extension of social protection coverage for the uncovered population will be strengthened based on a two-pronged approach which focuses on (1) strengthening the existing security programmes and (2) gradually filling the gaps in the system and increasing the level of protection of the population.

The first component of the strategy will aim at supporting the government of Yemen in reforming and strengthening the existing social security system in order to build up trust in the system and reinforce the government's efforts to extend coverage. The ILO will offer technical assistance to strengthen governance and ensure the sustainability of the existing social security schemes through its Financial and Actuarial Service (ILO-FACTS). In addition, the ILO is ready to provide technical advice in respect to social insurance legislation and social security policy informed by international labour standards and international best practices. In order to strengthen the capacities of the involved Ministries (MOSAL, MOCIS), as well as of social partners, the ILO will support long-term and short-term training measures which include topics identified as priority such as social security principles, international labour standards or social security governance.

The second component, which is being conducted in parallel, will aim at supporting the extension of social security coverage to workers in the informal economy and their families. Particular attention is being devoted to addressing the specific coverage gaps of women. The ILO is prepared to help strengthening the analytical basis and develop planning tools for the extension of coverage. The ILO's social budget methodology assesses the resources currently allocated to social protection covering a wide range of social protection measures, and helps to evaluate the fiscal implications of different policy options in the future through short

and medium term projections. Complementing this fiscal assessment, a complementary study would assess the effectiveness of the current system in reducing poverty and test different options for reform.

In collaboration with the WHO, the ILO will also continue to support the introduction of social health protection for workers both in the formal and informal economy and their families.

The ILO will also help to strengthen the national dialogue process on the extension of social security, including the government, social security institutions, employers, workers and other stakeholders. This will include, upon request of the Government, support for a national campaign for the extension of coverage under the umbrella of the Global Campaign for Social Security and Coverage for All. In this context, the ILO stands ready to support a national tripartite workshop on the extension of social security coverage.

#### - Effective financial management system in place - Proportion of legally covered population making regular contributions increased - Proportion of eligible population receiving benefits increased - Proportion of total Yemeni workforce covered by social security **Partners** 3.1. Capacity of the government to sustain and - Ministry of Social Affairs and Labour extend social security to uncovered population Ministry for Civil Service and Insurance strengthened Ministry of Health Social security institutions Social Welfare Fund Social Fund for Development Employers' organization Workers' organization. Women's National Committee **UN** organizations

Priority III. Improved capacity of the government to generate new employment opportunities

DWCP Outcome 4. Improved institutional capacity for labour market information analysis to produce required data, in support of employment strategy implementation.

#### Programme strategy:

Key performance indicators

The ILO supported the Government of Yemen in preparing a National Employment Agenda (NEA), and a preliminary draft National Action Plan on Employment over the period 2004-06. In parallel, the ILO has been an implementing partner in the UNDP-funded project, "Labour market information system and human resources development strategy", with the aim of developing national capacities for human resources development planning, through establishing an information system across the network of public employment offices, conducting labour market surveys and associated analysis. Building on the achievements of previous and on-going ILO technical support, the ILO will provide technical assistance in the following areas:

- a) Assisting MOSAL in finalizing and taking clear ownership of the National Employment Strategy (NES, i.e. the NEA and its associated Action Plan). The Ministry needs to raise the visibility of the NES amongst other line ministries, and in particular work with MOPIC to integrate it into the National Development Plan. The NES should also be endorsed by the Council of Ministers;
- b) Supporting the newly established Labour Market Information and Analysis Unit at MOSAL to consolidate and strengthen the technical work of MOSAL around the NES and raise the profile of the ministry, its mandate, and critical employment and labour market issues more broadly within the Government of Yemen;

- c) Supporting MOSAL in its reform of the public employment offices to provide better labour market intermediation services in the light of the country's current high unemployment. The key areas that require immediate action are: conduct a review of organizational structure and procedures of employment offices, with a view to upgrading services and improving their functioning (registration procedures, job matching, vocational counseling); and to link employment offices with the vocational training system and establish an information network with LMIS in order to reduce the gap between labour supply and demand. The ILO will also provide support to build the capacities of the employment services to be more responsible to the decent work needs of people with disabilities;
- d) Special attention will be given to promote decent work for people with disabilities in line with ILO conventions, tools and best practices.

### Key performance indicators

- Functional labour market information system in place and maintained by social partners.
- Labour market information system used by constituents to reform employment policies
- Percentage of concerned national officials trained to plan, implement, monitor and report on the implementation of the national employment strategy.

implementation of the national employment strategy.				
Outputs	Partners			
4.1 National employment strategy finalized and implemented.	<ul> <li>Ministry of Planning and International cooperation</li> </ul>			
4.2. New LMI and Analysis unit at the MoSAL and strengthened to monitor labour market developments and coordinate implementation of the NES.	<ul><li>Employers' organization</li><li>Workers' organization.</li><li>Women's National Committee</li><li>UNDP</li></ul>			

## DWCP Outcome 5. Institutional framework and mechanisms for SME development implemented, and entrepreneurship culture fostered.

#### Programme strategy:

One of the major impediments for enterprise development is the absence of an enabling environment that facilitates and encourages start-ups. The ILO will work on promoting a conducive legal and regulatory framework for enterprise development with a special focus on start ups. It will explore the possibility of introducing need-based and affordable business development services to SMEs through the development of a national business management training curricula and follow-up services in addition to building the capacity of national trainers/consultants.

Strategies and tools to foster an entrepreneurship culture in Yemen will also be implemented. The ILO developed the Know About Business (KAB), which is a set of training materials for entrepreneurship education. The KAB training concept draws on ILO's successful experience in the field where it is introduced in more then 20 countries and lately in Syria and Oman. The KAB package is intended to develop entrepreneurial skills and prepare students and trainees not only to establish their own businesses in the future, but also to work productively in SMEs.

The KAB training methodology develops among young people entrepreneurial competencies and particular knowledge needed for self-employment and creation of micro and small enterprises. The immediate objectives of the KAB training concept are to create awareness of enterprise and self-employment as a career option for trainees; develop positive attitudes towards enterprise and self-employment; provide knowledge and practice of the required attributes and challenges for starting and operating a successful enterprise; and to prepare trainees to work productively in SMEs.

The strategy for the implementation of a KAB in Yemen will focus on the implementation in secondary and vocational education and at higher education level. A project document was prepared in consultation with the national partners and funds are being sought for its implementation.

#### **Key performance indicators**

- Business environment assessment conducted, with clear SME development policy recommendations
- Number of national service providers adopt and apply ILO/SME development tools
- Number of schools and training institutions that integrate KAB in their curriculum
- -Percentage of graduates who have taken the KAB course.

Outputs	Partners
5.1 Entrepreneurship culture fostered among young Yemeni women and men	<ul> <li>Ministry of Social Affairs and Labour.</li> <li>Ministry of Vocational and Technical Education</li> </ul>
5.2 Legal and regulatory framework governing SME development reviewed and made more conducive	<ul> <li>Ministry of Economy</li> <li>Employers' organization.</li> <li>UN organizations</li> <li>Social Fund for Development</li> </ul>

## DWCP Outcome 6: Women's competitiveness and access to income generation activities in the labour market increased.

#### Programme strategy:

Vocational training in Yemen still occupies a relatively small portion in the overall structure of education at a time of urgent need for such education with direct links to the labour market. Currently 66 centers are operational and 15 new centers are due to open. Women entrants and graduates of vocational training and technical education are under represented in the system (3%) even taking into account all-women colleges. While mobility constraints are often cited as a reason for such low participation, the response of the training structure is most likely to be falling short of the changing perceptions on women's education and work in Yemen. In the centers, the nature of training targeting women in traditional home-making skills associated with the gender division of labour in the household (sewing, weaving, embroidery, beautician, hairdresser, etc.) which are already oversaturated, with limited returns and little to no labour market relevance in terms of the demand (however limited) that exists. In fact the gender segmentation/segregation in the household division of labour and the education system are known to often translate into similar segmentation in the labour market.

To address the above issues new measures will be introduced to ensure women's absorption in the labour market including injection of job counseling, job search, life skills (leadership, communication, negotiation, self-confidence) and livelihoods skills will be injected into the regular skills training especially for younger women graduates in order to equip them with a better sense of the labour market. Life skills have an especially important added value for young women in general and for educated young women in particular who are finding it difficult to break into the labour market, and negotiate safe/secure working terms and conditions once they enter.

Job placement to complement the technical skills and life/livelihoods skills training through on the job training/apprenticeship/wage cash subsidy programs in order to overcome the barriers associated with social and cultural perceptions (of the women themselves as well as the employers, clients and the labour market in general). The proposed job placement and wage cash subsidy program would provide three months of wage subsidy for the graduate placed in an on-the job training assignment with the employer paying 9 months of wages.

Considering the lessons learned during the past cooperation and building on the achievements of previous and on-going ILO technical cooperation project, the ILO will aim at reinforcing several interventions on advancing women's employment in Yemen. The new generation of project will use a rights based approach to contextualize outcomes and results from the second phase of the successful ILO/MOSAL project on Promoting Decent Work and Gender Equality in Yemen in order to ensure continuation of key activities from the project.

The first generation of the ILO/MOSAL project on Promoting Decent Work and Gender Equality in Yemen focused on urban women, urban employment on account of the five governorates where it operated. Next generation of the project will focus on increasing, rural poor women's income generation and self employment opportunities in the labour market in line with economic changes in Yemen.

The DWCP will refer to improvements in perceptions on women workers in the world of work, and identify key target groups where income insecurities and economic vulnerabilities abound (rural women, young women, women with disability and migrant women workers).

The structure of the Yemen labour market and the large number of jobs in the informal economy leaves the majority of workers without basic forms of social protection. Given the inadequacy of social protection coverage, there is a strong likelihood that many workers – particularly women, youth and people with disabilities – will end up in the poverty trap.

This outcome responds to the resolution concerning decent work and the informal economy (ILC 2002) and follows on 2006-07 InFocus Initiative on the informal economy. The upgrading of the informal economy is a major contribution to the alleviation of poverty and is key to the achievement of halving poverty by 2015 as set by MDG1.

The study on the characteristics of Yemeni Workers n the Informal Economy<sup>13</sup>, focused on the situation of women and men working in the informal economy. The working poor in the informal economy are relegated to low paid, insecure forms of employment that make it impossible to earn sufficient income to move out of poverty. Informal workers, both women and men, are rarely organized in unions, cooperatives or grassroots organizations in Yemen. They have no access to and services from the government or other formal institutions such as workers' and employers' associations. In Yemen where poverty reduction policies are underway employment in the informal economy is not dealt in a substantive way.

The report confirms the necessity of giving the informal economy special attention in planning for the future development in Yemen. The MSME sector, which largely consists of informal enterprises, and the labour market, which largely consists of informal workers, deserves a more careful review in Yemen. The findings of the report point out that the establishments and workers in the informal economy need to be supported through a range of strategies including training, organizing, microfinance and business development services, and easing of regulations. However, it is important to note that the informal economy in Yemen, while providing outlets for poor and unemployed, needs diversified policies and programs for the different groups of informal economy establishments and workers.

To decrease vulnerability of informal economy workers, the ILO will develop an integrated approach that combines employment promotion with social and labour protection, including consideration for rights and representation. The ILO will assist the MOLSA, the Directorate General of Working Women, the employers' and workers' organizations in supporting the self-employed, micro- and small enterprises and other workers in the informal economy.

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<sup>&</sup>lt;sup>13</sup> Abdullah Haza'a Al-Khateeb, the characteristics of Yemeni Workers n the Informal Economy, 2006

#### **Key performance indicators**

- Number of female entrepreneurs receiving micro-credit loans increased
- Percentage of economically active women in Yemen increased

#### **Outputs**

- 6.1. Strengthened capacity of the Government to develop demand oriented training programmes in non-traditional skills areas and to promote entrepreneurship
- 6.2. Pilot project to support women's cooperatives and self-employment initiatives developed and implemented
- 6.3. Enhanced national capacity to mainstream gender equality and rights for women's employment promotion.

#### **Partners**

- Ministry of Social Affairs and Labour.
- Ministry of Vocational and Technical Training
- Employers' organization
- Workers' organization.
- Women's National Committee
- Yemen Women's Union
- UN organizations

#### 5. COMMUNICATION STRATEGY

A communication strategy will be developed to promote the DWCP in Yemen. The overall objective of the communication strategy will be to highlight the importance of decent work in poverty reduction and sustainable development and underscores the relationship between the Decent Work Agenda and the MDGs. Communication Messages and products will be developed in Arabic language to equip the policy makers, MOSAL, social partners with materials to promote decent work.

#### 6. IMPLEMENTATION AND MANAGEMENT

A detailed implementation plan will be developed and will constitute the main monitoring and reporting tool of the DWCP. It will define the activities, timelines, resources needed, and indicators of achievement. It will be updated on a regular basis. The programme will be managed by RO-Beirut, with support and close coordination from different technical departments at HQs and the International Training Centre of the ILO in Turin.

At the national level, the DWCP will be monitored through the Tripartite committee that will be established, based on the effective coordination mechanisms put in place within the framework of the project 'Promoting Decent Work and Gender Equality in Yemen. The MOLSA will appoint a team to ensure the coordination of activities. The ILO will coordinate the work with all projects and programme to build on the available ILO capacities in Yemen. Additionally, other international and national experts will have to share in implementation of specific outputs throughout the programme.

ILO seed money as well as resources from the Ministry of Labour and Social Affairs will be used for the preparatory work required. The Government and social partners will make available their respective expert staff to review the work to be carried out by the ILO. They will also provide the necessary premises and required logistic support. The tripartite constituency confirmed their commitment to undertake the follow-up necessary to achieve the expected results.

#### 7. PERFORMANCE MONITORING AND EVALUATION ARRANGEMENTS

A result based monitoring system will be established, specifying indicators, targets and data collection methodology, in order to refine and develop the indicators identified in the document. All indicators will be sex-disaggregated. The majority of these indicators are integrated in the UNDAF M&E plan, which will facilitate data collection. The establishment of this monitoring system will be integrated and will be done within the capacity building component of the programme for the constituents on monitoring and evaluation.

A Biennial Country Programme Review will be undertaken and the programme will be subject to annual self evaluations and an independent country programme evaluation, in partnership with EVAL. Adjustments can be made to adapt to the changes, to improve where necessary, and to ensure the programme's consistency and response to national priorities. The Government and social partners will make available their respective expert staff to review the work to be carried out by the ILO. They will also provide the necessary premises and required logistic support.

An update of the implementation plan and achievements will be prepared every six months, in consultation and with the consensus of the social partners. Lessons learnt during the assessment and evaluation process will be used to adjust where needed, and for planning and programming of future activities. The RO missions of the ILO experts and their internal reports will be used as part of the monitoring process.

#### 8. RESOURCE REQUIREMENTS

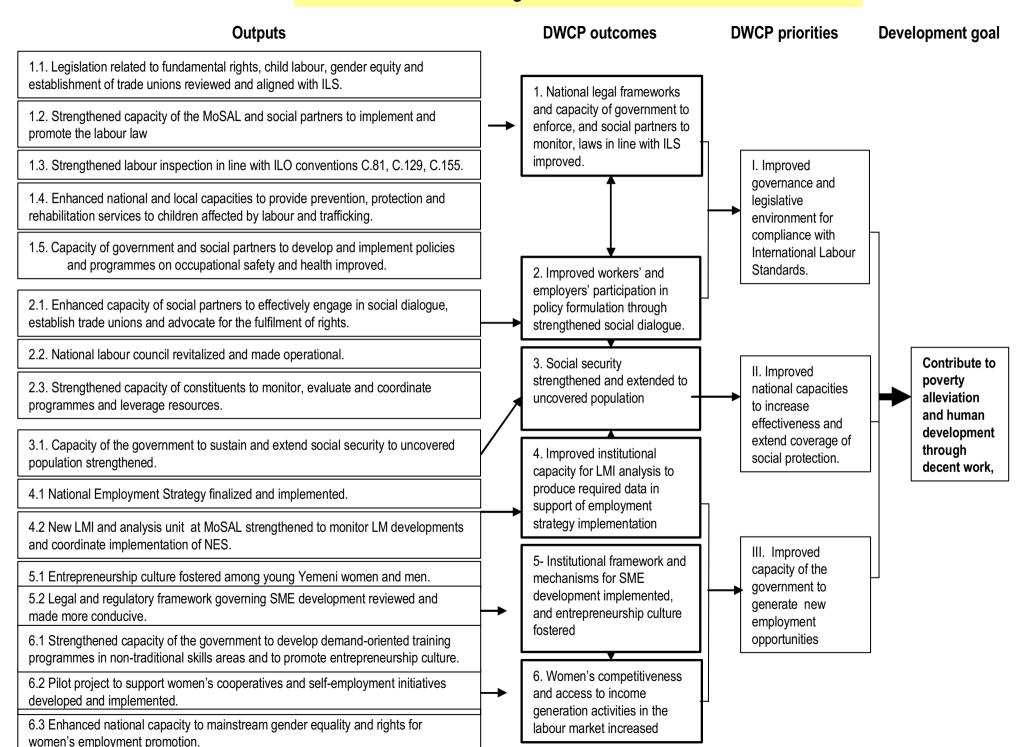
The estimated resources to achieve the DWCP objectives are indicated in the matrix below and detailed in the implementation plan. ILO RBSA and seed money as well as resources from the Ministry of Social Affairs and Labour will be used for the preparatory work required, focusing on outcomes 1, 2 and 4. A resource mobilization plan will be elaborated as an integrated part of the communication plan. Specific SPROUTS are being developed for the different outcomes of the programme with a view to sustain the achievement of the 3 ILO ongoing projects ending in 2008: Promoting Decent Work and Gender Equality 2006-2008, (Netherlands, \$ 1.099,999), Supporting the National Policy and Programme Framework for the Worst Forms of Child Labour 2005-2008 (USDOL \$1,164,650), Policy Advocacy Network on Gender and Women Workers Issues in the Agriculture and Education Sector, 2007-2008, (Netherlands, \$127,839)

Discussions with donors are ongoing to secure funds for the Child Labour component, the LMI&A unit, the KAB integration and capacity building for trade unions.

The ILO will also closely coordinate with the Ministry of Planning and Finance to ensure additional financial allocations to specific departments and sectors (eg Child labour directorate, LMI unit, Women Workers directorate) in order to ensure sustainability of the programme.

Outcomes	Estimated costs
1, National legal frameworks and capacity of the government to enforce, and	\$1,610,000
social partners to monitor, laws in line with ILS improved.	
2. Improved workers' and employers' participation in policy formulation through strengthened social dialogue.	\$1,050,000
3. Social security coverage strengthened and extended to uncovered population.	\$1,950,000
4, Improved institutional capacity for labour market information analysis to produce required data, in support of employment strategy implementation.	\$779,000
5- Institutional framework and mechanisms for SME development implemented, and entrepreneurship culture fostered.	\$480,000
6. Women's competitiveness and access to income generation activities in the labour market increased.	\$1,885,241
TOTAL	\$7,754,241

## Annex I: YEMEN DWCP: logic model and results framework 2008-2010



### **Annex II: LINKS WITH DEVELOPMENT FRAMEWORKS**

COUNTRY PROGRAMME OUTCOMES	Links to national development frameworks and UNDAF 2007-2011 outcomes/ outputs	Directly links / contributes to ILO P&B (2008-09) Outcomes	STRATEGIC PARTNERS	DEPARTMENT RESPONSIBLE FOR MONITORING
CP 01: National legal framework and capacity of the government and social partners to enforce laws in line with ILS improved.	Yemen DPPRR - Enhancing good governance and decentralization -Improving human capital and social protection  UNDAF CP Outcome 1 (governance) Improved institutional capacity within the Government of Yemen and civil society to ensure implementation of ratified human rights treaties  UNDAF outputs: 1.1, 1.2, 1.4	Immediate outcome 1a: Increase member states capacity to develop policies or practices reflecting fundamental principles and rights at work Immediate outcome 1c1: Increase constituents and development partners capacity to develop or implement policies and measures focused on reducing child labour  Joint immediate outcome: Increase member state capacity to carry out labour inspection  Joint immediate outcome: Increase capacity of constituents to develop integrated policies and programmes to advance gender equality in the world of work  Immediate outcome 3  Intermediate outcome 3.b.1 Increase member states capacity to develop policies or programmes focused on improving working conditions and safety and health at work	The Ministry of Social Affairs and labour, The General Federation of Trade Unions (GFTU), The Federation of Chambers of Commerce and Industry, Ministry of Health, labour inspection, Ministry of Agriculture concerned with the implementation of ILO convention 129. UNICEF	ROAS, TURIN DIALOGUE, GENDER, NORMES, SAFEWORK
CP 02: Improved workers' and	Yemen DPPRR	Intermediate outcome 4a. Employers	Ministry of Labour and Social	DIALOGUE, DEC
employers' participation in policy	Enhancing good governance and	and workers have strong and	Affairs, The General	ROAS
formulation through strengthened	decentralization &	representatives organizations Intermediate outcome 4b: Social	Federation of Trade Unions	NODMEC
social dialogue	Strengthen partnership with development partners:	partners influence economic, social	(GFTU). The Federation of Chamber of Commerce and	NORMES
	UNDAF CP Outcome 1	and governance policies	Industry)	
	(governance)	Intermediate outcome 4c: Tripartite	iliuusiiy <i>j</i>	

	Improved institutional capacity within the Government of Yemen and civil society to ensure implementation of ratified human rights treaties  UNDAF Outputs 1.3	dialogue occurs widely in policy making, labour law reform and implementation		
DWCP Priority II: Imp	roved national capacities to inc	rease effectiveness and extend (	coverage of social protec	tion.
COUNTRY PROGRAMME OUTCOMES	Links to national development frameworks and UNDAF 2007-2011 outcomes/ outputs	Directly links / contributes to ILO P&B (2008-09) Outcomes	STRATEGIC PARTNERS	DEPARTMENT RESPONSIBLE FOR MONITORING
CP 03: Social security coverage extended to uncovered population	Yemen DPPRR Improving human capital and social protection  UNDAF CP Outcome 3 (Population and basic social services) Improved capacities of authorities to meet obligations and the public to demand their rights, enabling better delivery of an access to equitable quality basic social services, including health, education, water sanitation and social protection  UNDAF Output 3.3	Intermediate outcome 3a: More people have access to better managed social security benefits  Joint immediate outcome: Increase constituents capacity to develop integrated policies for upgrading the informal economy and facilitating transition to formality	General Corporation for Social Security, The Ministry of Labour and Social Affairs, The General Federation of Trade Unions (GFTU), The Federation of Chambers of Commerce and Industry, WHO and other UN Agencies	ROAS, SECSOC, IPEC NORMES

DWCP Priority III: Improved capacity of the government to generate new employment opportunities				
COUNTRY PROGRAMME OUTCOMES	Links to national development frameworks and UNDAF 2007-2011 outcomes/ outputs	Directly links / contributes to ILO P&B (2008-09) Outcomes	STRATEGIC PARTNERS	DEPARTMENT RESPONSIBLE FOR MONITORING
CP 04: Improved policy framework and institutional capacity for LMI and analysis	Yemen DPPRR Economic reforms and openness, Stimulating economic growth and creating jobs  UNDAF CP Outcome 1 (Pro-poor Growth) Strengthened and supportive economic policy, institutional framework and operating environment.  UNDAF Output 1.1, 1.2, 2.1 2.3	Intermediate outcome 2a: Coherent policies support economic growth, employment generation and poverty reduction.	Ministry of Social Affairs and labour, General Federation of Trade Unions (GFTU), Federation of Chambers of Commerce and Industry, Ministry of Planning and International cooperation, Ministry of Industry and Trade	CEPOL, ROAS, TURIN
CP 05: Institutional framework and mechanisms for SME development and fostering an entrepreneurship culture implemented.	Yemen DPPRR Economic reforms and openness: Stimulating economic growth and creating jobs  UNDAF CP Outcome 1 (Pro-poor Growth) Improved productivity of small enterprise and rural households and access by food insecure house holds to food through equitable and sustainable access to resources and services for micro, and SMEs UNDAF outcome 3.2	Immediate outcome 2c1:Increase the capacity of constituents and other organizations to develop policies or regulations that generate more and better jobs in sustainable enterprises and cooperatives	Ministry of Social Affairs and labour, General Federation of Trade Unions (GFTU), Federation of Chambers of Commerce and Industry, Ministry of Planning and International cooperation, Ministry of Industry and Trade	NORMES SEED, TURIN, ROAS

CP 06: Women's competitiveness and access to income generation activities in the labour market increased	Yemen DPPRR Empower women in economic, social and political activities  UNDAF CP Outcome 1 (Gender Equality and empowerment of women) Improved institutional framework ensuring that women and girls have the benefit of their equal rights  UNDAF output 1.1, 1.2, 1.3, 1.4, 1.5, 1.6,	Joint immediate outcome: Increase capacity of constituents to develop integrated policies and programmes to advance gender equality in the world of work	The Ministry of Social Affairs and labour, The General Federation of Trade Unions (GFTU), The Federation of Chambers of Commerce and Industry, UN Agencies	ROAS, TURIN GENDER, NORMES
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الأستاذة ندى النائف المدير الاقليمي، المكتب الاقليمي للدول العربية منظمة العمل الدولية التاريخ... به: الهم: الهراية · ···· التوقيع الكارجل الجمهورية اليمنية صنعاء، 30 يوليو/تموز 2008 الأستاذ محمد عبدو سعيد رئيس الإتحاد العام للغرف التجارية والصناعية التوقيع على الوثيقة Mr. Mohamed Mohammed El Jadri President of the General Federation of Workers Trade Union Date ...? H.E. Ms. Amat Al Razzak Ali Humad Minister of Social Affairs and Labour Date 30-7-2008 Signature ...... Signature ... Acres Mr. Mohammad A. Saeed President of the Federation Chambers of Commerce and Industry Nada Al-Nashif,
Regional Director
International labour Organization
Date 22 1.255 Signature MAN 3.00.2 الاستاذ محمد محمد الجدري رئيس الاتحاد العام لنقابات العمال ELS . 7/4/4. ? التوقيع . مجريج يحس الدكنورة أمة الرزاق علي خمد وزيرة الشئون الاجتماعية والعمل 回び、パーントへいり التوقيع .. جميل Country: Republic of Yemen 30 July 2008 F Signature ..... Date .. 300

