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# MAIN OUTCOMES



**Building back resilience:  
the role of Employers' and Business  
Associations in shaping  
the new normal**

Correcting Labour market imbalances and promoting employment & employability through social dialogue between Employers & Trade Union organisations



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EUROCHAMBRES



ASSOCIATION DES CHAMBRES DE COMMERCE ET D'INDUSTRIE DE LA MEDITERRANEE  
ASSOCIATION OF THE MEDITERRANEAN CHAMBERS OF COMMERCE AND INDUSTRY  
جمعية غرف التجارة والصناعة للحوض المتوسط



Deutsch-Arabische Industrie- und Handelskammer  
German-Arab Chamber of Industry and Commerce  
الغرفة الألمانية العربية للصناعة والتجارة

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### List of Acronyms

UfM - Union for the Mediterranean

EBMOs - Employers and Business Member Organizations

NGOs - Non Governmental Organizations

UN - United Nations

IOE - International Organization of Employers

ILO - International Labor Organization

ACTRAV - Office for worker's activities

ACTEMP - Office for employer's activities

MSMEs - Micro, Small and Medium enterprises

EU - European Union

JCI - Jordan Chamber of Industry

CNT - Conseil National du Travail

## Background

This paper is based on the interventions and discussions held during the second phone webinar organized by BUSINESSMED in partnership with the Union for the Mediterranean-UfM in the framework of the 25<sup>th</sup> Barcelona process, and is written and prepared by Hicham Abou Jaoude.

An effective social dialogue should be an important part of building the resilient agenda. Social dialogue is crucial to ensure balance, sustainability and inclusive growth and face the challenges of the employment related issues. Southern Mediterranean countries suffer high rate of unemployment, these and other challenge requires collective efforts whereby government, employers and workers must work with a spirit of collaboration and mutual trust. Discussion stimulate dynamic reforms of the labour market, it is an era when each party cannot act alone or in isolation. Achieving the goals, require working together in order to anticipate future challenges and opportunities, and find solutions.

A decade ago a very prominent Polish thinker and philosopher, Sigmund Bauman, coined the term of liquid modernity. At the time he had in mind the rhythm at which all structures whether economic, social or structural were being formed and dissolved too quickly for anyone to keep track. Today, we have moved from a liquid modernity into a serial modernity in which the pace is too fast for anyone to keep track, but also the uncertainty is more than any other time that we remember in our modern history. It is a modernity or a post-modernism that is so difficult to defy.

The current global crisis which stretches beyond economic to humanitarian crisis has left no stone unturned, not all countries and not all regions were affected in the same way or to the same extent, some countries or regions were hit harder than others, and this applies to the Mediterranean region, mostly countries that were heavily reliant and dependent on highly led Chinese global value chains and supply chains, countries with structural economic vulnerabilities, persisting budget deficit with high debt exposure, those with low spending on healthcare, and that have drifted away from the concept of a welfare State. Some population groups and segments were affected more than others, such as women, youth and migrant with limited skills or without any single set skill in a non-strategic sector. Also those who are informally employed would bear the brunt of the current crisis. Problem is they had already been underprivileged in inequalities and imbalances, and this has been further aggravated by the current crisis.

These socio-economic imbalances have been further deepened in the wake of the current pandemic. Unfortunately, these groups are the usual suspects who suffer the most with or without a crisis. History has taught us, that beyond every crisis, there lurks an opportunity for those who can learn the lessons and have the will and the vision to make the change. The economic sectors that will offer opportunities and create jobs, and absorb employment in the post-pandemic horizon are the blue economy, the green economy, but also sectors like the creative economy, social economy and all the segments related to global value chains.

The situation will be different, and probably companies will organize their production architecture in a different way so as to be less vulnerable to similar events in the

future. A new free trade agreement which has been concluded in November 2020 between China and many Asian countries showing there is a certain will to restore the global economy and exchange, and this is a real challenge and motivation for other nations to work harder. We have to take account and benefit of the experience made due to these sudden measures and border closures.

Any talk about a post-pandemic recovery without an effective Social Dialogue would be a counterfeit discourse, and would be a false narrative. Some countries around the world are providing best practices and success stories during times of crises, countries like Denmark that have successfully managed to reduce the increase in unemployment in times of crises, or South Korea, that through government spending, have been able to subsidize and offer subventions and assistance, the Mediterranean region is still waiting for its success story.

The immediate repercussions of the current crisis are the expansion of the informal economy, a rise in the illegal migration, a rise in the youth unemployment in the region. These are root causes of most of the disturbing phenomena such as extremism, radicalization and many other phenomena that no one wishes to see rising in this part of our world. This means that growing vulnerabilities need to be addressed through a well structured dialogue.

### The Social Dialogue

An effective Social Dialogue has proven to be a precondition for effective active labour market policies that can generate employment, stimulate government spending and boost social and consumer confidence which is of high importance in times of uncertainty. In the post-pandemic horizon, the social dialogue would be sensitive not only to the short-term deals but also to sustainable gender-sensitive and gender value chains that are also ecofriendly, and mindful of integration of new technologies, in a way respectful to the workplace and the working culture, more serial discussions of work life balance in the aftermath of the pandemic and all the post dramatic stress. Social Dialogue shall take into account global socio-cultural megatrends that are affecting the livelihoods of millions of families around the world. How to integrate all these megatrends into an effective Social Dialogue that would take into consideration not only the working conditions but also the living conditions.

Social Dialogue and social partnership should be valued also as a bridge between political regulations and civil society at large. Social partners are the only ones who are mandated and given the role by government regulations or mandates to make collective agreements concluded with a binding effect on their members. When collective agreements are made between representatives of workers and employers we can ensure that these agreements are respected by all the workers and employers, and the EBMOs and Trade Unions will be committed to implementing those agreements. Whereas NGOs cannot take any commitment towards members because they have no members that will be bound by their commitments.

Therefore, it has to be made clear in political discussions that these roles are different. Obviously Employers' organizations and Trade Unions have also a role, acting as political pressure groups but that's not all of it. The main feature that makes Social Dialogue so important is the commitment that social partners enforce and implement

with their members. This would evidently allow having methods to organize labour market that are more legitimate and aligned with the companies, and that can also help governments in implementing their labour market reforms and regulations. If we continue to work in this direction strengthening this role, it would surely yield positive benefits.

Social Dialogue is first and above all relations between Employers and Trade Unions. These relations are crucial, because it is through them that we manage to solve problems, overcome conflicts, negotiate, sign agreements or go into conflicts. The second element that needs to be taken into account is that the nature of Social Dialogue is bottom up, but it would be even better to have a decentralized Social Dialogue. The situation, mainly in the southern Mediterranean countries, is that Trade Unions are very much centralized, lacking the space for branch federations to negotiate on their level. Mostly, negotiations are under the umbrella of central organizations, which does not make collective agreements practical and close to the reality. The third element to be underlined is an excessive state intervention into social dialogue. Government is a social partner when it comes to negotiations in the public sector and public policies.

Tripartite negotiations do not mean that governments should govern or head the social dialogue. They are part in the consultations and there should be equality among the partners in the process. It is important to be careful not to extrapolate specific national traditions onto other countries and traditions. Social dialogue has, of course, different forms like the bipartite one that is very strong in Germany and the Nordic countries. In other countries like Italy, France, Spain or Belgium, speaking about the Northern side of the Mediterranean, the role of the State is more intertwined with the social partners. For instance, in France, collective agreements stand to be extended by the government. In Italy there are tripartite agreements between Confindustria, Trade Unions and the governments. These are different traditions and they are all rooted in the socio-economic traditions.

## Promoting Employment and Employability through Social Dialogue

### The employer's perspective

When the Covid-19 Crisis set in, IOE immediately started to gather information from its member organizations about the national measures taken in the context of the Covid-19 crisis because one of the main issues that should be looked at is how they can make sure that medically inspired measures do not lead to a complete suffocation of the economy.

The effect of the sudden breakdown of the global supply chains, because over the last thirty years, MSMEs have developed their supply chains and changed their production architecture in a way it became more transnational and trans frontier with more commercial contracts with companies across the borders. These have since been disrupted due to medical measures in place, governments had to close the borders overnight and this constituted a real challenge for these companies. In markets involving many countries such as EU, the complete shutdown of the frontiers resulted in major issues, telework helped in solving daily work for many but not all companies.

The recommendations found in ILO centenary declaration<sup>1</sup> of 2019 are precisely the ones that need to be implemented now. What is important about this declaration is that it focuses on three pillars; on global level, what ILO can do to help the national constituents; what should member states and governments do, at a national level, to develop the principles of decent work; and the third pillar evolves around what social partners can do to promote this.

In terms of concrete actions, ACTEMP has just published a guide for employers and business organizations to help provide services to their members in the time of the Covid-19 crisis, based on information and input provided by member organizations. This would help organizations get an insight of what other social partners are doing in other countries, and get an inspiration for their own national contexts. Social partners are mainly concerned about getting the interest of member companies. How to make sure that business organizations can help and bring added value to these MSMEs, and help small entrepreneurs shift from the informality towards the formal part of the economy. This is related to political advocacy, making it less cumbersome. But also has to do with helping companies and entrepreneurs get into the regulated sectors.

In Europe and the South Mediterranean countries, solutions must be found for a smooth running of MSMEs. There is a need for EBMOs to work in synergy with Trade Unions and raise the voice to the government, and the only way to achieve this is to have bilateral dialogue. They must work hand in hand to find better solutions to these social and economic crises.

### The worker's perspective

The ILO's estimations have shown that, during the first wave of the pandemic, up to 70% of working hours, which is a proxy of unemployment in particular, were lost in the first wave of the pandemic which is an equivalent of almost 500 million jobs worldwide. Enterprises and workers struggle through lockdown measures as well as to the implications of the pandemic itself. These are old trends, particularly in these regions that continue to worsen, but not all workers and sectors have been hit equally and a lot of the challenges that we see now have already been there before the crisis, and to some extent Covid-19 has exacerbated some of the challenges in the labour market.

Many sectors such as manufacturing as well as service sectors such as tourism and hospitality had experienced huge supply and demand shocks simultaneously, to an extent that is quite unprecedented. Workers that were in many vulnerable situations before are now those suffering the most, and these are young workers, women in particular, migrant workers, particularly in the informal economy. Workers have been very much at the forefront of the fight against Covid-19, such as health workers and first responders who have been working under horrendous working conditions in order to save lives and support their societies and communities, which we have addressed more strongly also through subsequent waves of this pandemic.

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<sup>1</sup> [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---relconf/documents/meetingdocument/wcms\\_711674.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_711674.pdf)

These are some of the main issues that ILO has been looking into; they have been working very hard since the early outbreak of the pandemic to support constituents in that regards. Again, this crisis may not be seen very much in isolation; this is part of the broader trends that we have already seen in the worlds of war such as digitalization, globalization, changes in demographics or changes such as climate change. As such, the ILO has very much tried to use its centenary declaration which was adopted at the last International Labour Conference in 2019 as the basis for their intervention.

A key aspect of this declaration that should be at the basis of any given crisis intervention, is that governments, employers and workers' representatives together made a political commitment to 'Social Dialogue' including collective bargaining, tripartite cooperation which contributes to the overall cohesion of societies and is crucial for the well-functioning and productive economy and provide an essential foundation for all ILO actions and contribute to successful policies and decision making in its member states. All of these are very much related to bipartite and tripartite Social Dialogue in linking to social partners.

Another point that is of key concern to workers, is that the centenary declaration makes a link between workers' rights and inclusive and sustainable growth, which is a key aspect that should be a part of this recovery. This should be at the heart of any intervention at national, regional and international level for this particular crisis, because workers who were most vulnerable even before the crisis are now those suffering the most. The high levels of unemployment among the young workers or those already employed to a large extent in the informal economy or in precarious employment relationships that have born the larger brunt of this pandemic, had somewhat a dual impact as they have already seen education institutions and the general lack of decent employment opportunities in their respective countries as prohibitive in joining productive employment, and this is a huge concern, because as it is known from past crises how a reduction in years of schooling or prolonged unemployment at such an age had severe impact of employability and earning capabilities in the future.

Fiscal policies are key, particularly that target vulnerable groups. An example can be given 'the EU youth currency' which should be strengthened in that regard. However, it is important not to look at this as a means to create more employment as such but we need to have greater emphasis on the quality of jobs as well. There is a need to have macro and industrial policies at a national level to create more employment opportunities. Since even before the crisis, this was not always the case with large incidents of jobless growth and even industrialization in some countries. There is a need for great investments in labour intensive sectors, in public investment programs and in the investment in the green economy, digital infrastructure is crucial to provide job opportunities for those who need it the most.

Many countries are implementing similar fiscal packages also in close collaboration with social partners. However, given that this pandemic is ongoing that we may not see a world that we saw in 2019 even after this pandemic. These fiscal policies need to be strengthened and built upon in the future. Past crises have clearly demonstrated that there is no guarantee that those who have been affected the most by the crisis are also those who will benefit from the subsequent policy, so it us up to governments,



workers' and employers' representatives to make sure that these are looked after. Otherwise, particularly in the case of young workers, we may run the risk of creating 'lockdown generation' and the implications for future livelihoods and earning capabilities would be severe. Therefore, one of the key priorities is to tackle the growing precariat in the labour market and strengthen in particular the employment relationship in that regard.

Since all constituents have made a political commitment to '*strengthening the institutions of work to ensure adequate protection of all workers and reaffirming the continued relevance of the employment relationship as a means of providing certainty and legal protection for workers*'. To that end, joining social partners, workers and employers' organizations' efforts in the design and implementation of Covid-19 related policies is of crucial importance. Building confidence through trust and dialogue is crucial to make policy measures effective, and those countries who do engage in Social Dialogue for crises' response are those which results in policies are strong, consensus driven and ensure that they serve those who need them the most.

### Activities and Lessons Learned

Germany is particularly highly affected by the border closure, as it shares borders with 7 countries in the EU, which generated lots of bilateral issues to solve with cross-border workers, including also tax issues. Business continuity was assessed to be one of the main challenges. What BDA found very helpful in the Social Dialogue at the national but also at the European level is that this business continuity is equivalent to employment continuity, and therefore they had a parallel interest with the workers and Trade Unions to support measures that facilitate as much as possible employment and business continuity even in those sectors which were hard-hit by the measures applied to counter the pandemic.

When MSMEs are faced with labour code issues, they rely on EBMOs who have branch in the that help companies and young apprentices and women solving these issues, and now in very concrete terms,

One of the sectors was precisely the manufacturing with supply chains which were disrupted but also many other service sectors like schools, universities, hotels, restaurants, notably that the last two sectors were completely shut down due to the confinement. Jointly with the Trade Unions, they have managed to get the government to agree to subsidies for short term work so that companies that had to stop their activities were not obliged to dismiss the workers. Yet companies themselves like independent artists, hoteliers or restaurant owners received money to maintain their liquidity particularly that they were not exempted from paying their running expenses. It has to be well noted that, on the other hand, many sectors hugely benefitted from the pandemic and the measures put in place to face it such as the IT sector, Zoom being one of the booming technological facilitator which shares in the financial markets have risen considerably in the last year.

when they are faced with labour code issues, help training In Germany, we have branch organizations that help companies young apprentices when they are faced with skills shortages, and now in very concrete term

The question remains how will these companies contribute their fair share in terms of taxation so that the burden doesn't rest only on the manufacturing sector and the workers who have been hardest-hit by the lockdown and the counter Covid-19 measures. The tax income is being fairly looked at in the context of the crisis, but also that changes in regulations and the measures in place do not adversely affect those companies that are employment intensive and have been hardest-hit by the corona crisis. Moreover, the BDA is very active and committed through its own members in the regions and through its companies to promote this approach to social dialogue.

Egypt. The Social Dialogue is only perceived as negotiations between Trade Unions and Employers over salaries, most of the new generations think that social dialogue is confined to either increasing salaries or strike, but in fact it includes other issues such as staff transportation, healthcare, social securities, in addition to the national council for Social Dialogue that was put in place three years ago.

the Federation of Egyptian Industries has started in a very early stage, a permanent dialogue with the government to present their full support and ensure harmonization between the government's initiatives and the private sector reactions. The Federation consider that consultations between the government and Employers' Organizations is essential during such pandemic to mitigate the socio-economic impact of the crisis and this is vital for enforcing new flexible market policies and regulations taking into consideration the crisis' implications. They found that the informal sector is one of the most affected sectors, and thus they backed the government to be able to compensate more than one million daily workers who have lost their income. Also they are advocating to ease up the registration procedures and facilitate access to finance offering tax incentives, reducing the number of inspecting authorities and ease up the existing procedures. They encouraged their members not only to maximize their contributions through activities to reduce the impact of the pandemic, especially in the labour field, but also to synergize these efforts with other public and private institutions, through solid channels of Social Dialogue.

They joined a national dialogue on the amendments of the new labour law that involves 11 stakeholders. Discussions focused on the amendments needed to achieve balanced legislations that account for the rights and responsibilities of employers' and workers, in addition to promoting employment opportunities in the form of decent and sustainable jobs. They believe that law should always target a balance between achieving flexibility in the labour market and security for the labour force. In fact, labour market flexibility results in a more dynamic economy that is more capable of expanding, eventually increasing demand for labour. Also, adopting a matching skills approach during the crisis means providing the right skills needed in the labour market, while generating the necessary economic dynamism in creating new jobs.

The Federation, in cooperation with ILO - North Africa office, is heading towards implementing an initiative focused on apprenticeship and the provision of workplace training that can help youth and unemployed to build links with the labour market and gain useful work-related skills. They have supported policies that aimed to create effective employment sources to be able to respond to the negative impact of the Covid-19 on the labour market in Egypt, and joined the efforts aiming to develop an effective labour market information system that aim to match between job seekers

and employers, in this regard they are promoting an innovative mechanism linking students to the private sector institutions.

In order to tackle the labour market imbalances and promoting women employability and improving their participation rate in the labor market, FEI is lobbying for incentives that supports women flexible hours, childcare, affordable transportation, jobs seeking, raise awareness about women education, create understanding and awareness about ensuring gender equality in the workplace including the law enforcement.

**Malta.** Twenty years ago, Trade Unions and Employers were in a permanent state of confrontation; however, through the unit of social dialogue they have learned to meet, collaborate and exchanged views and ideas, discussed and assessed the outcomes and effects of the Social Dialogue on the employers and workers. They have also included Civil Society's input in their social group. However, equality in Social Dialogue between governments and social partners is very important. In some cases, the government tries to abolish and escape the Social Dialogue under the pretext of urgent subjects and needs, such as the political manifesto in elections times. Apart from that, the social dialogue led to the unification of the trade unions who are all represented at the unit for social dialogue on equal footing as the Employers' organization.

NGOs are not neglected and fall under the civil society part of the social dialogue. They can sometimes be very strong especially in the climate change issues and civil issues of the rule of law that faced mounting challenges lately. They are still seeking justice and further enforcement of the rule of law and good governance and this is a topic that all social partners agree upon.

**Jordan.** The need for a Tripartite Social Dialogue is of utmost importance in Jordan for absorbing the unemployed workforce. The employment crisis has further deepened with the outbreak of the pandemic, raising from 18% to 21.3% through the first 6 months of 2020. According to the official expectations, this rate might rise to 25% by the end of 2020. The major problem employers have been facing is the activation of the defense law which one of its acts is to abstain from canceling workers' contracts, Quasi all firms are being influenced by the government to pay salaries despite the drastic financial situation they are facing and the incumbent shutdown.

If the government inactivates the defense law, will the companies be able to keep all the workers, particularly that, at the beginning of crisis, they could work with only 60% of their capacity. What could happen if 50% of the firms decide to dismiss 40% of their employees, what would happen to the unemployment rate in Jordan? This is mostly worrying questions for Trade Unions, workers and Employers' Organizations. MSMEs are currently forced to pay 80% of the salaries for those not working, knowing that they are not allowed to reduce salaries or working hours. This is a major obstacle facing the economy, which makes the belief in Social Dialogue more important, government agencies are not capable alone of executing the recommendations emerging from the Social Dialogue.

With the pandemic JCI find that all of their plans vanished and they are unable and incapable of doing anything particularly with the complete shutdown and lockdown of the whole country. The majority of companies' efforts focused on keeping their firms functioning during the shutdown, attempting to convince the government to keep the industrial sector operating. Given the difficult and unique circumstances the country is going through, the provision of out of the box services is a key success factor for the future. Therefore, the lack of understanding of 'Social Dialogue' was the major issue that kept them all wondering about concrete future steps to be taken by each party. This, in fact, incited the government to activate the defense law because JCI did not know how to move forward, in which framework, through what type of coordination with workers, with what kind of facilities. All of the above left employers under the Government's mercy during the first four months of the crisis. Yet should the social partners have agreed on the concept of Social Dialogue, or should have believed in its outcomes, they could have been able to keep a balance between the three parties.

The arrival of a different minister throughout ten years engenders a different vision and leads to some obstacles, although that the general concepts of Social Dialogue should be known to everyone and should be to everyone's benefit. These obstacles are related to the level of awareness and related governmental policies.

The SOLID project is the only full-fledged Social Dialogue project that opens doors for JCI to cooperate and work jointly with other organizations, namely their counterpart in Denmark, DIC- Danish Industrial Confederation- to continue working on Social Dialogue. The SOLID project was the first pilot project they had to work through Social Dialogue from scratch. This is considered to be a comprehensive project initiated with three parties in a good perspective.

The chance given to JCI through the SOLID project allowed it to work closely with the government and gave a space to work and mitigate the impact of the defense law being currently implemented that gives the cabinet the right to stop all of the existing laws and forcing them to follow their procedures and announcements in light of the pandemic situation. It is true that it was somehow a relief for us but this highly depends on the government. During the last 10 years, it was hard to convince all ministers about the importance of Social Dialogue and keep continuing on enhancing it by each passing year. This is why, through the second phase of the project, it would have recommended to have the Social Dialogue become a 'norm; to follow at the broader level, and not have it limited to the ministerial level. Furthermore, leading the negotiations only with the Trade Unions, and in the absence of governmental coverage, would not yield positive results or lead to any successful Social Dialogue. It is therefore important to think of how Social Dialogue can become more official and well understood, and agreed upon by all concerned parties.

### The SOLID Project

The first phase of the project involved three countries: Tunisia, Morocco and Jordan working closely with Germany and Italy, and now phase 2 will involve in addition to the former 3 countries, Palestine, Algeria and Lebanon working with BUSINESSMED, European Trade Unions. Partners from Europe were key to exchange with us their know-how. BUSINESSMED is planning to continue what has been done on SOLID I

which involved social partners, trade unions and employers from both sides. Civil society was added as another component where the dialogue was rather civic than social since most of the partners did not want to involve the civil society.

During phase I of the project, the work was done country by country followed by meetings with the Trade Unions and Employers from all the country. Then the Civil Society sector was introduced. At the end, they have signed a Charter of 12 points raising unanimous subjects such as employment, women rights, SDGs, closely aligned to the ILO conventions. It was very important to promote the notion of Social Dialogue as many people seem not to understand what it truly means and what it truly involves and implies. Most of the meetings on social economy, on CSR, women empowerment relies on the decisions made by the government in terms of Social Dialogue.

The activities revealed the difference between Social Dialogue in Europe and Social Dialogue in the Southern Mediterranean countries. In fact, we brought all the partners on Social Dialogue based in Belgium, among which CNT- Belge which involved Business Europe and European Trade Unions, both of which brought their voices. Some of the laws are directly endorsed by the European Parliament, which implies their immediate enforcement in all Europe, a practice that is missed in the Mediterranean region. Thus, SOLID 2 seeks to involve partners such as UfM as representative of the Euro- Med region, and work on a platform of debates to serve employers and bring some recommendations.

The project is the only regional platform that helps exchange know-how between the different countries, particularly the Southern ones and indeed, most of the governments did not follow what the social partners are raising and they sign some declarations on their own. Then social partners figure out, through companies and organizations, that new laws have been put in place. The project is attempting to work on mitigating the impact of this reality, UfM will be heavily involved to help organizations and industries raise their voice, it is an occasion to have all the Southern partners confronted to their governments.

The SOLID project is a pioneering initiative, but rather as a down breaking initiative not only because of the importance of Social Dialogue but also because of the importance of the South-South dimension. It not only promotes Social Dialogue but also emphasizes South-South collaboration, and hopefully would lead to at least a sort of understanding and consensus building and mindfulness of how important this is for building back resilience.

### Conclusions and Recommendations

Will the lessons learned from this pandemic be finally integrated into a post-pandemic recovery scenario or are we going to repeat the same mistakes? The time to come will show but more than any other time, the conduct of each depend the fate of all. This is an old wisdom that never gets old really.

We live in a truly globalized world, challenges go beyond Covid-19 and all of these will require a truly global response. How we deal with the multilateralism, how we achieve a sustainable goal in this decade of action will require a complete buy-in of all including workers' and employers' representatives and governments at national level.

**On Social Dialogue.** The need for political agencies is very crucial to promote social dialogue, and the best way to go about it is through ministerial conferences and ministerial declarations or even joint statements. As UfM has been trying to do. In fact, a declaration made by the social partners in the sidelines of so many serial conferences which is actually the case with one of UfM ministerial conferences on employment and labour, should be viewed as a one step further towards recognizing the importance of the role played by the social partners and the importance of effective Social Dialogue to the well-functioning of both economically and socially of the existing labour markets. People need to understand that this is a win-win situation and is not a favour. In a nutshell, political agencies, raising awareness, emphasizing the equation being a win-win modality for everyone are crucial.

Social Dialogue in the Med. region requires a bottom-up participation, which implies governments give more space and put in place policies that are conducive to Social Dialogue, which means social partners both sides should show to their members that it is useful to negotiate agreements. Challenges posed by interventionist policies are not impartial in the sense that they are either supporting workers or employers, leading to a prisoners' dilemma preventing social partners to come together. This is to be developed in the culture traditions of Social Dialogue.

Making a clear distinction between social partners and NGOs, this raises the need to rather stress more on social partners who can have more influence on their members and the social and economic situation itself. It is important to make this difference between the social partners and NGOs in the sense of responsibilities, there should be no mix between NGOs and social partners in the Social Dialogue.

It is very important to differentiate between the bipartite form of social dialogue and the tripartite one. At national levels, social partners and the government interact in the different legitimate Forums. When it comes to decentralization, it should be bottom up. In a very small country, it makes little sense to have ten different levels of regional or sectoral organizations but in large countries it does make sense because it is more differentiated. Each country has to identify its own way of developing it. The important points are legitimacy and representativeness.

The problem of social dialogue in the Med. region is taken as an activity not as a real tool to handle the problem are facing in terms of employment, employability, labour market, productivity as Social Dialogue can touch every aspect of our life, stretching to the political and economic agenda as well.

There should be a clear distinction between the concepts of collective bargaining, lobbying, advocacy and social dialogue, the latter being considered as a standalone concept since it is a facet in itself of our daily life. there is a need to stress certain concepts that are related not only to the functioning economies but to building resilience in the community, that should be integrated into the curricula, not to say to become experts in Social Dialogue, but at least to be aware of certain concepts like 'climate action', 'social dialogue', 'creative economy', etc. Building this awareness at an early age without delving into further details, people would eventually grow up with this sort of awareness that is not just for employers' and employees, something that could be bipartite or tripartite that could benefit everyone and that concerns us

as individuals because we are all employees one way or another, and whether we are on the employers' or the employees' side, there is an advantage in it.

Employers have an erroneous idea thinking that advocacy and lobbying are the only tools to handle issues related to employment and employability, and that they can have their own talks with the government under the table, which is a huge problem. Building the knowledge and professionalism of Employers' Organizations to use Social Dialogue is very crucial. They can easily cooperate with the workers and reach societies through Social Dialogue, they can even go up to softening the government's position towards their demands. Yet, in reality they do not take it as serious as it should be. In the absence of highly professional people within each Employers' Organizations who work on Social Dialogue, the latter cannot be achieved.

It is only by enhancing Employers' organizations' know-how and building their capacities that we manage to involve them more in the social dialogue process. They should ultimately understand how beneficial this tool can be for them if they use it in a right, timely and productive manner.

In the Southern-Eastern Mediterranean countries, governments should involve all social partners in the decision making process. In fact, Social Dialogue is not just a concept or a perception, it is a way of living and is involved in quasi all aspects of our lives. Therefore, the only way to achieving an effective Social Dialogue, given that governments work on their own, is to raise social partners' voices to the government. Although many conventions and charters were signed, however we believe that not much has been done or achieved in this direction and very timid progress, if any, was observed.

**On MSMEs.** The South Mediterranean countries are witnessing severe social and economic crisis aggravated by the pandemic from even before its outbreak, thus we will continue observing companies' closure and further job losses. The Social Dialogue is key because without having these discussions and negotiations, and without raising the voice of companies and workers amidst the disasters they are facing, most of the companies will have no option but to shut down their activities.

It is very important for EBMOs to develop their memberships in order to develop political power that is needed in the social dialogue course. MSMEs are crucial members, particularly in the South-East Mediterranean countries where the economy evolves very much around them. For that, they have to deliver services and help the MSMEs in fields related to industrial relations and legal activities.

There is a need to initiate services (which is a key success factor to be directed to MSMEs) in cooperation with the different organizations and stakeholders, IOE, ILO, and BUSINESSMED counterparts. This can be concretized through developing services that could benefit all members in cooperation and negotiation with the government and Trade Unions.

Social Dialogue is not the solution; it is rather the tool that will help find the solution. In terms of MSMEs, for instance, Social Dialogue will lead to the development of policies that will help them flourish and rise again to face the pandemic and post-pandemic era.

On BUSINESSMED, ILO, IOE and UfM. Further synergies should be sought by ILO and IOE in the prevailing circumstances to support EBMOs together with the guidance of South-East Mediterranean organizations.

IOE is willing to engage in Lebanon where the situation is dire at several levels, yet, there should be good will and the counterpart should show interest, commitment and reaction to IOE's willingness to help build up the economy and the country rise again. Needy countries, whatever the need can be, must show concrete commitment, willingness and readiness to engage and put facilities at their counterpart's disposal in order to allow them achieve the objectives aimed for.

This also leaves a huge burden and responsibility for ILO, IOE, and BUSINESSMED to think jointly with EBMOs of emergency plans that could be put in place, assessing the level of development required.

Not a single government in the Southern and Eastern Mediterranean region intends to involve social partners in its decisions. Yet, BUSSIMESSMED in its regional role in cooperation with other international organizations such as IOE, ILO and UfM can exert further lobby on governments to involve social partners in the decision-making process.

BUSINESSMED and its EBMOs members, especially those being constituent at ILO, should be able to influence ILO to be more balanced in its position regarding employer's positions and support their capabilities in social dialogue processes, the latter being much more inclined towards governments and workers rather than employers. In this regard, ACTEMP should have a more concrete position in policy matters.

The declaration is now the blueprint for concerted action from the ILO at the national level. It is part and parcel of the work going forward. ACTRAV and ACTEMP have been very strongly engaged with the constituents and provide a lots of input and information, EBMOs and trade unions in the region should benefit from this support.

On Solid Project. The project is an example of a multilevel and multi-partite consultations, it is a concrete example demonstrating that this consultation can effectively contribute to collective identification of solutions capable of fostering change for more resilient and peaceful societies.



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