



# Reducing Inequalities

## CONCEPT NOTE ON EMPLOYABILITY AND SOCIAL ECONOMY

### I. CONTEXT

The uprisings in the Arab region and political instability since 2011 causing ongoing unrest and accompanied by already existing inefficient governance system, weak competitiveness and high unemployment level are key challenges for nations in the Middle East and North Africa (MENA) region to confront to.

Policies and measurements used are determining the labor market performance in the region. In addition, and according to the United Nations Population Division, over 60 % of the population of the Arab Mediterranean Countries (Algeria, Egypt, Jordan, Lebanon, Libya, Morocco, Palestine, and Tunisia) is under 30 years old. The latter puts the region on the top of the world's youth unemployment with a rate above 25 %. In other words, almost one in three people are actually employed. The low participation of women, increasing number of working aged adults and the so-called educated unemployment (unemployment of university graduate youth) are main causes for this low rate. Countries listed earlier share common features among which are economic vulnerability, low labor activity rates and unequal development. The fundamental challenge is to unlock the growth potential in these countries by matching young people's skills with the needs of local economies. The result is a key factor in diversifying and modernizing local economies and making them competitive.

On the other hand, 193 world leaders agreed to 17 Global Goals for Sustainable Development and have pledged to meet these goals by 2030. The agreement came into effect in January 2016, and this will continue guide governments' policies and funding for the next 15 years. Achieving these goals, also known as Sustainable Development Goals (SDGs), requires the partnership of governments, private sector and civil society alike. The goal number 8 on employment / decent work and economic growth was framed to "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all". While the SDGs are not legally binding on member states they will act as the de facto road map for regulation and will drive the implementation of national policies and incentives to see them succeed.

Implementing the ambitious SDGs requires huge global investment in several sectors; estimates for financing this global investment surpasses trillions of Euros. In addition, new governments and international donors had placed employment policy at the core of their action making more funds available on the short run to support labor market measures and relevant public work programs.

Hence the importance of the Civil Society Organizations (CSOs) and their key role in advocating for new policies at the government level, enhancing dialogue and businesses at the social level, but also opening new arenas and implementing common programs on the field.

During the third Civil Society Forum – Neighbourhood South that took place in Brussels in May 2016, participants discussing the employment topic in the region had highlighted on several recommendations namely, among others, the importance and increase of social dialogue between civil society and government institutions, focus on creating sources of revenues, trade union reform, strengthening economic integration in the region, supporting trade union reform and the need to respond to the growing number of youth.

## **II. THEMES**

The aim of improving coherence and joint vision on the partnership between EU and countries from the Southern Mediterranean region was forecasted at the closing session of the third edition of the Civil Society Forum- Neighborhood South held in Brussels last year.

Taking into consideration the three facts listed above; (1) the Arab Spring and its impact in the Southern region, (2) the SDGs signed by governments and the involvement of civil society and private sector alike, and (3) the recommendations arisen by the CSOs during their participation to the third CSF South Forum; the preparatory meeting in Tunis will address these challenges and will focus on the key role and accountability of civil society in their ongoing dialogue with the EU institutions. The employability and social economy topic envisages a wide list of relevant emerging issues. The discussion will focus on the below 4 selected sub-themes:

- 1- Youth challenges and employability: youth access to decent life and work.
- 2- Liaising business to social work: partnership agreements and identifying key issues on regional economic approach.
- 3- Increasing productivity to enhance employability: discussions on strategies for inclusive and sustainable growth.
- 4- Economic development and job creation: Liaising civil society to private sector: special focus on innovation, Small and Medium Enterprises (SME) competitiveness, and trade development.

The preparatory meeting in Tunis will boost CSOs to further discuss the challenges facing their countries on the listed themes and more precisely from the below perspective:

- Regarding youth and employability: a further discussion on the subject is oriented towards the youth challenges and regional approach for solutions. Additional expansion of student mobility, youth access to funding for entrepreneurship, and social protection.
- As for partnership agreements matter, negotiations during sessions of this forum will focus on identifying key issues on regional economic approach: liaising business to social work; social economy and social entrepreneurship as a tool for social inclusion; discussing current social model and ways of improvement.
- Increasing productivity to enhance employability is a topic where a thorough discussion between participants will take place on strategies to enhance inclusive and distributive growth. In addition to a dialogue on value added sectors of production for job creation. Is designing and implementing shared Vocational Education and Training (VET) in the region a strategic approach? Discussing potential contributors to development of competencies and qualifications needed in the coming decade.

- Vis-à-vis economic development and job creation: the dialogue among participants will emphasis on the role of civil society in the region with special focus on innovation, SME competitiveness, access to finance for SMEs, and mobilizing domestic resources for development.