This action is funded by the European Union

**ANNEX III**

**Commission Implementing Decision on the ENI South Annual Action Programme 2019,**
part 2, including some actions to be carried out in 2020

**Action Document for Promotion of Social Dialogue in the Southern Mediterranean Neighbourhood – SOLiD II**

**Multiple(1) Programme**

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation and action programme/measure in the sense of Articles 2 and 3 of Regulation No 236/2014.

| 1. Title/basic act/CRIS number | Promotion of social dialogue in the Southern Mediterranean Neighbourhood – SOLiD II  
CRIS number: 2019/042-029  
financed under the European Neighbourhood Instrument |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2. Zone benefiting from the action/location | Southern Neighbourhood countries: Algeria, Egypt, Israel(2), Jordan, Lebanon, Libya, Morocco, Palestine(3), Syria(4) and Tunisia  
The action shall be carried out at the following location: Neighbourhood South and EU countries |
| 4. Sustainable Development Goals (SDGs) | Main SDGs:  
Goal 8 in “productive employment and decent work for all”,  
Goal 10 to “Reduce Inequality within and among countries” |

(1) Within the maximum contribution of the European Union, the authorising officer responsible may adjust the allocation to the respective budget years subject to the availability of the commitment appropriations.

(2) See Guidelines on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards on http://eurlex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.C_2013.205.01.0009.01.ENG.

(3) This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

(4) On hold – activities suspended in previous phases due to conflict.

[1]
Other significant SDGs:
Goal 5 on “gender equality and empowering all women and girls”
Goal 16 on “building effective, accountable and inclusive institutions at all levels”

<table>
<thead>
<tr>
<th>5. Sector of intervention/thematic area</th>
<th>Building resilience and promoting stability</th>
<th>DEV. Assistance: YES</th>
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<table>
<thead>
<tr>
<th>6. Amounts concerned</th>
<th>Total estimated cost: EUR 7.7 million</th>
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<tbody>
<tr>
<td></td>
<td>Total amount of European Union (EU) contribution EUR 7 million.</td>
</tr>
<tr>
<td></td>
<td>The contribution is for an amount of EUR 3 million from the general budget of the European Union for financial year 2019 and for an amount of EUR 4 million from the general budget of the European Union for financial year 2020, subject to the availability of appropriations for the respective financial year following the adoption of the relevant annual budget or as provided for in the system of provisional twelfths.</td>
</tr>
<tr>
<td></td>
<td>The action is co-financed in joint co-financing by the International Labour Organization for an amount of EUR 400,000.</td>
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</table>

<table>
<thead>
<tr>
<th>7. Aid modality(ies) and implementation modality(ies)</th>
<th>Project Modality</th>
</tr>
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<tbody>
<tr>
<td>7 a) DAC code(s)</td>
<td>Direct management through grant</td>
</tr>
<tr>
<td></td>
<td>Indirect management with the International Labour Organization</td>
</tr>
<tr>
<td></td>
<td>15110 Public sector policy and administrative management (25%)</td>
</tr>
<tr>
<td></td>
<td>15150 Democratic participation and civil society (75%)</td>
</tr>
</tbody>
</table>

| 8 b) Main Delivery Channel                           | 20000 Non-Governmental Organisations and Civil Society |
|                                                       | 41000- United Nations agency, fund or commission (UN) |

<table>
<thead>
<tr>
<th>9. Markers (from CRIS DAC form)</th>
<th>General policy objective</th>
<th>Not targeted</th>
<th>Significant objective</th>
<th>Principal objective</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Participation development/good governance</td>
<td>☐</td>
<td>☐</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Aid to environment</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td></td>
<td>Gender equality and Women’s and Girl’s Empowerment</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td></td>
<td>Trade Development</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td></td>
<td>Reproductive, Maternal, New born and child health</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>RIO Convention markers</th>
<th>Not targeted</th>
<th>Significant objective</th>
<th>Principal objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biological diversity</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Combat desertification</td>
<td>☒</td>
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<td>☐</td>
</tr>
<tr>
<td>Climate change mitigation</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>Climate change adaptation</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

| 10. Global Public                                    | Human Development, including decent work, social justice and culture: |
**SUMMARY**

Social dialogue has an important role to play to contribute to balanced policy-making and social policy that lead to social development, by making labour markets and social protection systems more efficient and adapted to new and changing economic and social realities and ultimately reducing inequalities. Social dialogue is also recognised as an important component of good governance, and an instrument for participation and accountability.

The SOLiD Project is the result of a long term support of the EU to social dialogue in the region reinforcing economic and social councils and gradually opening up the dialogue to civil society organisations. The SOLiD Pilot project, implemented in three countries (Jordan, Morocco and Tunisia) integrated civil society as a full partner in the project along with, and at the same level, as employers’ and workers’ organisations and contributed to produce the *Charter for the promotion of social dialogue in the Southern Mediterranean countries*.

The overall objective of the SOLiD II programme is to build resilient societies through enhanced and reinforced social dialogue and partnerships, to promote decent work and to foster social inclusion and access to social justice for all in the Southern Mediterranean region.

The new action proposes a working package along two components:

**Component 1: Inclusive and structured social dialogue**

Implemented by the International Trade Union Confederation and its partners, this component will translate the Charter to promote social dialogue in the South Mediterranean into concrete national action plans in the countries of the pilot phase and extend the action to 3 new countries, Algeria, Lebanon and Palestine. It will pursue the following objectives:

- Creating and improving an enabling environment for social dialogue between social and economic actors in the Southern Mediterranean region
- Promoting democratic and functional civic and multi-stakeholder dialogue among with civil society organisations (CSOs) and regional and local authorities to build consensus on issues of common interest (i.e. decent work)
- Promoting a Euro-Mediterranean Community of Practice (CoP) on effective social dialogue to better address challenges related to sustainable economic and social development in the Southern Mediterranean region.

**Component 2: Social dialogue to bridge the employability gap**

Will tackle the employability issues and the transition from the informal to formal labour using social dialogue tools. This component will be implemented by the International Labour Organisation, in the framework of the implementation of the ILO Recommendation No 204 on “Transition from the informal to the formal economy” and the implementation of chapters 4 and 11 of the Charter to promote social dialogue in the South Mediterranean. It will pursue the following objectives:

- Supporting the tripartite partners to develop enabling policy framework through social dialogue to facilitate the transition of informal workers’ transition to the formal economy
-Fostering skills development systems to enable young people and women in the informal economy to access formal employment

1 CONTEXT ANALYSIS

1.1 Context Description

Policy dialogue and the exchange of best practices are modalities of implementation that cover a wide variety of sectors (†). Most of these dialogues and exchanges of best practices stem from long standing existing programmes that allowed the identification of stakeholders and common understanding of the issues. These programmes are bearing fruit and there is a need to maintain a certain level of dialogue and exchange of best practices in the domains concerned.

**Strengthening social dialogue:**

Social dialogue is a universal recognised value, enshrined under the International Labour Organisation (ILO) constitution and European Union (EU) treaty. Social dialogue has an important role to play to contribute to balanced policy-making and social policy that lead to social development, by making labour markets and social protection systems more efficient and adapted to new and changing economic and social realities and ultimately reducing inequalities. Social dialogue has also being recognised as an important component of good governance, and an instrument for participation and accountability.

Social Dialogue is a process where the actors consult, negotiate or exchange information in order to influence socioeconomic policies (labour market, social protection…) and is key to foster social and economic progress. It can occur between the social partners themselves (bipartite) or with an active involvement of Institutions (tripartite), where the government has a more prominent role. It is a flexible instrument that allows workers’ and employers’ associations and governments to manage changes and reach social and economic targets with the ultimate aim for workers to obtain decent work in conditions of freedom, human dignity, equality and security. It is also relevant to any effort aiming to achieve more productive and effective enterprise and sectors, and a fairer and more efficient economy. It is often dictated by the realities of economic and social life. In the EU social dialogue is considered one of the pillars of the social model of the EU and is usually well structured in all the sectors. In addition to its flexible nature, social dialogue is also be a strategic instrument that can secure long-term gains. Social dialogue is thus a dynamic process that can contribute to progress in many difficult and challenging situations, including those related to globalisation, regional integration and transition.

(†) An indicative list of these sectors is already included in the regional Neighbourhood South programming document (2014-2020).

[4]
As rightly noted in joint ILO-TUDCN (Trade Union Development Co-operation Network) research paper, “It should be noted that there is no single model for social dialogue. It is essential that each social dialogue process take on board the cultural, historical, economic and political context of each country, so that the local partners are able to take ownership of it and make it a truly participatory and representative space.” (6) In order to do so innovative partnerships and new forms of alliances among different stakeholders are key in order to reach solutions to common problems. It is, therefore, particularly relevant to have these exchanges at a regional level. Issues generally addressed by social dialogue, be it in a bipartite or tripartite, national or regional level or in the context of a company, are typically the same in all countries (working conditions, pay and gaps in labour, economic and social equality…). Creating a regional dynamic for the improvement of a vibrant social and societal dialogue as a central driver for sustainable economic and social development and for democratic governance in the region leads, as demonstrated, to a community of practice on social dialogue in the Euro-Mediterranean region. It offers a common perspective and framework for further actions on social dialogue policies and practices in the countries and in the region.

The existence of an **appropriate institutional framework and the access to adequate information and training** for participants to effectively exercise their right to participate are also of utmost importance. In this respect, governments have a critical role to play in providing the right conditions and an enabling environment for fruitful social dialogue.

**SOLiD II**

The action capitalises and builds upon successive phases of the TRESMED project. It aims to build on the positive results achieved by the SOLiD pilot project, implemented in three countries of the Southern Neighbourhood region, namely Jordan, Morocco and Tunisia. While continuing to strengthen capacities of employers and workers’ organisations in existing countries, it will define context specific strategies to implement the Charter to promote social dialogue in the South Mediterranean: Jordan, Tunisia and Morocco (7), adopted as an outcome under SOLiD I, and extend the action to new countries in the region, namely Algeria (8), Lebanon and Palestine (9). In this way it will promote not only North-South exchanges but also South-South learnings. Through its second component, it will strives to tackle key challenges of youth and women employability gap in the region through concrete actions and

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The Charter on Social Dialogue was formulated following consultations, dialogues, seminars and conferences, based on the outputs and conclusions of the successive phases of the SOLiD Pilot Project. The outputs, mostly constituted by new and unprecedented studies and researches conducted in the Arab region. The Charter takes into account international charters, the Universal Declaration of Human Rights, the countries’ pledges to civil, political, economic, social and cultural rights, the relevant ILO standards, constitutional provisions, legal sources, institutional experiences and practices related to social and civil dialogue in the three countries, and is built around 12 thematic chapters.
(8) Considering evolution of current political situation.
(9) Although participation of representatives from Egypt was ensured under SOLiD I, the inclusion of Egypt in this new action will have to be considered in light of the recently adopted NGO Law from July 15, 2019 and the analysis of its provisions. Participation of actors from Egypt will continue to be ensured in SOLiD II.
strategies by the social and economic actors, mainly from the angle of the transition from the informal to the formal labour market. The challenge of addressing formalisation was addressed as well in the Charter on promoting social dialogue. This is in line with the ILO’s Recommendation No. 204\(^{(10)}\), which emphasises the critical role of social dialogue in the design, implementation and evaluation of policies and programmes for the informal economy, including regarding its formalisation. R 204 particularly notes that “decent work deficits – the denial of rights at work, the absence of sufficient opportunities for quality employment, inadequate social protection and the absence of social dialogue – are most pronounced in the informal economy”.

Civil society, including trade unions and employers’ organisations, recognised as an important actor for development and governance, will be a recipient but also a full partner in the action. Supporting civil society participation will also reinforce societal linkage across the Southern Neighbourhood region. Particular attention will be paid to young people and women in governance processes at all levels, including at the regional one, and to protecting the space for civil society to operate freely.

1.2 Policy Framework (Global, EU)

The overall strategic objective for the EU relationship with the region is building state and societal resilience, as well as stabilisation. The Global Strategy for the European Union’s Foreign and Security Policy (the ‘Global Strategy’)\(^{(11)}\) defines resilience as "a broad concept encompassing all individuals and the whole of society” that features "democracy, trust in institutions and sustainable development, and the capacity to reform”. This is reinforced by the fact that human rights, good governance and the rule of law and the strengthening of civil society figure among the main objectives for assistance under the European Neighbourhood Instrument (ENI).

In addition the EU’s relations with the region are guided by the 2017 European Consensus on Development\(^{(12)}\) and the 2015 revised European Neighbourhood Policy (ENP)\(^{(13)}\). These new policy frameworks call for the need to focus on achieving sustainable development and the overall goal of increasing the resilience and stabilisation of our neighbours. The EU is committed to an ever deeper partnership with civil society and towards achieving a more enabled environment in order to strengthen societal resilience, including by strengthening regional mechanisms for dialogue, broadening and diversifying its support to civil society in the Southern Neighbourhood. It also calls for deepening work on education, culture and youth to foster pluralism, coexistence and respect as a way for strengthening resilience and promoting stability. The actions proposed under this Action Document result from the above joint priorities for co-operation, translated into EU’s strategic objectives for the South Mediterranean region for the period 2018-2020.

With regard to the Southern Neighbourhood, the EU has adopted Partnership Priorities for the coming four years with a number of Neighbourhood South countries. The EU is also committed to supporting regional co-operation bodies, namely the Union for the

\(^{(10)}\) Transition from the Informal to the Formal Economy Recommendation, 2015 (No. 204).
\(^{(11)}\) https://europa.eu/globalstrategy/en
Mediterranean (UfM) and the League of Arab States, in order to promote effective cooperation, dialogue, stability and sustainable development with the Mediterranean region. Therefore policy dialogue should also take place in the context of the UfM, as acknowledged by Council conclusions on the ENP Review, for being a key regional framework for political dialogue and regional co-operation efforts.

The actions proposed are fully reflected in other key EU policy frameworks, such as the priorities expressed in the Declaration of the UfM ministerial conference on Employment and Labour (27 September 2016) adopted by the EU and Mediterranean employment ministers. It underlined the crucial importance of well-functioning and effective social dialogue, both tripartite and bipartite, to address growth and employment related challenges more effectively and contribute to competitiveness, social progress and democracy. It further welcomed the joint “Declaration on Social Dialogue” of the Social Partners and highlighted in particular their call for strengthening social dialogue in the region and involving social partners in the design and implementation of economic and social policies. The Conference also agreed on policy orientations to be implemented at national level in relation to employment and social dialogue with a focus on the Southern Mediterranean region, and on concrete steps to foster co-operation with the UfM on employment and labour.

More recently the Declaration of the Ministerial conference (3 April 2019), reiterated “the crucial role, at all pertinent levels, of an effective and on-going social dialogue, (...) to help addressing the challenges of growth, democracy and social justice in the region”. Ministers called on national authorities to adopt strategies to, among others, promote a well-functioning social dialogue, at all pertinent levels, including the involvement of social partners in the design, implementation and monitoring of economic and social policies.

The Ministers further highlighted the high rates of informal employment which, among other factors, prevent promising small enterprises from growing and limit job creation by the formal sector.\(^{(14)}\) They underlined the need to address the challenges facing the region, in line with UN and ILO commitments, including the transition from the informal to formal economy.\(^{(15)}\) The Ministers discussed how to ensure that public policies, initiatives and efforts by the social partners and civil society result in significant progress in employment and labour. Boosting skills and employability, notably of young and women workers, must form an integral part of strategies to facilitate transition to the formal economy in this region, given the high rates of unemployment and informal employment among these groups.

\[1.3\] Public policy analysis of the partner country/region

Since the 1950s, most EU South Mediterranean Neighbourhood countries have ratified the ILO's Conventions on social dialogue. Some of them have set-up an Economical and social Committee (ESC). An ESC is conceived as a consultative body or forum where trade unions, employers’ associations, and civil society organisations as well as local and national authorities can act and propose policies and initiatives to improve social dialogue. In the long run it can result in more accurate and better informed economic and social policies that can enhance sustainability in governance and in development strategies for the countries.

\(^{(14)}\) Ministerial Declaration of the Union for the Mediterranean (UfM) Employment and Labour Ministers (2-3 April, Cascais Portugal), para.19.

\(^{(15)}\) Idem, para 14.
concerned. However, the role of the ESC was overall very weak with a negligible contribution to the economic and social policy making due to the highly centralised nature of the political systems in these countries. The major political changes which happened in 2011 and concerned mostly all South Mediterranean countries, at different extents, showed the limits of the economic and social policies followed thus far and made more evident the need of institutional reforms. Most of all, the popular uprisings showed that social justice is at the heart of peoples’ aspiration for a better life. Until then, the social dialogue in the Mediterranean region was government driven, defining its agenda, its periodicity and its operating rules. This experience of an unbalanced dialogue has not been fruitful. Since 2008, the EU has engaged – in the framework of the Union for the Mediterranean (UfM) – in a process that associates governments and representatives of employers and employees. This process aims to give a “more effective” role to the social dialogue in the Mediterranean neighbourhood.

Today much of the Southern Neighbourhood continues to be dominated by the enduring effects of the global economic recession in 2008 and the subsequent Arab Spring in 2011. The civil war in Syria has had serious implications for the economies and political and social stability of its neighbours. There is still no established government in Libya, while Tunisia, Morocco and to a lesser extent Jordan, represent the countries where democracy is slowly being established but is facing severe economic, cultural and historical and social challenges. While the current situation in Algeria shows that political discontents are being reinforced by deep economic, social and regional imbalances, the country continues to face considerable security challenges from the volatile situation in the Sahel region. There is continuing tension in the region between secular and religious identities in the public sphere, with implications linked to ethnicity, gender, and youth. In addition, the Israel-Palestine situation remains unresolved. In situations where political instability or security problems threaten the destruction of the State and the social and cultural cohesion of societies, the collective mobilisation of the social partners with NGOs, for economic and social development can become a hard to meet. In such a context, reaching solutions and adopting policies for specific components of society, i.e. young people and women, becomes particularly important. Foremost amongst these challenges is the need to create jobs for the high numbers of young people coming onto the labour market every year. Almost 60% of the regional population is today under the age of 30 and the number of young people under the age of 15 is forecast to increase by over 18% by 2020. Labour market indicators also reflect acute gender-based heterogeneity and youth marginalisation in the labour market. This is aggravated by the fact that the informal economy represents a large share of economic activity in countries of the Euro-Mediterranean region. In Tunisia it is estimated to account for at least one-third of gross domestic product. Algeria and Morocco also have large informal economies and Libya’s is even bigger, in view of the chaotic situation in that country. The importance of informality is higher still when considering employment. In the Middle East and North Africa, close to 70 per cent of all employment is informal. The share of informal employment in total employment is higher among young workers (15-24 years of age) than among adults (25-64 years of age) in all regions of the world, including in the Euro-Mediterranean region and where they often lack access to job security, social protection and other fundamental rights.
Informal employment is strongly correlated to workers’ level of education.\(^{16}\) In addition to growing social inequalities, mismatches on the labour market between demand and supply maintain both those who have access to quality education, jobs, services and goods and those who, at the contrary, are low skilled, at the margin of, or excluded from the labour market. The advent of the digital revolution has further intensified dichotomies. The extension of precariousness in some segments of the labour market has exacerbated further the vulnerability of some groups, especially those living in remote and rural areas as well as deprived urban neighbourhoods that suffer from the deterioration of public services delivery. On the other hand, it has generated the paradox for the part of the population who is increasingly better educated and who aspires to get decent jobs but cannot get them as too many jobs remain below decent work standards or require low skills. This leads to higher migratory pressures (both lowly skilled labour and brain drain) and poses a key and volatile ingredient for the risk of instability in an already turbulent region. One way of responding is by way of investing in key sectors of national economies both for job creation and growth perspective. Another way is by investing in skills development. Better skills can contribute to shaping the future of work and societies, as they are a stepping-stone for economic, social and personal advancement. They are also key to ensure personal fulfilment, social inclusion, successful life and active citizenship. This requires a permanent dialogue with the private sector in order to understand how qualifications and training provisions can adapt to change, notably on how to stimulate and support at best lifelong learning throughout, notably, appropriate re-skilling and up skilling. Social partners have a key role to play as regards the design of an appropriate policy mix and of decent working conditions at the work place.

Ensuring social justice and decent work for all (by also formalising the informal economy in a sustainable way) is pivotal to reach the objectives of the Agenda 2030. Social dialogue has a key role to play in achieving these objectives, contributing thereby to achieve the SDGs and notably SDG1 (No Poverty), SDG 5 (Gender Equality), SDG8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities) and SDG 16 (Peaceful and inclusive societies).

### 1.4 Stakeholder analysis

The following are an indicative suggestion of the different stakeholders to be involved in different stages and activities of the action.

The main partner for **Component 1** is the **International Trade Union Confederation (ITUC)**, which represents the sole organisation, at global level, representing trade unions, working on development co-operation, through the Trade Union Development Co-operation Network (TUDCN). ITUC’s European chapter, the European Trade Union Confederation (ETUC) is one of the recognised social partner at the EU level. ITUC also acted as main applicant in the SOLiD Pilot Project and has extensive experience in managing EU grants of large amounts. ITUC’s implementing partners are the Arab Trade Union Confederation (ATUC) and BussinessMed, representing respectively the workers’ and employer’s organisations in the Southern Mediterranean region. The Arab NGO Network for Development (ANND) represents the civil society partner in the action, through which societal dialogue is achieved. They have all three established and consolidated offices and

\(^{16}\) Worldwide, 94% of individuals with no education are in informal employment, compared to 52% of those with secondary education and 24% of those with tertiary education, Women and men in the informal economy: a statistical picture, ILO 2018.
human resources with years of experience and proven technical management capacity in managing their constituency and in running important projects with the support of external donors (including the EU). Furthermore, their political understanding and experience of social dialogue in the region, at national and international level (representing their constituencies at the ILO, as part of the ITUC and the International Organisation of Employers (IOE) are a guarantee for ensuring relevance, feasibility and sustainability for the project and its results.

Target groups from the Southern Neighbourhood and EU countries are: representatives from Economic and Social Councils, representative national employers’ and workers’ organisations representatives of civil society, especially socio-professional organisations - along country specific contexts- such as trade unions, business organisations, social actors, including women and youth organisations, farmers, fishermen, co-operatives, consumers' organisations and representatives of the governments and public administrations involved in socio-economic issues, representatives of universities and training centres of the ILO.

Final beneficiaries are the population and workers, with a particular focus on women and young people from the target countries and other countries of the Southern Mediterranean region and particularly precarious groups in remote areas of the concerned countries.

The main partner for Component 2 is the International Labour Organisation (ILO) and its respective regional offices in the Southern Mediterranean region.

The target groups are the representative national employers and workers’ organisations, Ministries of Labour and other concerned ministries, tripartite social dialogue institutions and representative membership-based organisations in the informal economy in the target countries, as well as vocational training institutions.

The ultimate beneficiaries are workers and economic units in the informal economy, with a focus on youth and women.

Other stakeholders:

For the two components they will include: representatives of regional and local authorities, as best placed to shape or deliver policies closer to citizens; partners involved in discussions on issues at a regional level, namely European Commission through its DG EMPL services, the European Economic and Social Committee (EESC), European Training Foundation (ETC), the UfM, relevant regional offices of the ILO as well as all parties involved in the preparation or follow-up of high level meetings on topics of relevance for the region.

1.5 Problem analysis/priority areas for support

The Regional South Multi-annual Action Programme (2018-2020) notes that many citizens of the region's countries do not believe that their governments can or will take care of their most basic needs – shelter, health, education, security. Poor governance and unwillingness to engage constructively with media and civil society organisations (which include but are not restricted to human rights advocacy bodies) is also a contributory factor to instability and, eventually, violent extremism. Building resilience requires institutions which citizens can trust and is therefore intrinsically linked to democracy, accountability and the rule of law and more broadly to the consolidation of open, pluralistic societies. The EU will therefore sustain its work towards achieving deeper partnership with civil society in order to support a more enabled environment and strengthen societal resilience. It will do so by,
among others, developing civil society's capacity to act as a credible interlocutor and partner in the framework of the dialogue with regional organisations and to foster pluralism. Social dialogue, particularly will be promoted and the capacity of trade union and employer organisations will be strengthened.

2 RISKS AND ASSUMPTIONS

<table>
<thead>
<tr>
<th>Risks</th>
<th>Risk level (H/M/L)</th>
<th>Mitigating measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protracted political and security instability of the region</td>
<td>M/H</td>
<td>Constant monitoring will be undertaken to evaluate the political and security risks in each country and decide on possible changes in the intervention and the level of involvement in each country. Effective and informed selection of targeted countries in close consultation with implementation partners.</td>
</tr>
<tr>
<td>Lack of national involvement in the initiatives presented</td>
<td>L/M</td>
<td>Participation and engagement of national institutions will be ensured at the early stages of the action. Communication efforts will emphasize on the ownership of the initiative by the national institutions involved in the project.</td>
</tr>
<tr>
<td>Limited involvement and uneven interest from programme's key stakeholders</td>
<td>L/M</td>
<td>Each key stakeholder's role and responsibility will be clearly defined at an early stage of SOLiD II; they will have specific interventions/activities to implement. Stakeholders may be different, according to each country social and economic context.</td>
</tr>
<tr>
<td>The number and diversity of partners may hinder the project implementation planning</td>
<td>L</td>
<td>Rationalisation of the partners to include those active ones with specific activities to implement.</td>
</tr>
<tr>
<td>Sustainability of the action</td>
<td>M</td>
<td>Capacity building for key stakeholders in the implementation of both components of the project, institutionalisation and follow-up actions will be ensured after its completion. SOLiD II to develop a Sustainability Plan within the first 6 months following the start of the action.</td>
</tr>
<tr>
<td>Overlapping with other on-going initiatives at the national level</td>
<td>L</td>
<td>Close contact will be established with NEAR B2, the EU Delegations and other development partners in order to avoid duplication and ensure synergies.</td>
</tr>
</tbody>
</table>

[11]
Assumptions

- All relevant stakeholders are ready to conduct dialogues and exchange on best practices and that they have a mandate to do so. This assumption is supported by the fact that previous long standing programmes helped identifying relevant stakeholders and dialogues.
- Continued support and interest of the relevant Commission line DG (EMPL) to participate significantly in the dialogues is ensured since this programme covers domains of interest for them.
- The success of the previous phases of past programmes should help handle these resistances and lack of interest.
- The material and studies derived from the previous phase will be shared with new partners and will constitute basis for formulating concrete proposals and actions.

3 LESSONS LEARNT AND COMPLEMENTARITY

3.1 Lessons learnt

As highlighted in the mid-term review of the ENI, neighbourhood countries have made varying degrees of progress in political and economic reforms. Nonetheless, both the political and the economic situation remain challenging in many of them, notably because of high unemployment, an unfavourable business climate and high corruption levels. ENI operations are addressing the root causes of these challenges but partner countries' commitment to reform varies greatly and limits the effectiveness of ENI interventions. In addition to partners' political commitment to reforms, their institutional capacity is key for the sustainability of reform and meaningful policy dialogue with the EU.

Phase II of the SOLiD project capitalises on past achievements of the successive TRESMED projects (I to IV) and more recently of the SOLiD Pilot Project. The latter’s mid-term review (MTR), in 2017 and more recent ROM exercise of 2018, both confirm need to continue and to build on the seeds planted by the EU since 2004. The MTR noted the relevance of the SOLiD project, that it “responds to the needs and context in the target countries and that the inclusion of NGOs is a relevant choice for the wider societal dialogue and to address key development challenges (e.g. gender, social protection, migration, and climate changes).” It further goes on to confirm that “an initial strategic focus on regional levels is adequate and relevant in order to create a cross-border MENA learning platform and in bringing experiences and know-how from Europe in play”. Assessing the impact and sustainability and considering the adoption of joint position papers and a regional Charter, the report recognises that “neither of these results can be considered as having any direct impact on the population in the three target countries. To create impact and sustainability, the regional agreed position papers and the charter needs to be translated into national action plans with concrete actions on how to deliver in terms of improving the living and working conditions of the poorer segment of the population”.

The MTR further highlighted national studies and surveys undertaken during the SOLiD Pilot project, in the three countries. They confirmed, among other, that “the context is dynamic in full evolution in the three countries despite different levels of development”. These studies and surveys show, in a practical way, the importance of bipartite social dialogue. Trade unions and employer partners place great emphasis on this priority given to conventional relations at sector and company level and which to develop them at the territorial level. Many problems
are created by strikes, but it is clear that most conflicts arise from failure to comply with laws or collective agreements; hence, the emphasis on the quality of social dialogue at all levels. Finally a promising concrete result to which the SOLiD Project contributed is the set-up, by the Government of Tunisia, of a National Council for Social dialogue (November 2018). A final evaluation of the SOLiD project is currently underway.

The UfM Ministerial Declaration on Employment, in September 2016, and more recently, in April in 2019, underlined the need to promote social dialogue and collective bargaining and insisted on the “crucial role, at all pertinent levels, of an effective and on-going social dialogue, both tripartite and bipartite, to help addressing the challenges of growth, democracy and social justice in the region.” Ministers further called on including the involvement of social partners in the design, implementation and monitoring of economic and social policies.

### 3.2 Complementarity, synergy and donor co-ordination

The action is complementary to the Thematic Programme on “Civil Society Organisations and Local Authorities” (CSO-LA) of the Development Co-operation Instrument (DCI) and with the EIDHR Programme. The objective of the CSO-LA include (i) to support civil society at global, regional and country level in the implementation of the 2030 Agenda on Sustainable Development; (ii) contribute to the enhancement of citizens' understanding, sense of responsibility, skills and critical engagement regarding sustainable development and its underlying causes. To meet the EU promises for CSOs and in the spirit of the 2030 Agenda, all stakeholders must have the capacity to play their full part in a coherent and co-ordinated manner.

More concretely, ITUC through the Trade Union Development Co-operation Network (TUDCN), financed by the CSO-LA Programme since 2009, is conducting its own national monitoring and analysis of the SDGs to ensure that countries are on track to fulfil their commitments as outlined in their Strategy on the 2030 Agenda.

The action will build synergies with the other ENI regional civil society programmes: (i) the Dialogue with Civil Society for Rights and Equality in the Southern Neighbourhood region (MED Dialogue for Rights and Equality), which objective is to strengthen the role of CSOs active at the regional scale, in building sustainable development, regional cohesion and resilience, as well as in influencing policy making in the Southern Neighbourhood and the Euro-Mediterranean space; and (ii) the MAJALAT project, which is creating spaces for constructive dialogue between the EU and CSOs (Civil Society Organisations), Tus (Trade Unions), social movements and academics from both shores of the Mediterranean, with a view to influencing the vision and policies related to the region. This will particularly be done through MAJALAT’s Working Group on Economic development and Social Dialogue.

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The present action will complement the work carried out by ILO on mainstreaming employment into Trade and Investment policies in the Neighbourhood South countries — another intervention under the third component of the Action Document for *Trade and investment facilitation to support regional integration, sustainable growth and job creation* (under the current Decision). While both actions will address issue of decent work and job creation in the region, their target groups, the skill development techniques as well as the sectors of the formal economy they cover are different. The action will also complement actions of DG EMPL, following common issues of social dialogue and employment at the international level.

Improved synergies will be sought with other EU-funded bilateral and EUDs will be involved in activities and events.

Donor co-ordination is automatically ensured by the inclusive nature of the dialogues involving well-targeted relevant stakeholders among the public administrations of the South who will steer the thematic domains, together with other interested representatives.

4 DESCRIPTION OF THE ACTION

4.1 Overall objective, specific objective(s), expected outputs and indicative activities

The action proposes the following indicative implementation:

The **Overall Objective** of the SOLiD II programme is to *build resilient societies through enhanced and reinforced social dialogue and partnerships, promotion of decent work to foster social inclusion and access to social justice for all in the Southern Mediterranean region.*

**Component 1: Towards an inclusive and structured social dialogue in the Southern Mediterranean Neighbourhood**

**The objective** of this component is to strengthen the consultative role of economic and social partners, including the broader civil society, in the Euro-Mediterranean region; to promote a dynamic, inclusive and reinforced institutionalised social dialogue and to promote social inclusion through social dialogue tools and organised tripartite institutions.

**Specific objective 1:** Create and improve an enabling environment for social dialogue between social and economic actors in the Southern Mediterranean region

**Expected output 1:** Increased understanding of the economic and social situation in the new target countries (Algeria, Lebanon, Palestine) and of the mechanisms of social dialogue, including the work of the ESCs.

**Expected output 2:** Enhanced knowledge of tools and modalities for improving and institutionalising social dialogue between social partners, including the functioning of ESCs in the new target countries.

**Specific objective 2:** Promote democratic and functional civic and multi-stakeholder dialogue among civil society organisations (CSOs) and regional and local authorities to build consensus on issues of common interest (i.e. decent work)
Expected output 1: Reinforcement of institutional social dialogue through inclusion of economic and social partners in consultative processes in the Southern Mediterranean region.

Expected output 2: Enriched South-South learning on regional and sub-regional integration on economic and social issues among targeted stakeholders.

Expected output 3: Promotion of the Charter to promote social dialogue in the South Mediterranean in the new target countries, Algeria, Lebanon and Palestine.


Specific objective 3: Promote a Euro-Mediterranean Community of Practice (CoP) on effective social dialogue to better address challenges related to sustainable economic and social development in the Southern Mediterranean region.

Expected output 1: Knowledge transfer and exchange of best practices in the Euro-Mediterranean region aimed at promoting policies for social dialogue among Southern Mediterranean countries.

Expected output 2: Strengthened multi-stakeholder advocacy networks to advance the Charter to promote social dialogue in the South Mediterranean.

Indicative activities:

- Extend the geographic coverage of social dialogue actions to new countries in the region (Algeria, Lebanon, Palestine);
- Including new target groups according to their role and influence in each specific countries opening the spaces for a wider societal dialogue;
- Awareness raising of the Charter for Social Dialogue in pilot countries (Morocco, Jordan and Tunisia) (i.e. media visibility, including social media to target younger populations)
- Dissemination of the Charter for Social Dialogue to new countries in the region, through public hearings, workshops and media coverage.
- Capacity building on the Charter for Social Dialogue targeting employers and workers’ organisations in the new countries through South-South and Euro-Mediterranean exchanges.
- Specific training on advocacy skills for effective and efficient policy dialogue, with a focus on women both as participants and decision-makers.
- Advocacy actions aimed at disseminating/implementing the Charter to promote social dialogue in the South Mediterranean.
- One to one coaching/twinning activities to enhance multi-stakeholder networks in the region.
- Expert seminars on the 12 thematic topics of the Charter in view of concrete proposals at national level (policy development).
- Development of a communication strategy based on previous experience and achievements under SOLID I (Newsletters, website, social media, dissemination of studies and joint papers…)

Component 2: Social dialogue to bridge the employability gap

The objective of this component is to support the progressive formalisation of the informal economy through an effective use of social dialogue as an enabling tool to understand and
tackle informality. This knowledge will then feed into the design of more inclusive socio-economic policy frameworks that will respond to the employability demands of women and youth for sustainable formal employment. Social partners will particularly be involved in diagnostic studies to understand the informal economy in specific contexts (including the main incentives and drivers of informality and obstacles to formalisation (18)), ultimately leading to the formulation of interventions in a wide range of policy areas.

Programme interventions will aim to reach all proposed target countries of the Southern Mediterranean region, paying attention to the particular socio-economic realities shaping informality at country level. For example, in a core group of countries, a more intensive approach may be adopted incorporating a wider range of interventions while in others, interventions may focus on participation in tripartite diagnostic studies, capacity-building and knowledge-sharing.

**Specific Objective 1:** Support the tripartite partners to develop enabling policy frameworks through social dialogue to facilitate informal workers’ transition to the formal economy.

**Expected output 1:** Country level **identification** of decent work deficits as foundations of informality, from a social dialogue framework.

**Expected output 2:** Strengthened social dialogue mechanisms at national and regional levels to formulate sound **policies and measures** on the transition to the formal economy, in line with the provisions of ILO Recommendation No. 204 (2015).

**Expected output 3:** Development of **national strategies and roadmaps** (with short, medium and long term objectives) to enable the progressive transition from the informal to the formal economy (implementation of chapters 4 and 11 of the Charter to promote social dialogue in the South Mediterranean), including measures to extend social protection, ensure universal respect of fundamental labour rights and incentivise the formalisation of enterprises, developed and implemented in selected countries.

**Specific Objective 2:** Foster skills development systems to enable young people and women in the informal economy to access formal employment.

**Expected output 1:** Development of a joint mapping of skills, training delivery mechanisms, and employability gaps among workers in the informal economy by governments, social partners and training institutions.

**Expected output 2:** Improved access of women and youth to trainings and lifelong learning to enter the formal economy.

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18 Such as lack of protection of workers in the informal economy and decent work deficits (denial of rights at work, absence of sufficient opportunities for quality employment, inadequate social protection, absence of social dialogue).
**Expected output 3:** Development of a governmental, nation-wide skills-recognition system to enable workers’ transitioning to the formal economy.

**Indicative activities:**

Activities may include:

- Capacity-strengthening of members of national tripartite social dialogue institutions on informal economy and transition issues;
- Analysis of the diversity of drivers of informality and employability gaps, and the characteristics, circumstances and needs of workers and economic units in the informal economy in both rural and urban areas, with emphasis on youth and women workers;
- Tripartite elaboration and validation of national strategies and road maps to support the transition to the formal economy;
- Measures to promote a conducive legal and policy environment for the formalisation of enterprises and workers;
- Support to social partners’ organisations to enable them to extend their membership and services to workers (including own account workers) and employers in the informal economy, and to better represent them in social dialogue mechanisms;
- Design, through social dialogue, and implementation of skills training programmes and other measures to increase participation in the formal labour market;
- Sensitisation campaign towards decent work potentials in the formal sector, particularly in formal SMEs (Small and Medium-sized Enterprises);
- Measures and visibility strategy to promote entrepreneurship among women and youth;
- Upgrading of informal apprenticeship systems;
- Technical support on skills recognition systems for informal economy workers;
- Use of existing regional networks to sharing experience, expertise, lessons learned and good practices between tripartite partners in participating countries;
- Implementation, monitoring and evaluation of national road maps, using social dialogue.

**4.2 Intervention Logic**

The two components of the actions are closely inter-linked in the realisation of the global objective.

Social dialogue, as a mechanism for participation and consensus building in the world of work, is a key element of decent work and must play a central role in the transition to formality. Ensuring social justice and decent work for all (by also formalising the informal economy in a sustainable way) is pivotal to reach the objectives of the Agenda 2030. Social dialogue has a key role to play in achieving these objectives, contributing thereby to achieve the SDGs and notably SDG1 (No Poverty), SDG 5 (Gender Equality), SDG8 (Decent Work and Economic Growth), SDG 10 (Reduced Inequalities) and SDG 16 (Peaceful and inclusive societies).

For social dialogue to be inclusive and effective, an enabling framework must exist, including strong, independent and representative employers’ and workers’, political will and mutual recognition among all the parties; an appropriate institutional framework; and access to adequate information and training so that participants can effectively exercise their right to
participate. Governments have a critical role to play in terms of providing the conditions and an enabling environment for fruitful social dialogue.

The transition to formality is fundamental to achieving equitable, inclusive and sustainable development and making decent work effective for all. Assessment and diagnosis of the causes and circumstances that give rise to informality, particularly for young people and women, and its persistence are needed to inform the formulation and implementation of policies or other measures aimed at facilitating the transition to the formal economy. The role of social dialogue as a mechanism for the exchange of information and consultations to improve the design, implementation and assessment of policies on the informal economy and its formalisation is important, including the design of vocational skill training programmes. This requires active participation of tripartite constituents in all stages of the exercise.

### 4.3 Mainstreaming

The action will follow a Rights-Based Approach (RBA) to development co-operation, through including all human rights, participation and inclusion, non-discrimination, transparency and accountability principles. The RBA implies that target groups are considered as ‘rights-holders’ with legal entitlements, and government institutions are not mere service providers but ‘duty-bearers,’ who are under an obligation to deliver on people’s human rights. Development co-operation should contribute to the development of the capacities of ‘rights-holders’ to claim their rights and ‘duty-bearers’ to meet their obligations. The action will assess the capacities of rights-holders and duty-bearers and develop the appropriate strategies to build these capacities. At the heart of the RBA is the recognition that unequal power relations and social exclusion deny people their human rights and often keep them in poverty. The action respects the principles of dignity and non-discrimination, the rule of law, and good governance (19), and takes into account the participation, buy-in of, and accountability to local populations, especially youth and women.

Having gender equality at the core of European values and enshrined within the EU legal and political framework, the action is framed in a gender-responsive RBA. The action is rooted in the EU gender equality policy (GAP II) (20). Gender equality and women’s empowerment must be addressed through concrete, tangible, and measurable elements.

Apart from being the recipient of specific programmes, civil society, including trade unions and employers' organisations, will be a full partner in all sectors and is recognised as an important actor for development and governance. Particular attention will be paid to young people and to protecting the space for civil society to operate freely.

### 4.4 Contribution to SDGs

Participation of the social partners and other civil society actors and decent work are two key components of the 2030 Agenda for Sustainable Development. They are identified as


cross-cutting elements, as specific goals, and in various targets and indicators. Ensuring access to decent work for all is crucial to progressing in the direction proposed by the 2030 Agenda, as stated in Sustainable Development Goal (SDG) 8: “Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”. Decent work reduces inequalities, increases resilience, and creates the conditions for the effective exercise of rights and the full development of human potential.

In addition, in SDG 8 on decent work and SDG 16 on just, peaceful and inclusive societies, the 2030 Agenda makes specific reference to the right to freedom of association and collective bargaining (indicator 8.8.2), to the effectiveness and transparency of institutions, to inclusive, participatory and representative decision making (target 16.7), and to public access to information and the protection of fundamental freedoms (16.10). These are all **building blocks of effective social dialogue** and, at the same time, point to the different angles from which contributions can be made, based on the specific features of social dialogue.

Strengthening social dialogue processes in the formalisation of informal economy, can significantly contribute to SDG 1 (ending poverty), SDG 5 (promoting gender equality), SDG 8 (ensuring decent work) and SDG 10 (reducing inequalities).

Moreover, through social dialogue processes, the action can contribute to the **national monitoring and analysis of the SDGs** for the countries concerned.

Through targets 10.2 on empowering and promoting the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status and 10.3 on ensuring equal opportunity and reducing inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard. The inclusion of CSOs, particularly women’s organisation and youth, in the social dialogue process, leading to societal dialogue is key in ensuring social inclusion. Capacity building activities, on social dialogue, advocacy and policy influencing, for these different actors can lead to the adoption of policies promoting equality and social and justice for all. The transition from the informal to the formal labour should also contribute to reach this goal.

The action will also particularly work on SDG 5 and promote gender equality and the empowerment and participation of women in social and societal dialogue, in policy formulation and implementation through capacity building and skills development.

5 **IMPLEMENTATION**

5.1 **Financing agreement**

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner countries.

5.2 **Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of adoption by the Commission of this financing Decision.
Extensions of the implementation period may be agreed by the Commission’s responsible authorising officer by amending this Decision and the relevant contracts and agreements.

5.3 Implementation modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures(21).

5.3.1 Grant (direct management)

(a) Purpose of the grant

The grant will contribute to achieve Component 1 of the action, which objective is to strengthen the consultative role of economic and social partners, including the broader civil society, in the Euro-Mediterranean region; to promote a dynamic, inclusive and reinforced institutionalised social dialogue and to promote social inclusion through social dialogue tools and organised tripartite institutions.

(b) Justification of a direct grant

Under the responsibility of the Commission’s authorising officer responsible, the grant may be awarded without a call for proposals, to the International Trade Union Confederation (ITUC).

Under the responsibility of the Commission’s authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because such modality is allowed for actions having specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative powers, on the condition that the activities concerned do not fall within the scope of a call for proposals. This is the case of the International Trade Union Confederation (ITUC), the main international trade union organisation, representing the interests of working people worldwide. It represents 207 million workers in 163 countries and territories and has 331 national affiliates and has general consultative status at the International Labour Organisation (ILO) and at the United Nations Economic and Social Council (UN ECOSOC). ITUC promotes and defends workers’ rights and interests, through international co-operation between trade unions, global campaigning and advocacy, and works towards achieving international frameworks for social dialogue and collective bargaining.

The European partner of ITUC, the European Trade Union Confederation (ETUC), is on the list of the European social partners' organizations consulted under Article 154 of the Treaty TFEU.

ITUC’s Strategic Plan is in line with the three priorities of the EU Communication on “The roots of democracy and sustainable development: Europe’s engagement with Civil

(21) www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

[20]
Society in External Relations”, namely on development through the engagement on trade union advocacy, partnerships and capacity development.

That is:

- To enhance efforts to promote a conducive environment for CSOs to act in partner countries. This includes the right to freedom of association and collective bargaining but also the respect of other core labour standards which unions are championing in order to realize equitable development based on rights.

- To promote a meaningful and structured participation of CSOs in domestic policies of partner countries, in the EU programming cycle and in international processes. This is supported by trade union advocacy on development polices in order to promote sustainable jobs, secure incomes and social protection at the international, regional and national levels.

- To increase local CSOs capacity to perform their role as independent development actors more effectively. This is supported by the engagement of trade unions in improving the quality of their partnerships and capacity development.

ITUC has become the European Commission’s main interlocutor on development issues concerning trade unions and acted as an active stakeholder in the Aid Effectiveness debates as well as various EU fora.

5.3.2 Indirect management with an entrusted entity

Component 2 of this action, which objective is to support the progressive formalisation of the informal economy, may be implemented in indirect management with the International Labour Organization (ILO).

This implementation entails carrying out the activities identified in section 4.1, related to the objectives of the action.

The envisaged entity has been selected using the following criteria: as the only tripartite UN agency, the ILO brings together representatives of governments, employers and workers in its 187 member States to set labour standards, develop policies and implement programmes to promote decent work for all women and men. Promoting social dialogue in the transition to the formal economy is at the heart of the ILO approach. Tripartite mechanisms and consultations with workers’ and employers’ organizations are promoted and used in all areas of work relating to the transition to formality. In June 2015 ILO adopted Recommendation No. 204 on “Transition from the informal to the formal economy. The ILO has extensive experience in working with its tripartite constituents to strengthen skills development systems to improve employability of workers, productivity of enterprises and support economic development. This includes capacity-building and technical advice on skills governance, financing of skills system, quality apprenticeship systems, skills anticipation and skills for social inclusion.

In case the envisaged entity would need to be replaced, the Commission’s services may select a replacement entity using the same criteria: long-term experience in tripartite dialogue and setting of labour standards, development and promotion of labour policies in numerous countries around the world; experience in capacity-building and technical advice on skills
governance, financing of skills system, quality apprenticeship systems, skills anticipation and skills for social inclusion.

5.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provision.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realization of this action impossible or exceedingly difficult.

5.5 Indicative budget

<table>
<thead>
<tr>
<th></th>
<th>EU contribution 2019 (amount in EUR)</th>
<th>EU contribution 2020 (amount in EUR)</th>
<th>Indicative third party contribution (amount in EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grant (direct management) for Component 1 (cf. section 5.3.1)</td>
<td>3,000,000</td>
<td></td>
<td>300,000</td>
</tr>
<tr>
<td>Indirect management with ILO for Component 2 (cf. section 5.3.2)</td>
<td></td>
<td>4,000,000</td>
<td>400,000</td>
</tr>
<tr>
<td>Evaluation (cf. section 5.8)</td>
<td>will be covered by another Decision</td>
<td></td>
<td>N.A.</td>
</tr>
<tr>
<td>Audit/Expenditure verification (cf. section 5.9)</td>
<td></td>
<td></td>
<td>N.A.</td>
</tr>
<tr>
<td>Communication and visibility (cf. section 5.10)</td>
<td>N.A.</td>
<td></td>
<td>N.A.</td>
</tr>
<tr>
<td>Total</td>
<td>3,000,000</td>
<td>4,000,000</td>
<td>700,000</td>
</tr>
</tbody>
</table>

5.6 Organisational set-up and responsibilities

This action will be managed by Commission services ( Directorate General for Neighbourhood and Enlargement Negotiations) and, where relevant in close co-operation with other Commission services (DG EMPL). One Steering Committee will be established for the entire action, bringing together the two components to ensure co-ordination, complementarity and synergies. Two Advisory Groups, one for each component, will be set-up to provide technical
support in each component. The participation of relevant Commission services is foreseen in each of these.

5.7 Performance and Results monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partners’ responsibilities. To this aim, each implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix.

SDGs indicators and, if applicable, any jointly agreed indicators as for instance per Joint Programming document should be taken into account.

The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

Having regard to the nature of the action, a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular (i) the innovative approaches fostered through numerous activities financed under this action, and (ii) the expected potential for synergies and complementarity with other actions financed by the European Union in the frame of its bilateral co-operation with each country in the region, with the UfM and other organisations working on this thematic area.

The Commission shall inform the implementing partners at least 2 months in advance of the dates foreseen for the evaluation missions. The implementing partners shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner countries and other key stakeholders. The implementing partners and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner countries, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing Decision.
5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing Decision.

5.10 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner countries (for instance, concerning the reforms supported through budget support), contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and contribution agreements.

The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

6 Pre-conditions

Not applicable.
APPENDIX - INDICATIVE LOG FRAME MATRIX (FOR PROJECT MODALITY) (22)

The indicative Action Document log frame should have a maximum of 10 expected results (impact, outcome and output) and associated indicators.

On the basis of this indicative log frame matrix, a more detailed log frame(s) might be developed at contracting stage linked to this AD. The indicative log frame matrix will evolve during the lifetime of the Intervention. The activities, the expected outputs and related indicators are indicative and may be updated during the implementation of the Intervention as agreed by the parties (the European Commission and the implementing partner/s).

The log frame matrix must be used for monitoring and reporting purposes. At the latest in the first progress report, implementing partner/s should include the complete log frame including all baselines and targets for each indicator). Each progress report should provide the most up to date version of the log frame as agreed by the parties (the European Commission and the implementing partner/s) with current values for each indicator. The final report should enclose the log frame with baseline and final values for each indicator.

Indicators to be presented, when relevant and possible, disaggregated by sex, age, urban/rural, disability, any disadvantaged group, income quintile etc.

Additional notes: The term "results" refers to the outputs, outcome(s) and impact of the action. Assumptions should reflect risks and related management strategies identified in the Risk analysis.

<table>
<thead>
<tr>
<th>Impact (Overall Objective)</th>
<th>Results chain: Main expected results (maximum 10)</th>
<th>Indicators (at least one indicator per expected result)</th>
<th>Sources of data</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Build resilient societies through enhanced and reinforced social dialogue and partnerships, promotion of decent work to foster social inclusion and access to social justice for all in the Southern Mediterranean region. | - Improved work conditions (Social protection, Safety and security, Wage rate, Gender wage gap)  
- Informal Employment  
- Unemployment rate, by sex and age  
- Collective bargaining coverage rate  
- Child labour  
- Forced labour  
- Enabling social climate  
- Rate of lockouts and Number of sit-ins  
- Status of international conventions ratification and publication | - ILO reports on decent work,  
- OECD reports  
- National statistics  
- Collective agreements  
- SDG indicator 8.8.2 (Level of national compliance with labour rights (freedom of association and collective bargaining) based on International Labour Organization (ILO) textual sources and national legislation, by sex and migrant status) | Not applicable |

(22) Mark indicators aligned with the relevant programming document mark with "*" and indicators aligned to the EU Results Framework with "**".

[25]
<table>
<thead>
<tr>
<th>COMPONENT I</th>
<th>Objective</th>
<th>SDG indicator 10.2.1 (Proportion of people living below 50 per cent of median income, by sex, age and persons with disabilities)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outcome(s) (Specific Objective(s))</strong></td>
<td>To strengthen the consultative role of economic and social partners, including the broader civil society, in the Euro-Mediterranean region; to promote a dynamic, inclusive and reinforced institutionalised social dialogue and to promote social inclusion through social dialogue tools and organised tripartite institutions.</td>
<td>- Inclusive and reinforced institutionalised social dialogue and consultations with the broader civil society - Number of effective dynamic, inclusive, reinforced institutionalised social dialogue that are taking place in the countries of the region - Collective bargaining agreements, - International conventions, - ILO database - SOLiD’s data base</td>
</tr>
<tr>
<td><strong>SO I.1:</strong> Create and improve an enabling environment for social dialogue between social and economic actors in the Southern Mediterranean region</td>
<td>- National / country-specific action plans derived from Charter thematic priorities with concrete actions on how to deliver in terms of improving the living and working conditions of the poorer segment of the population (disaggregated by targeted country and type of action plan) - Number of bipartite, tripartite and multipartite meetings between social dialogue stakeholders - Consensus-building between the social partners and CSOs on common thematic issues (namely decent work, informal sector, gender equality, employment, etc.)</td>
<td></td>
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<tr>
<td><strong>SO I.2:</strong> Promote democratic and functional civic and multi-stakeholder dialogue among civil society organisations (CSOs) and regional and local authorities to build consensus on issues of common interest (i.e. decent work)</td>
<td>- Adopted National Action Plans - Meetings &amp; Conferences’ reports &amp; recommendations</td>
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<tr>
<td><strong>SO I.3:</strong> Promote a Euro-Mediterranean Community of Practice (CoP) on effective social dialogue to better address challenges related to sustainable economic and social development in the Southern Mediterranean region.</td>
<td>All relevant stakeholders are ready to conduct dialogues and exchange on best practices and that they have a mandate to do so. Governments are susceptible to cooperate with the social partners, ESCs &amp; CSOs on common issues</td>
<td></td>
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<tr>
<td>Outputs</td>
<td>SOLiD’s charter general programme by all the stakeholders in the region</td>
<td></td>
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<td><strong>SO 1:</strong></td>
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<tr>
<td><strong>EO 1.1.1:</strong> Increased understanding of the economic and social situation in the new target countries (Algeria, Lebanon, Palestine) and of the mechanisms of social dialogue, including the work of the ESCs.</td>
<td>-Number of national diagnosis reports on the socio-economic situation in the new target countries</td>
<td></td>
</tr>
<tr>
<td><strong>EO 1.1.2:</strong> Enhanced knowledge of tools and modalities for improving and institutionalising social dialogue between social partners, including the functioning of ESCs in the new target countries.</td>
<td>-Awareness raised on social dialogue approaches, mechanisms and actors among the beneficiaries in the new target countries</td>
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<tr>
<td><strong>SO 2:</strong></td>
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<tr>
<td><strong>EO 1.2.1:</strong> Reinforcement of institutional social dialogue through inclusion of economic and social partners in consultative processes in the Southern Mediterranean region.</td>
<td>-Promotion and sharing meetings on the diagnosis results in the three new target countries</td>
<td></td>
</tr>
<tr>
<td><strong>EO 1.2.2:</strong> Enriched South-South learning on regional and sub-regional integration on economic and social issues among targeted stakeholders.</td>
<td>-Agreements between social partners</td>
<td></td>
</tr>
<tr>
<td><strong>EO 1.2.3:</strong> Promotion of the Charter to promote social dialogue in the South Mediterranean in the new target countries, Algeria, Lebanon and</td>
<td>-Mapping of the representativeness of social partners in the target countries</td>
<td></td>
</tr>
</tbody>
</table>

- **Expert’s Diagnosis mission**
- **ILO Database**
- **Project database**

- **Diagnosis Reports uploaded online (website of the project and its partners)**
- **Agreements and meetings reports**

- **National involvement in the initiatives presented.**
- **Mapping report in the three new target countries**
- **Meetings reports**
Palestine.

**EO 1.2.4:** Implementation of the Charter to promote social dialogue in the South Mediterranean through the development of National Action Plans in Jordan, Morocco and Tunisia.

**SO 3:**

**EO 1.3.1:** Knowledge transfer and exchange of best practices in the Euro-Mediterranean region aimed at promoting policies for social dialogue among Southern Mediterranean countries.

**EO 1.3.2:** Strengthened multi-stakeholder advocacy networks to advance the Charter to promote social dialogue in the South Mediterranean.

<table>
<thead>
<tr>
<th>target countries</th>
<th>- Declination of the charter to institutionalised national action plans in the pilot countries</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Sharing of experiences and good practices, promotion of a CoP among South – South and North-South social dialogue stakeholders in the region</td>
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<td></td>
<td>- Involvement and commitment of the economic and social partners</td>
</tr>
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<td></td>
<td>- Number of dynamic multipartite discussions</td>
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<td></td>
<td>- Number of Joint agreements between socio-economic partners and institutions of the region</td>
</tr>
</tbody>
</table>

- Reports on advocacy activities, follow up meetings and workshops with the final beneficiaries in the pilot countries
- Press articles and promotional campaigns’ reports in the three new countries
- Meetings & regional conferences’ reports
- Testimonials & success stories
- Meetings reports
- Established partnerships
- Project database
| COMPONENT II Objective | To support the progressive formalisation of the informal economy through an effective use of social dialogue as an enabling tool to understand and tackle informality. This knowledge will then feed into the design of more inclusive socio-economic policy frameworks that will respond to the employability demands of women and youth for sustainable formal employment | -Proportion of informal employment in total employment, agricultural and non-agricultural employment, by sex and age  
-Agreement on pathways towards transition to formality concluded by social partners and social dialogue institutions  
-Improved access of women and youth in the informal economy to quality and relevant training and skills recognition services  
-Proportion of women and youth obtaining recognised qualifications | National statistics, Tripartite agreements, Perception surveys, Administrative data  
On training provision/certification |}

| Outcome(s) (Specific Objective(s)) | SO II.1: Support the tripartite partners to develop enabling policy frameworks through social dialogue to facilitate informal workers’ transition to the formal economy | Tripartite action plans, roadmaps, strategies or similar plans to support formalisation, including the role of skills development systems, developed and adopted through social dialogue in targeted countries  
A gender responsive monitoring system to assess progress towards formalisation of employment and economic units is in place in targeted countries.  
Baseline indicators on proportion of informal employment and registration of enterprises are available. | Official Gazette; Annual reports of government bodies; intergovernmental official documents; tripartite agreements; official diagnostic reports; other published documents  
Media reports | Transition to formality is a priority policy issue for government and the social partners in the targeted countries |

|  | SO II.2: Foster skills development systems to enable young people and women in the informal economy to access formal employment | Number of training providers that have introduced measures to improve access of women and youth in the informal economy to training services (outreach, admission, program design, delivery modes)  
Number and type of training delivery |  |
<table>
<thead>
<tr>
<th>Outputs</th>
<th>SO II.1:</th>
<th>Number and quality of diagnostic studies on nature, extent, and dynamics of informal economy (urban and rural) in target countries, validated by tripartite partners</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>EO II.1.1: Country level identification of decent work deficits as foundations of informality, from a social dialogue framework.</td>
<td>Number of tripartite participants (disaggregated by sex) in capacity-building activities at different levels</td>
</tr>
<tr>
<td></td>
<td>EO II.1.2: Strengthened social dialogue mechanisms at national and regional levels to formulate sound policies and measures on the transition to the formal economy, in line with the provisions of ILO Recommendation No. 204 (2015).</td>
<td>Number of social dialogue events/meetings to address transition to the formal economy held at cross-border, national and lower levels, and of participants (by sex)</td>
</tr>
<tr>
<td></td>
<td>EO II.1.3: Development of national strategies and roadmaps (with short, medium and long term objectives) to enable the progressive transition from the informal to the formal economy (implementation of chapters 4 and 11 of the Charter to promote social dialogue in the South Mediterranean), including measures to extend social protection, ensure universal respect of fundamental labour rights and incentivise the formalization of enterprises, developed and implemented in selected countries.</td>
<td>Extent to which national action plans on formalisation address key issues including protection of labour rights, social protection, employability, incentives to enterprises, business registration and licensing, taxation compliance and others to be defined</td>
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</tbody>
</table>

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<tr>
<th>Number of developed or revised integrated policies, legislation or compliance mechanisms to facilitate transition to formality, including for specific groups of workers or economic units.</th>
<th>Project reports</th>
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<tbody>
<tr>
<td>Government and social partners reports and websites</td>
<td>Social partners are able and willing to participate in initiatives regarding formalisation</td>
</tr>
<tr>
<td>Official Gazette; Annual reports of government bodies; Intergovernmental official documents; Tripartite agreements; Reports of supervisory bodies; Other publishes documents</td>
<td>High quality researchers and trainers can be identified in participating countries</td>
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<tr>
<td>Training providers are willing to engage in service delivery for informal economy workers</td>
<td></td>
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<tr>
<td>SO II.2</td>
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<tr>
<td><strong>EO II.2.1:</strong> Development of a joint mapping of skills, training delivery mechanisms, and employability gaps among workers in the informal economy by governments, social partners and training institutions.</td>
<td>Number of social partner organisations taking action to address informality and transition issues</td>
</tr>
<tr>
<td><strong>EO II.2.2:</strong> Improved access of women and youth to trainings and lifelong learning to enter the formal economy.</td>
<td>Number of workers (disaggregated by sex) and economic units in the informal economy reached by extension of membership and services by employers’ and workers’ organisations.</td>
</tr>
<tr>
<td><strong>EO II.2.3:</strong> Development of a governmental, nation-wide skills-recognition system to enable workers’ transitioning to the formal economy.</td>
<td>Number of diagnostic studies analysing skills and employability supply and demand gaps with a focus on women and youth</td>
</tr>
<tr>
<td></td>
<td>Number of tripartite participants (disaggregated by sex) in capacity-building activities for more demand-led skills development and recognition systems, with a focus on improved access for informal economy workers.</td>
</tr>
<tr>
<td></td>
<td>Number of training providers participating in capacity-building activities</td>
</tr>
<tr>
<td></td>
<td>Number of training programmes designed or revised based on the demands identified under EO II.2.1</td>
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