

International  
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# The ILO in Iraq

## Iraq and decent work



Iraq continues to suffer from complex internal political tensions, violence and terrorism in various regions in the country. As a result, many parts of the country have become extremely vulnerable and deprived, a matter which remains of concern and challenge to the government and to the international community.

On the other hand, Iraq made major development gains in the reduction of extreme poverty and is now an Upper Middle Income country. However in **2014**, GDP declined by **2.4%** putting an end to a decade of economic growth. The double challenge of ISIS and the downturn in oil prices is impeding the Government's ability to provide macroeconomic stability. Iraq depends on oil revenue and the role of the private sector is marginal. While accounting for **65%** of Iraq's GDP, the oil sector currently employs only **1%** of the total labour force.

Poverty rates are still high, particularly in rural areas, and the displacement of millions of people in Iraq and the Syrian crisis has had a negative impact on employment and inflated the informal sector.

Labour market participation is extremely low for women and youth. In 2009, **72%** of males were in the labour force while just **16%** of females. Iraq is one of the youngest countries in the world, with Iraqis under 24 years old accounting for **59%** of the population. But **33%** of male youth (14 to 24 years old) and **60%** of female youth are unemployed.

Iraq has been a member of the ILO since 1932 and has **ratified 67 international labour Conventions**.

### Strategic framework: ILO's actions integrated into national development plans

The complexity of the political situation in Iraq, exacerbated by the security situation, impedes the elaboration of a **Decent Work Country Programme (DWCP)**. Nevertheless, ILO's work in Iraq is aligned with the **National Development Plan (NDP) for 2013-17**, the **Poverty Reduction Strategy 2010-14**, the **National Employment Policy**, which was technically and financially supported by the ILO, and the **UN Development Assistance Framework for 2015-2019 (UNDAF)**, in a results-based framework based on tripartism and social dialogue.

A technical assistance framework was agreed with the Ministry of Labour and Social Affairs in December 2014 focusing on jobs creation through **private sector development**, broadening **social security coverage**, protecting **freedom of association and social dialogue**, and supporting the **revision of legislation**.

## ILO contact

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### Tripartite constituents

**Government:** Ministry of Labour and social affairs

**Workers' organization :** General Federation of Iraqi Trade Unions (GFITU)

**Employers' organization:** Iraqi Federation of Industries (IFI)

### Find out more

[ilo.org/iraq](http://ilo.org/iraq)

## Key challenges

- **17 %** of male youth are unemployed (15-24 years old) vs **27%** of female youth
- **19%** of the population is poor, **31%** in rural areas.

## Main actions and key results

### Promoting an employment policy

**The national employment policy (NEP) of both the federal and Kurdistan Governments** of Iraq were developed with the ILO's assistance. The NEP of the Federal Government was endorsed and adopted by the Council of Ministers as a national policy document. In 2014, some 18 focal points from different line ministries and representatives of the social partners were trained in Istanbul on the implementation, monitoring and evaluation of the NEP based on social dialogue.

The Kurdistan Council of Ministers endorsed the regional employment policy in 2012. An action plan for the employment policy was developed and the capacities of the ministry, social partners, and other line ministries were reinforced to implement the policy.



### Improving social security coverage in Kurdistan

**A new unemployment insurance scheme** was developed for construction workers with ILO support, based on international labour standards and international best practice. The scheme will cover construction workers. In September

2013, the Ministry of Labour adopted an amendment to social security regulations governing casual workers.

The scheme also addresses the lack of unemployment insurance coverage for private sector workers, providing

benefits to insured workers who lose their employment for reasons beyond their control. It is now mandatory for all employees in the private sector in the Kurdistan region who are covered by the general social security system.

### Supporting the development of new labour legislation



The Iraqi Council of Representatives (Parliament) approved **the new Labour Code in 2015** after long and extensive tripartite discussions. In parallel, the ILO helped the Kurdistan region to develop a new labour code, which was submitted to the Regional Council of Ministers.

The new labour legislation only covers the private sector but includes amendments proposed by the Iraqi unions with ILO support, recognizing the right to collective bargaining and reintroducing the right to strike (banned since 1987). The law also limits child labour and provides improved protections against discrimination and sexual harassment in the workplace.

### Developing skills to foster youth entrepreneurship

Education remains a key challenge for the Government. Young Iraqis don't have access to quality vocational trainings due to lack of resources and adequate curricula to pursue an education and making it difficult for young people to enter the labour force with suitable

skills. Most adult and non-formal education programmes are also at a standstill. Therefore, the ILO contributes to the development of vocational skills, regulatory and administrative environment for SMEs, women entrepreneurship development, entrepreneurship train-

ing and small grants for SMEs, for employment creation at governorate and district levels.

**10 vocational training centres** are currently delivering ILO's "Know about Business" (KAB) training methodology to create awareness about entrepreneur-

ship. It was implemented, through the establishment of a “KAB Unit” in the Department of Labour and Vocational Training. The ILO also assisted the Government in developing a **national youth strategy** in partnership with UNFPA, introducing life and employability skills.

In addition, 6 SME policy framework documents were developed and a

draft legislation on micro, small and medium enterprises was submitted to the Council of Ministers. Provincial Economic Development Strategies were prepared with ILO’s assistance in seven governorates (Anbar, Basra, Erbil, Babel, Missan, Thiqr, and Sulaymaniyah), and **five Business Information Centres** were established, equipped, and trained in partnership with the local Chambers of

Commerce in Anbar, Babel, Basra, Erbil and Sulaymaniyah. Finally, economic Development Units were established in three governorates and the by-laws were drafted.

## SUCCESS STORY



*“Our whole attitude towards employment has changed,” Saeed said, “as we had thought that only the Government could provide us with jobs. Our financial situation has improved and we are now also more involved in society around us.”*

After completing their undergraduate university degrees, Ghosoon Saeed, a geology graduate, and Huda Omar, a law graduate, remained at home for years waiting for a suitable job.

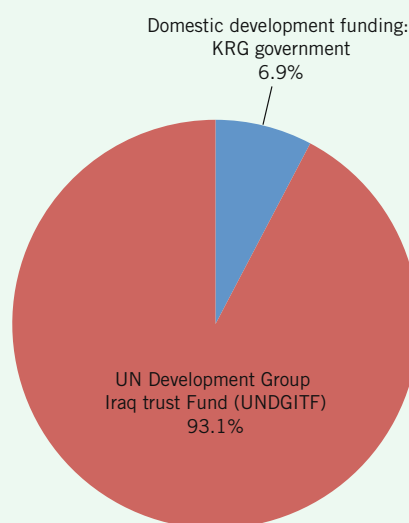
They then participated in the Know About Business (KAB) programme, supported by the ILO and run by the Ministry of Labour and Social Affairs. The women were shown how to prepare a business plan, and were able to provide a small amount of capital to start their own business: a shop that sells fabric and haberdashery and provides a tailoring service. They said the enterprise has achieved a degree of success they could not have imagined before.

## Partnership for decent work

The new UNDAF for Iraq 2015-2019 complements the NDP and aims to develop the legitimacy of institutions and to enhance social cohesion by strengthening the bonds between the different elements of the Iraqi society.

The Government, represented by Ministry of Labour and Social Affairs (MOLSA - Federal and KRG Governments), the Ministry of Education and the Ministry of Higher Education Baghdad, Ministry of Planning and Development Cooperation, the Ministry of Planning of the Kurdistan region, and the social partners are the ILO’s key partners in Iraq, as well as UN agencies including the UN Fund for Population (UNFPA), the UN Mission for Iraq (UNAMI), the UN Industrial Development Organisation (UNIDO) and the main donors.

Main ILO donors in Iraq (2012-2015)



## THE ILO AND DECENT WORK — A MANDATE FOR PEACE AND SOCIAL JUSTICE

The International Labour Organization (ILO) is devoted to promoting social justice and internationally recognized human and labour rights, pursuing its founding mission that labour peace is essential to prosperity. Today, the ILO helps advance the creation of decent work and the economic and working conditions that give working people and business people a stake in lasting peace, prosperity and progress. Its tripartite structure provides a unique platform for promoting decent work for all women and men. Its main aims are to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues.

## Next steps

The NDP aims to decrease the unemployment rate by 6% in 2017 by actively supporting the application of the national employment policy. It seeks to improve the functioning of the labour market and to provide a decent work environment for all. It aims to encourage young women to participate in the labour force and to establish a loan fund for youth projects

to promote youth entrepreneurship and small business.

ILO will continue to help the Government, in line with the Sustainable Development Goals, in the creation, adoption, and implementation of integrated policies, strategies and programmes to promote decent work for young women and men, to reduce unemployment, and to increase the

participation of adult women and youth in the public and private sectors; to expand the number of jobs available to newly skilled women and men, to increase their participation in skills development and foster labour market analysis and the dissemination of information on the labour force.

## Country Programme Results for Iraq in 2014 and 2015

COUNTRY PROGRAMME OUTCOME AND RESULTS ACHIEVED	ILO CONTRIBUTION (OUTPUTS)
<p>Legal Framework and management of social security coverage improved in Kurdistan</p>	
<p>A new unemployment insurance scheme, based on ILO's standards and international best practice was adopted by tripartite stakeholders in 2014 and will be presented as a new law to Parliament in 2016.</p> <p>The new unemployment insurance scheme addresses the lack of coverage of private sector workers in case of unemployment. The scheme ensures the compensation to insured unemployed workers who lose their employment for reasons beyond their control. It is mandatory for all employees in the private sectors in the Kurdistan region who are covered by the general social security system.</p> <p>Employer's and worker's representatives have been consulted throughout the process of the establishment of the new unemployment insurance scheme. Tripartite stakeholders endorsed the draft unemployment insurance scheme.</p>	<ul style="list-style-type: none"> <li>&gt; The ILO provided technical advisory services and in particular, it assisted in drafting the provisions of the new unemployment insurance scheme, based on extensive tripartite consultations and in line with ILO's social security Conventions and international best practices. The ILO also developed the policy design parameters for the new scheme. The ILO started in October 2015, following a request by the Kurdistan Regional Government request, drafting of a new unemployment insurance law based on the previously drafted unemployment insurance regulation.</li> <li>&gt; ILO developed the policy design for the unemployment insurance scheme, based on extensive tripartite stakeholder's consultations.</li> </ul>
<p>Labour law amended in line with international labour standards</p>	
<p>The Iraqi Council of Representatives (Parliament) approved at its fourteenth session held on Monday 17 August 2015, in the presence of 271 deputies, the new labour code. This long-awaited law, is the outcome of a long and extensive discussion which included the different committees of the House of Representatives: the Labour and Social Affairs Committee, the Legal Committee, the Committee on Family, Women and Child, Trade Unions and civil society organizations.</p>	<ul style="list-style-type: none"> <li>&gt; The ILO has repeatedly provided technical advice and comments on the labour code, as well as capacity building training to legislators and government officials with regard to the revision and adoption of the Labour Code.</li> </ul>



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