State of Palestine

Ministry of Labor

Labor Sector Strategy (2021-2023)

"The road to decent work and employment opportunities improvement"

April 2020

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Preface

The achievement of the labor sector strategy (2017-2022) revision comes after the passing of the middle term of the sectoral strategy, and as a response to the integration of the priorities of the eighteenth government in the national development plan, especially the national policies agenda, and the sectoral and cross-sectoral plans. One of the top priorities of this government is the disentanglement from the Israeli Occupation to head towards cluster development in the different productive sectors. The requirements of the labor market will be given more importance with an emphasis on vocational training, the expansion of choices for youth, and the empowerment of weak and marginalized groups. The aim is to always have the citizen come first in terms of service development, empowering him or her to be resilient and to hold on to his or her land with dignity. These priorities, as all partners are fully aware of, are part and parcel of the labor sector despite the challenges facing it midst the increasing rates of unemployment especially among youth and women and midst the weak absorptive capacity in the different sectors due to the Occupation policies enforced on Palestine and its people and economy. The obstacles we are facing are driving us to determinedly face up to this challenge through this strategy that crosscuts the existing sectoral and cross-sectoral strategies. In the labor market, and along with our partners, we are encouraged to raise and intensify the levels of dialogue and stabilize the local market to enable it to create decent employment opportunities for our youth from both genders. This will require more investments in the vocational training sector among a supportive and encouraging constitutional environment, increased cooperative and employing entrepreneurial initiatives, and increased social dialogue about economic and social policies that maintain union liberties and civil peace. The revision of this strategy was completed during a new challenge facing the world due to the widespread of COVID-19 which has threatened the lives and health of millions. The pandemic has gravely impacted the economy and the labor

markets adding yet another layer to the peculiarity of the Palestinian case, and this layer requires the balancing between urgent response, recovery plans and the implementation of the strategic directions.

Finally, we express our gratitude and appreciation for all those who contributed to preparing this strategy including the representatives of governmental organizations, the representatives of workers and employers, the representatives of civil society organizations, the representatives of international organizations especially the International Labor Organization (ILO), and all the governmental ministries and bodies.

Dr. Nasri Abu Jaish

Minister of Labor

1. Introduction

The Palestinian economy is considered subject to the policies of the Occupation especially those pertaining to the control of land, resources, boarders and crossings, the movement of individuals and goods, investments in Area C, and the blockade on the Gaza Strip (GS). This situation has made the Palestinian economy fragile, weak, and dependent. And despite all the attempts, the national development plans were not able to evade the effects of the policies and procedures enforced by the Occupation. With this ongoing challenge and the labor market impact of the coronavirus, the labor sector strategy was developed to reflect the priorities of the labor sector and the required interventions. The issues of employment still represent the top priority in terms of employment enlargement and service improvement, and this requires making employment the center of the national development plan through building a national trans-sectoral employment plan as a national comprehensive sectoral and cross-sectoral response that makes employment one of the goals to be taken into consideration in the planning. This includes projects and programs in cluster development plans that go side by side with disentanglement projects that enable partners to view the employment process and its requirements as part of their sectoral plans in order to increase participation in the labor market, especially for youth and women, with a particular emphasis on marginalized areas near the wall, in the GS and Jerusalem. This is what the trans-sectoral employment strategy (in preparation) attempts to reflect.

Planning should at the same time aim at improving the employment services and reinforcing the role of active labor market policies (on the level of the labor sector strategy) to reinforce the role of the Palestinian Fund for Employment and Social Protection (PFESP), including the management of the employment program on a national level and the reorientation of all interventions towards national trans-sectoral strategic goals, and the partnerships with the private sector, orienting their programs and projects towards productive sectors. This

would mean supporting self-employment and entrepreneurship, focusing on women and people with disabilities, facilitating the access to funds, and offering temporary employment for the purposes of experience accumulation. And as part of reinforcing the role of cooperatives; supporting the orientation towards nonconventional cooperatives in the fields of technology and energy, and encouraging cluster sectors in agriculture, production and tourism could benefit the creation of employment opportunities as well as reinforce local partnerships by activating the role of employment councils. The employment councils could therefore offer need assessments about the local markets and the characteristics of the inactive labor force and thus contribute in the planning process on the local level.

The second priority represents the necessity to treat the ongoing large gap between higher education and market needs evident in the high rates of unemployment amongst graduates. This requires reorienting students towards vocational and technical training, and at the same time shaping a Palestinian model of vocational training systems that involves horizontal expansion by building centers, and vertical expansion in the programs, professions, and curriculums. The model of horizontal and vertical expansion will definitely lead to an increase in technical and vocational education and training (TVET) admissions including apprenticeships through qualitative partnership with the private sector. Working on the Palestinian occupations classification and scale, in addition to creating measurement systems for skills and experience to be recognized in the assessment will also assist in promoting and enhancing vocational training programs and thus changing the community culture towards vocational training with the cooperation of relative bodies and stakeholders, and ultimately founding a national body for TVET.

Meanwhile, and as a third priority, ongoing work on labor market governance should be present to enhance decent work principals through applying the second program of decent employment in Palestine for the years 2017-2022. This involves labor inspection, occupational safety and health, developing labor

relations and collective bargaining, supervision over the compliance to the minimum wage law specifically in sectors employing women, protecting unorganized labor, bridging the gap between gender-based discrimination in the labor market, and protecting motherhood.

Reinforcing tripartite partnerships and social dialogue represents the fourth priority by institutionalizing trilateral committees and expanding the area for partnership and social dialogue in order to reach an institutional and organizational framework for the labor market that involves the revision of laws and legislation, putting forth policies for wages, and enhancing the social protection system as well as the social dialogue about social security, unemployment payments, and wage subsidies for vulnerable sectors.

Last but not least, the rights of Palestinian workers inside the green line should be regulated and protected. Palestinian labor inside the green line working for Israeli employers constitutes 13% of the labor market, and the occupation authorities are exploiting this labor exposing them to diverse violations, while lately the occupation forces are trying to impose a new model integrating Palestinian labor as part of the Israeli labor market!

The above-mentioned priorities represent the pillars of the labor sector strategic plan 2020-2022 through which the ministry and its partners are aiming to effect drastic changes that enable moving from partial treatments to conclusive solutions. These priorities represent a cornerstone in governmental trends towards disentanglement from the Occupation thus empowering the citizens for steadfastness and dignified living, and therefore represent the basic factor in realizing freedom and liberation. It is worth mentioning that the Labor Sector Strategy (2020-2022) represents the comprehensive strategy of the Ministry of Labor (MoL) and its partners, and it is in line with the TVET strategy, the Palestinian trans-sectoral employment strategy, as well as other relevant strategies.

2. Executive Summary

The following document presents the Palestinian Labor Sector Strategy for the years (2017-2022) – "The road to decent work and employment opportunities improvement."

The document has been developed during the first half of 2020. The internal and external environment has been revised in a participatory approach with all partners and relevant stakeholders identifying the most important challenges facing the labor sector, summarized as follows:

1. Poor employment opportunities and services
2. Dispersed and poor linkages, and incomplete institutionalization and governance of the vocational education and training system
3. Labor relations and circumstances non-compliant to the standards of decent work
4. Lack of national consensus and suitable tools for social security
5. Limited capacities of the three partner organizations leading and delivering sectoral services with its different components
6. Weak coordination between relevant stakeholders to effectively and efficiently reorient the interventions and programs
7. A gap between the demand and supply of the following:
   - Lack of skilled and qualified labor
   - Lack of certain occupational specializations needed for the labor market, like artisan industries

The targets and achievements of the past period 2017-2019 have been revised and the lessons learnt have been identified and included in the newly developed strategic plan.

The new strategy specifies five strategic goals and relevant outcomes to be achieved in the coming three years as follows:

Strategic Goal One: Develop Employment Opportunities and Services

- Programs supporting self-employment implemented locally (Governorates) and nationally.
- Programs supporting temporary and permanent employment locally (governorates), nationally, and internationally, including temporary employment as a response to the outcomes of COVID-19 on the labor market.
- A program providing downtime benefits for workers affected by the COVID-19 pandemic.
- A program supporting the wages of workers in affected establishments due to the COVID-19 pandemic, especially in private education and tourism.
- Emergency Credit Line Program for small and micro businesses "SOMOD" for those affected by the COVID-19 pandemic (PFESP).
- institutionalized and effective old and new cooperatives in different specializations and governorates implementing cluster development plans.
- Qualitative and regularly updated legal and vocational counseling and guidance services available to several groups of the labor force.
- Qualitative services provided to workers in Israel.
- Legal assistance program for laborers working inside the green line affected by the COVID-19 pandemic.

Strategic Goal Two: Rehabilitation and Preparation of Professionally Trained Labor Force Corresponding to the Needs of the Labor Market

- Quantitative expansion TVET program outputs.
- Increased effectiveness and relevance of TVET to the needs of the labor market.

- A modern TVET system governed and regulated with laws and legislations in line with international standards.
- Distant training program corresponding to the developments in the spread of the COVID-19 epidemic.

Strategic Goal Three: Reinforce the application of Decent Work Principles in Palestine

- Amended, ratified, and efficiently implemented labor laws, legislations, policies, and safety monitoring measures.
- Specialized unions and labor committees working professionally and effectively.
- Conscious workers and employers defending their legally ascribed rights and duties.
- Regulated and reinforced bilateral labor relations.
- Improve the tripartite agreement, and make bilateral agreements in different activities to enhance the stability of work relations during the epidemic.
- A decent work program corresponding to the challenges of COVID-19 regarding the following:
  - Awareness raising and guidance about the epidemic
  - Occupational safety and health during the epidemic
  - Trainings for workers and employers on how to adapt and work during the epidemic

Strategic Goal Four: Reinforce and Institutionalize Social Protection for Workers

- A national consensus concerning the social security law.
- A private fund to manage and invest the retirement funds of workers beyond the green line.

Strategic Goal Five: Build the Capacities of the Trilateral Partnership Organizations

- Institutionalize all central and sub trilateral committees.
- Updated laws and policies regulating and facilitating the work of the trilateral partner organizations.
- Efficient, modern, and comprehensive service packages provided to citizens through the trilateral partner organizations.
- Strong and organic networking between the Palestinian trilateral partner organizations, and Arab and international labor bodies and organizations.
- A conference for social dialogue to discuss and treat the outcomes of the COVID-19 pandemic on the labor market.

The developed strategy has manifested greater linkages between the political interventions of the National Policy Agenda and the Sustainable Development Goals (SDGs).

The application of this aspiring strategy demands synergy and cooperation from all social partners and relevant stakeholders. Financially this needs an amount of USD 45 million of which only USD 30 million are available. Fundraising efforts are necessary to collect the remaining amount which does not even include the expenses of the COVID-19 pandemic emergency response plan.

3. Methodology

The process of strategic updating was largely based upon the participatory planning methodology. The updating process went through the following steps:

1. A comprehensive review of the strategic plan 2017-2022: first, the strategy update and terms of reference were published by the prime minister office and circulated to all positions of responsibility in the MoL which represents the governmental institution leading the labor sector. Everyone was asked to review the labor sector strategy 2017-2022 in accordance with the terms of reference, recommendations and interventions that conform with the trends of the new government, especially those pertaining to cluster development.
2. The formation of an internal committee in the ministry to review and update the strategy: a committee was formed under the leadership of the deputy minister and the membership of officials to work on gathering, editing and coordinating recommendations from the positions of responsibility in the ministry to be put in one document that constitutes the updated strategy draft.
3. The organization of a workshop for the MoL staff to discuss the new recommendations: a workshop involving all the staff of the MoL and relative institutions, like the Cooperative Work Agency (CWA) and the PFESP, was held with the presence of the minister of labor and all positions of responsibility to discuss the new recommendations for strategy updates that conform with the terms of reference.
4. The organization of focused meetings for the main administration officials in the ministry: focused meetings were held between the appointed committee for strategy update and the officials and staff of the main administrations in the ministry to discuss the new interventions and indicators to be included in the updated strategy document.

5. The finalization of the first copy\draft of the strategy: after a series of the above-mentioned meetings and workshops, a first draft of the updated strategy was completed to be presented to partners.
6. The presentation of the first strategy daft to partners: after completing the first draft of the updated strategy, it was sent to all social partners in the labor sector including labor unions, representatives of the private sector, in addition to international partners and civil society organizations working in the labor sector. They were asked to examine the document, take notes, and suggest interventions that can enhance the role of all the partners in the labor sector.
7. The organization of an extended workshop for all partners to discuss the updated strategy document: in order to complete the discussions and consultations with all partners working in the labor sector, an extended workshop was held and attended by more than 50 representatives of all partners in the labor unions, private sector institutions, civil society organizations and supportive international organizations working in the labor market. All the details of the updated strategy were presented and a discussion was opened for everyone to discuss the updated objectives, interventions and indicators to ensure their conformation with the vision of the new government. Attendance was also distributed into four groups covering the labor sector interventions like vocational training, employment, labor relations, and inspection. The discussion touched upon all the interventions related to these tasks and the partners offered suggestions and proper amendments.
8. Consulting a national advisor to gather the outputs of the above-mentioned meetings and workshops, review the strategy document, and edit it according to the terms of reference issued by the prime minister office. The advisor worked closely with the committee appointed to update the strategy and prepare the pre-final strategy draft.
9. Circulating the second draft to all partners for revision and note-taking.

10. Issuing the final updated strategy draft document with all the incoming notes from all partners. For the purposes of integrity and transparency, it is worth mentioning that due to the Covid-19 preventive measures we did not receive valuable notes from partners, and the final draft was prepared after a series of revisions and in-depth discussions between the head of the strategy preparation committee, the national advisor, and the consultants of the German Agency for International Cooperation (GIZ).

4. Situation Analysis:

4.1 Labor Sector Brief

4.1.1 Sectoral and Sub-Sectoral Scope

The comprehensive concept of the labor sector is based upon all international and Arab agreements, recommendations, and standards of trilateral structure. The social partners in this sector reflect its elements and components within a complete system concerned with issues of employment, decent work, flexible labor market, regulating and stabilizing the labor market and its demands of competent and trained labor force, connecting its parts to serve the social, economic and environmental development, and ultimately maintain human dignity.

As noticed from the above-mentioned concept, employment constitutes a major component of the labor sector. TVET also constitutes a main tool in meeting the needs of the labor market and preparing a trained and prepared labor force. Within this framework there exists two separate strategies for employment and for TVET. Under the leadership of MoL, parallel work is currently conducted to revise and develop these two strategies to be included in this document when completed. Finally, cluster development constitutes one of the governmental priorities that enables large intersections of economic sectors like agriculture, tourism, and economic sectors in addition to public services and business sectors.

4.1.2 Partners Working in the Sector

The labor sector is comprised of three production parties, the first of which is the governmental party represented by the MoL; the supervisor and regulator

of this sector. The MoL develops sectoral development policies and enforces laws and regulations governing the labor sector and employer unions who represent employers and the self-employed. These unions take into consideration the interests of employers during the policy-making and the sectoral programming process depending on their power, autonomy and capacity to respond to the needs of its members providing them with the consultations, training and technical support to manage issues and reinforce the production process. The labor unions represent all salaried employees in diverse sectors (excluding the public sector) and undertake (within their function in social dialogue) to defend the rights of workers to reach economic and occupational prosperity and achieve the maximum gains to raise the standards of living for workers culturally and socially. This consequently increases production and its quality, and thus enhances the economic situation in Palestine. Other parties to social dialogue are civil society organizations whose representatives participate in meaningful dialogues aiming to enhance the role of the labor market in bringing about real development in the Palestinian economy. The partners are:

A. Governmental Partners:

1. The Ministry of Education and Higher Education (MoEHE): provides TVET services and makes policies to harmonize between educational outputs and labor market demands with the help of partners in the Higher Council for TVET. Lately, work is done to form a national commission for vocational and technical education.
2. The Ministry of Social Development: Key partner in issues of child labor, employment of people with disabilities, social security, and empowerment programs. The work is conducted through a group of joint commissions.
3. The Ministry of Health: working together to provide health protection for workers in the non-governmental sector and health insurance for the

unemployed, and working through the national committee for occupational safety and health to provide a healthy work environment.

4. The Palestinian Central Bureau of Statistics (PCBS): provides database and statistical indicators about the labor market.
5. The Ministry of Agriculture helps in organizing the work of agricultural cooperatives and agricultural labor.
6. The Ministry of Public Work and Housing: interferes to organize housing cooperatives
7. The Ministry of National Economy: interferes by encouraging investments and making integration policies for economic development
8. The Ministry of Women Affairs: to integrate gender into the labor market
9. The Higher Council for Youth and Sports: integrating youth into training and employment
10. All relative ministries and commissions

B. Employers Unions: they represent one of the two major ends of production. The unions lead investments in the private sector like the federation of Palestinian chambers, the federation of industries, etc. and employ in their relative organizations and projects two-thirds of the salaried workers in Palestine, and participate in all trilateral commissions.

C. Labor Unions: they represent the second end of the production process, they lead the salaried workers in the non-governmental sector, and they participate in all trilateral commissions.

D. The PFESP: a committee founded by the three production parties, and headed by the Minister of Labor, and it executes the national employment policies.

E. The cooperative work committee: a committee in charge of encouraging, regulating, and developing cooperative work in Palestine.

F. Civil Society Organizations Related to the Labor Market: including organizations concerned with children, labor rights, women's rights, and universities.

G. Relative International and Regional Organizations and Agencies: including the international and Arab labor organizations, UNRWA, and the credit or funding organizations.

The roles of partners in this sector are as follows:

1. Making policies and developmental interventions to encourage the labor market.
2. Monitor the labor and workers' affairs in Palestine based on the legal framework in harmony with Arab and international agreements and recommendations.
3. Preserve the interests of Palestinian workers abroad
4. Organize the Palestinian labor market and enforce proper and relative regulations.
5. Institutionalize social dialogue as the only tool able to solve problems and enhance social cohesion in all social, political, and economic aspects.
6. Develop and enhance cooperation and coordination with international and regional organizations especially the Arab and international labor organizations, and regulate the relations with other supporting organizations.
7. Deliver different services for the labor force (workers and employers) in the best possible way.

8. Supply the labor market with its needs of a professional and trained labor force.
9. Enhance the role of the PFESP and the CWA in development and employment creation.
10. Develop a national system for social security.

4.2 Current Situation Analysis and Description of the Sector

4.2.1 The Labor Sector and Economic Context

When looking at the historical development of the Palestinian labor market, one can notice structural changes imposed by the political conditions under the British mandate, the Jordanian law, and the Israeli Occupation which have obstructed the healthy development of the labor sector. Since its foundation in 1994, the Palestinian Authority has managed a poorly organized and largely fragmented labor market. The efforts spent in dealing with this weakly developed labor market still pose a big challenge. The chronic increase in unemployment rates leads the laborers into working in Israel and Israeli settlements leaving a large effect upon the Palestinian labor market.

The economy in the Palestinian territories largely depends on the Israeli market and international donors. A study commissioned by the World Bank estimated that the Palestinian economy is annually losing 3.4 billion US Dollars because Palestinians cannot develop their economic potentials in areas controlled by Israel (Area C) in the West Bank (WB). After years of strong growth in industries and construction, the economy collapsed in 2013. According to the World Bank, the gross domestic product (GDP) decreased by 4.3 percent in 2013, and by 1.1 percent in 2014. The GDP has not grown healthily ever since except once in 2015 with a percentage of 12.4%.

Due to the unorganized fluctuations, unemployment and poverty have risen – especially among children and youth under the age of 24 who constitute 62 percent of the population, and also among women and people with disabilities. The expenditures paid by the Palestinian Authority and funded by donors still constitute the main drive for growth, and the situation of the state budget is still problematic.

According to the revised standards of the ILO, unemployment rates have decreased from 24.6% in the third quarter of 2019 to 24.0% in the fourth quarter of 2019. In the GS, unemployment rates have decreased from 45.1% in the third quarter of 2019 to 42.7% in the same year. In the WB, unemployment rates have risen from 13.3% in the third quarter of 2019 to 13.7% in the fourth quarter of the same year. Unemployment rates among men are around 20.6% compared to 38.0% among women.

What distinguishes the Palestinian labor market is the majority of its youth inhabitants, but the low rates of their participation in the labor force. This is clearly reflected in the rates of unemployment among youth; the rate of unemployment among people aged 20 to 24 is around 41.5%, while in the GS the rates are around 69.3%. Unemployment rates among women with 13 years of education experience are especially high and reaches 44.0%.

According to the revised standards of the ILO announced in the nineteenth International Conference of Labour Statisticians (ICLS-19th), employment rates in Palestine have reached 44.4% (46.2% in the WB, and 41.4% in the GS), and the employment of women is around 17.6% compared to men around 70.4%.

Another main characteristic of the Palestinian labor market is its geographical and administrative division between the WB, the GS, and Israel. This division imposes major constraints on growth due to major differences in the demand for labor and the wage levels. The average daily wage in the third quarter of 2019, excluding the wages of workers in Israel and Israeli settlements, is around 99.7 ILS (118.1 ILS in the WB, and 62.6 ILS in the GS).

The average wages of Palestinian workers in Israel or Israeli settlements was around 245.8 ILS in the fourth quarter of 2019. In the third quarter of 2019, the number of workers in Israel has decreased from 119,000 to 111,400 in the fourth quarter of the same year. On the other hand, the number of workers in Israeli settlements in the WB has increased from 22,000 individuals in the third quarter of 2019 to 23,500 individuals in the fourth quarter of the same year, and 65% are working in the construction sector.

On the first of January 2013 the minimum wage law came into effect and was set at 1,450 ILS monthly. But according to the PCBS, in the fourth quarter of 2019 about 31% of Palestinian workers in the private sector (9% in the WB and 80% in the GS) were paid less than the minimum wage.

Also, and in the fourth quarter of 2019, 3% of Palestinian children aged (10-17) (5% in the WB and 1% in the GS) were employed in the labor market.

The structure of the Palestine economy is divided into the following sectors: services, construction, wholesale and retail trade, mining and manufacturing, public administration and security, transport, storage and communications, agriculture, foresting, and fishing.

The service sector offers the most employment opportunities which constitute around 35.7% of employed workers in the fourth quarter of 2019. The trade sector suffers from the Israeli control on the movement of services and goods, which in turn also weakens the export capacity midst the weakly developed manufacturing base, the shortage in natural resources, relatively high wages, and the Israeli blockade and restrictions. The second large employing sector is public administration and security, and in the second quarter of 2019 about 20.5% of workers were employed (15.0% in the WB, and 36.8% in the GS). General administration is the largest employing sector in the GS and has the highest share of the GDP there.

The trade sector is suffering from the Israeli control on the movement of goods and services, weak exporting capacity due to a weak manufacturing base, shortage in natural resources, relatively high wages, and the Israeli restrictions

and blockade. Most companies in Palestine are considered small companies employing four employees per company (90% or more). Less than 1% of the companies employ more than 20 employees. The important sectors are the marble and limestone industry, the ceramic and glass industry, the pharmaceutical industry, the clothing and textile sector, and the food industry.
The Palestinian agriculture is suffering, among other things, of water shortage, deterioration in the quality of water, limited access to land, restrictions on marketing their produce, the confiscation of land and water resources by Israeli authorities, water resources allocation, and the destruction and burning of olive trees, grape vines, and fields by Israeli settlers. In the GS, access to half the cultivable fields and large parts of the fisheries is denied.
The above-mentioned description of the Palestinian economy and labor market indicates the need for action to solve the challenges in a comprehensive and dual approach; on the level of national policy with the participation of all stakeholders in the labor sector on the one hand, and improving the economic situation through linking it to sustainable growth in the private sector on the other hand.

4.2.2 Labor Force, Unemployment, and Employment Services

Labor Force Participation

The statistics of the PCBS indicate that the participation of females in the labor force has risen in the past two decades despite it being very low compared to the participation of males. The statistics of 2019 show that 7 out of 10 males are participating in the labor force compared to 2 out of 10 females, while in the year 2000 these rates were 69.5% for males and only 12.9% for females.
There is a difference in the increased rates of female participation between the GS and the WB, and in the GS it is slightly higher marking 19% compared to 17% in the WB.

The overall number of entrants to the labor market in 2019 has reached approximately 61 thousand people; 32 thousand in the WB and 29 thousand in the GS.

The ILO (2018) indicates that the labor force participation rate in Palestine is relatively low compared to neighboring countries and that the participation of females in the labor force is one of the lowest internationally. The gap between the participation rates of males and females has noticeably decreased in the past years especially in the GS as a result of women's attempts to compensate for the lost income of men by participating in the labor market. There are many structural obstacles in demand and supply keeping women from joining the formal labor force. Concerning demand, there exists an absence of preferential policies to support the employment of females, a poor industrial sector, high unemployment rates among males, and cultural and social orientations discouraging females to work outside the framework of the house and close community, or in a mixed work environment and in jobs deemed untraditional. Regarding supply, obstacles involve a poor health care system and a traditional gendered division of labor that pressures women with additional reasons to stay out of the labor force.

Moreover, there is noticeably a low participation of youth in the labor force, and this threatens the future employment and productivity of the Palestinian labor force, and thus impedes development opportunities. The PCBS data of the last quarter of 2019 indicate that the participation rates in the labor force for the age category of 15-19 reached 16.7% (32% males and 0.7% females) compared to the common average of 44.4%. And the participation rate of the age group 15-29 (youth) only reached 39.7%.

Workers

The number of workers in the local market has risen from 827 thousand in 2018 to 877 thousand in 2019. The number has increased by 8% in the WB, and 3% in the GS for the same period.

The service sector and other branches (like education and health) constitute the most absorbing sectors for workers in the local market. The percentage of workers in this sector represents two-thirds of the WB labor force and half the labor force in the GS. This sector also readily absorbs a high percentage of females, and statistics show that the percentage of working women in this sector for the last quarter of 2019 reached 73.5% (66.8% in the WB and 90.8% in the GS).

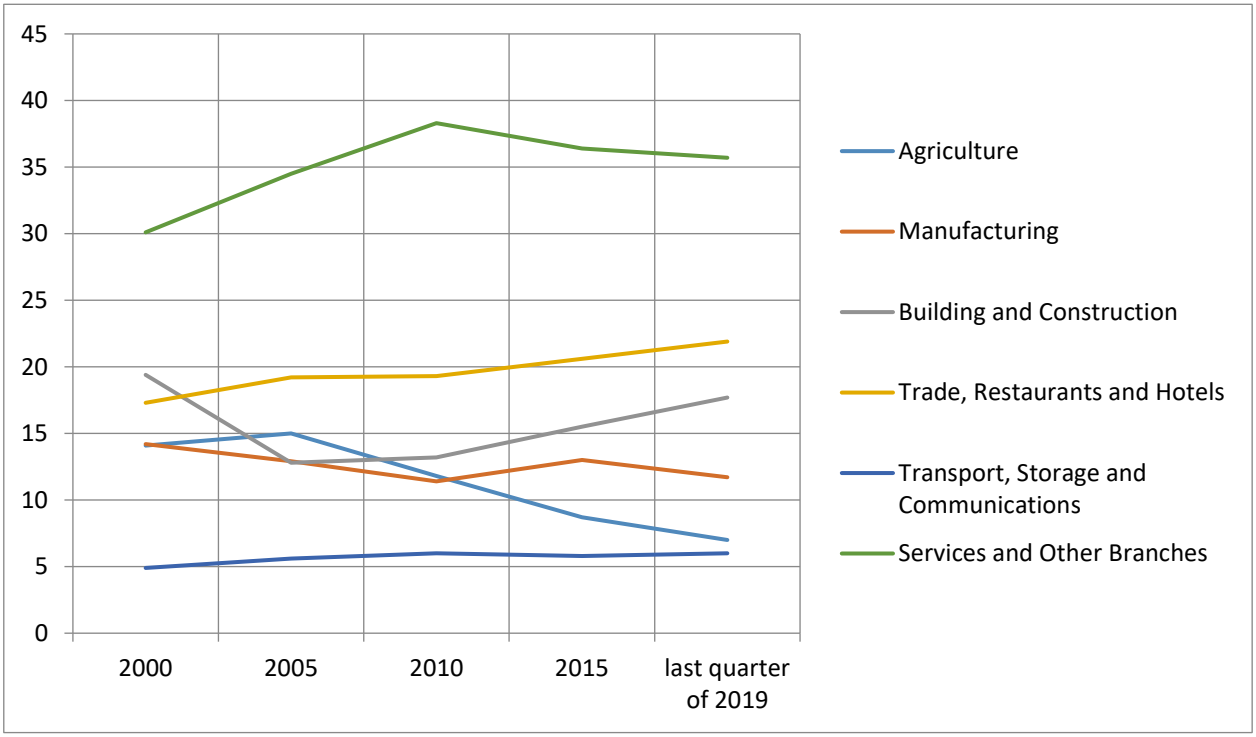


Figure 1: Percentage distribution of workers in Palestine aged 15 and above according to the economic activity

The statistics in 2019 have also shown that 71% of the workers in this sector are salaried workers, 25% are self-employed and employers, while 4% are unpaid family members. The following table clarifies the percentage distribution of workers according to employment status and region:

Employment Status	WB	GS	Palestine
Employers	7.8	3.0	6.5
Self Employed	19.8	14.1	18.3

Waged Employee	67.9	81.2	71.5
Unpaid Family Member	4.5	1.7	3.7
Total	100.0	100.0	100.0

Source: The Labor Force Survey Results for the fourth Quarter, 2019

It is worth noticing that the percentage of male employers is 3 times greater than the percentage of females (7.2% males compared to 2.5% females) and this also applies to unpaid family members (2.8% males compared to 9.3% females) according to the statistics of the last quarter of 2019.

Statistics also indicate the number of workers working in Israel and in settlements in the year 2019, which is approximately 133 thousand workers, 71% of which are permit holders, 20% have no permits, and 9% are holders of Israeli IDs or passports. The number of workers working in Israeli settlements for the year 2019 was approximately 23 thousand workers compared to 22 thousand in 2018.

The construction sector absorbs the highest percentage of workers in Israel and Israeli settlements constituting up to 64% of the overall Palestinian labor in Israel and the Israeli settlements.

It is worth mentioning that 87.1% of Palestinian laborers work in the Palestinian territories, which means that the percentage of Palestinian workers in Israel and Israeli Settlements is approximately 12.9% according to the PCBS statistics for the last quarter of 2019.

The percentage of workers working in Israel or Israeli Settlements has noticeably risen in the past few years; whereas it was around 13% in 2017, it has risen to 13.3% in 2018, and 13.8% in the third quarter of 2019. The Israeli side has markedly conducted campaigns to remove security bans on Palestinian citizens due to an increased demand for Palestinian labor in construction projects for the benefit of the Israeli labor market. The number of given permits in 2012 was 27 thousand legal permits and has risen to 85 thousand legal permits by the end of 2019. People aged 55 and above were even allowed to pass

without getting a legal work permit, and this explains the decreased rates of unemployment in the Palestinian Territories.

Unemployment

The rate of unemployment among the labor force (aged 15 and above) has reached around 25% in the year 2019, while the overall underutilization of labor reached 33% according to the revised ILO standards (ICLS-19th).

The number of the unemployed, aged 15 and above, has reached 343,800 in 2019; 215,100 in the GS and 128,700 in the WB. There is still a big difference in the rate of unemployment between the WB and the GS, and the rate in the GS has reached 45% compared to 15% in the WB. Regarding gender, unemployment rates among females is around 41% compared to 21% among males in Palestine. The overall underutilization of labor is around 487,400 people, and this number includes 73,100 frustrated people searching for a job and 20,500 people in time-related underemployment.

The governorate of Bethlehem has marked the highest unemployment rates in the WB reaching 23% followed by Jenin marking 22%. On the other hand the governorates of Qalqilya and Jerusalem marked the lowest unemployment rate around 7% each, but Deir al-Balah Governorate marked the highest in the GS reaching up to 52% followed by Khan Younis 49%, and the lowest unemployment rate in the GS was around 41%.

Youth holding an intermediate diploma or above are the most at risk of suffering from unemployment, and statistics have shown that unemployment rates among youth graduates with intermediate diploma qualifications or higher aged (19-29) reached 52%; 68% among females, and 35% among males.

The rates of unemployment in Palestine has been rising since the year 2000 starting with the break of the Al-Aqsa Intifada marking 14.3% and reaching 30.8% in the year 2018; 52% in the GS and 17.6% in the WB, and 51.2% among females compared to 25% among males.

The revised rate of unemployment in the year 2019, and until the third quarter, had decreased to 25.8% compared to 26.2% in the year 2018, where the rate reached 45.1% in the GS compared to 13.3% in the WB, while the unemployment rate among males reached 20.3% compared to 42.3% among females.

The age group 20-24 has marked the highest rate of unemployment reaching up to 40.4% in the third quarter of 2019, and this age group involves university graduates. Noticeably, unemployment rates among females with 13 years of education or above reached 48.4%, and the gap between males and females in the rates of labor force participation is still big marking 70.3% among males compared to 17.4% among females.

Unemployment is affected by population growth which in turn affects the growth of the labor force. Due to the important effect that demographics and fertility rates have on the volume of the labor force, there is a noticeable increase in 2017 and the end of 2019. The increase in the previously mentioned past three years reached 5.4%, which means an average annual raise of about 2.5%. In contrast, the percentage of the working-age population has risen by 1.3% and the percentage of individuals outside the working force has decreased to 3.8%. This indicates an increase in the dependency ratio in the Palestinian society in general and the Palestinian family in particular. See table below:

	Census 2017	End of 2019	Growth rate	Population growth rate
Population	4780978	5039000	5.4	2.5
All persons in the working age (15 years and above) in the third quarter 2019	3036100	3075300	1.3	
Labor force in the third quarter 2019	1413000	1359400	3.8-	

Source: PCBS, Labor Force Survey

The demographic factor will continue to play a significant role as a determining factor in the labor market for the coming years. The results of a study titled "Population Growth in Palestine and its Effects on Social and Economic Sectors" predicts that the Palestinian population in the year 2050 will duplicate to reach 10 million. It is expected to witness a rise in the number of individuals in the working-age who were around 2.83 million in the year 2015 to reach 7 million in 2050; an approximate multiplication of 2.5 in the coming 35 years.
And as an inevitable result of increasing fertility rates, 40% of the overall population fell in the age group (0-14) by the end of 2019, meaning a definite rise in the percentage of youth during the period of this strategy, and an increase in the number of newcomers to the labor market year after year. In this context, the research mentioned earlier estimates the annual average number of individuals able to join the labor market in the period (2015-2020) to be 102 thousand individuals, while the annual average number of individuals exiting the labor market will reach 19 thousand. This means that we will have to create 83 thousand job opportunities annually to keep the current rate of unemployment as it is, in case all this group joined the labor force. But, and as a result of large numbers of people (mainly females, marginalized communities, and those out of work, education or training) remaining out of the labor force, the overall employment opportunities needed to maintain the current number of unemployment during the period of this strategy is about 60 thousand employment opportunities annually.

The Unregulated\Informal Labor Sector

According to the ILO (2018), scant information is available about the unregulated economy in Palestine, but it is confirmed that a significant portion of the Palestinian economy, labor market and working environment is unregulated\informal. Despite being hard to assess the size of this sector, the

World Bank (2013) estimates a number of 140,000 laborers working in informal units\facilities around the WB and the GS (excluding East Jerusalem). Considering the fact that the majority of informal enterprises and companies are very small and can absorb up to one or two individuals, according to the European Training Foundation (ETF 2013), it can thus be said that around 100,000 informal labor units work in a very small labor environment.

This should not be misinterpreted to represent the unregulated\informal labor force which is estimated to be much larger regarding the existence of informal labor inside the formal labor sector. In this regard, and according to Al-Kafri (2012), an estimated 59% of the informal labor (approximately 205,000 employment opportunities) exist inside registered facilities.

The local trade sector is the largest employing sector of unregulated labor, followed by the industry sector, then services. Most workers in the unregulated labor sector are males (59%) (ETF 2013).

Cooperatives and Employment

The contribution of cooperatives to social and economic development is still limited, specifically in employment. The number of cooperatives is also limited and does not exceed 670 cooperatives around the WB. More than half of the cooperatives are currently not operating, and their employment capacity is around 530 wage workers. Moreover, the cooperatives are traditional in their geographic distribution and in their mandate be they agricultural, housing or consumer cooperatives. Partners should work on expanding the quality and quantity of cooperative work in harmony with cluster development.

Employment Services

All over the world, effective public employment services play an immense role in enhancing the economy, these services represent the most important and effective tools in fighting unemployment. These services assist in planning

diverse active labor market policies that help workers seeking employment to find jobs, and help companies fill their vacancies.

Many countries have intensified their efforts in the past decade to develop policies, strategies, organizations and employment service tools to support youth in vocational guidance, preparation, and job matching, and have thus succeeded in varying degrees. This is also the case in Palestine where the MoL and the Ministry of Education and Higher Education along with the Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA), and the CWA, were funded by international bodies (the German Development Agency (GIZ), the Belgian Development Agency (Enabel), the Italian Agency for Development Cooperation (AICS), and the ILO) and supported by a number of national and international non-governmental organizations to successfully create effective employment services.

The employment services are primarily administered by the MoL, PFESP, FPCCIA, the Ministry of Education, and the Ministry of Higher Education. On the local level, it is comprised of employment offices, trade and industry chambers, Palestinian universities, some Palestinian non-governmental organizations with strong ties to the labor market and employer needs, and private institutions that provide services that match between the supply and demand.

In addition, the PFESP is considered part of the governance of the system and it actively contributes to the labor market. The PFESP also contributes in meeting the need for vacancies, supports entrepreneurship, and the creation of micro establishments.

The MoL owns 15 employment offices around the WB. As a primary stakeholder in employment services, the MoL enhances employment and links jobseekers with employers. It is expected that the employment offices will play an important role in the local labor market, and enhance the employment of persons in decent work. It is worth noting that most MoL employment offices

were transformed into one-stop shops; meeting points that have all the needed services for seekers in one place.

Four "employment corners" were designed in chambers of commerce (Ramallah, Hebron, Nablus, and Salfit) as prototypes that provide high quality employment services and effective matching skills. These corners provide sustainable work opportunities and training for vocational and technical skills.

Under the umbrella of the Ministry of Higher Education, universities also actively participate in the successful employment of graduates in the labor market. In 2013, vocational and occupational guidance units in eleven universities all over the WB were created under a memorandum of understanding signed by the MoL and the Ministry of Education and Higher Education. These units support the integration of university graduates in the labor market through effective networking with employers, and through providing the services that meet the needs of these graduates.

The quality of labor market services, and the efficiency of the above mentioned stakeholders represent the main factors affecting the jobseekers and their employment possibilities. In 2019, employment offices in the different governorates provided career counseling for 17,800 jobseekers, 57% of which were females. Moreover, 928 university students benefitted from the services provided by the employment office and the vocational units in the universities. Regarding the effects of employment, employment offices integrated 717 jobseekers in the labor market, in addition to 34 jobseekers with disabilities.

In the same year, the employment corners have prepared and supported over 650 jobseekers in different areas to enter the labor market, and 65% were successfully employed. Also, some contribution was provided to founding 12 new companies as a result of self-employment consultations provided for women.

The employment services target jobseekers, graduates, the unemployed, school drop-outs, non-working persons, persons outside the educational or training framework, and women. Employment services also involve and engage

employers, bodies offering career counseling for jobseekers, employees, employment, self-employment counseling and guidance services for micro establishments, and extended services, etc.

However, employment services are facing many challenges:

- The dire economic situation has led to a big gap between supply and demand.
- The quality and sustainability of the available employment programs: most employment programs in Palestine are solely dependent on grants from donor countries.
- The employment services especially lack the visibility of the active labor market services funded by national and donor bodies regarding the coherence of goals, content, budget, outputs, and indicators.
- The lack of structures and effective procedures to monitor and evaluate the labor market.
- Limited planning and outcome achieving capacity: in many cases, there exists a lack of sufficient planning and administrative capacities, and effective execution of programs and interventions related to the labor market. This limits the possibility of achieving the targets of the employment program.
- A limited capability to reach a sufficient number of beneficiaries, especially the most marginalized: despite the important contributions to the programs and interventions of the labor market in enhancing the skills according to market needs, the structural issues facing the Palestinian labor market and its limited capacity to absorb large numbers of workers annually makes these contributions marginal in decreasing unemployment rates.

4.2.3 Supplying the Needs of the Labor Market with a Trained and Competent Labor Force

Vocational Education, Rehabilitation and Training

TVET plays a main role in meeting the needs of the labor market with trained and competent labor force, and it thus forms an important axis in the labor market in general.

Training Objectives, Primary Program Providers and the Size of the System

Objectives:

TVET aims at achieving a group of objectives on the community level and the level of individuals enrolled in the system. Some of the most significant objectives are:

- Supplying the community with professionally trained labor force and competent technical persons capable of contributing to the development and maintenance of infrastructures, and the sectors of industry, agriculture, and services.
- Keeping pace with new scientific and technological developments and monitor their effects on the different economic sectors to manage their effects on the labor market.
- Coping with changes happening in the labor market as a result of the fluctuating economic situation, through special training programs and continuous education programs that increase the possibilities of permanent employment.
- Providing the individuals with the knowledge and skills they require for their vocational specialization according to the accepted standards of the

labor market, and to the extent that it fulfills the individual with the needed flexibility in the ever changing labor market.

- Preparing the individuals to deal with contemporary technology, and develop their readiness to constantly learn and develop.
- Preparing individuals aware of the labor market and its fluctuations.

Primary Providers of Training Programs:

Three different ministries are responsible for developing, organizing and monitoring the system. Vocational training is the responsibility of the MoL, vocational education is the responsibility of the Ministry of Education, and technical education is the responsibility of the Ministry of Higher Education. Technical education provided in technical schools and technical universities is considered official education, while the technical education provided by training centers and other bodies is considered semi-official. TVET programs are provided by several national and international public, community and private institutions, and these include the MoL, the Ministry of Education, the Ministry of Higher Education, the Ministry of Social Development, the UNRWA, charitable and religious organizations, local and international non-governmental organizations, and the private sector.

The Size of the System:

Statistics indicate the existence of hundreds of operating TVET institutions in Palestine offering some sort of education or training on several levels. Around 13,000 students graduate annually from the 160 technical and vocational centers and schools.

	Institution type	Administration	Number		Approximate number of annual graduates	
	Vocational training center	MoL*	14	127	2,200	+ 8,700
		UNRWA	3		+500	
		Community and Private institutions*	111		6,000	
	Vocational School**	Ministry of Education \ vocational	17	30	1,360	4,500
		Community and Private vocational institutions	4			
		Ministry of Education \ commercial	9		3,129	
	Total			157		+13،200

*Source: MoL 2019 **Source: Statistical Yearbook (2017/2018), Ministry of Education 2018

Beside the abovementioned vocational training centers and schools working under the supervision of the MoL and the Ministry of Education, there exists 35 intermediate colleges[1] and universities providing technical education, and there are 16 vocational training centers managed by the Ministry of Social Development in the WB and GS, and more than 200 cultural centers authorized by the Ministry of Education[2].

Nonetheless, the system is still considered small compared to any other country. The total number of students enrolled in vocational specializations[3] (10,235) represents only 4.4% of the total students in high schools (231,155) for the year 2018. This is relatively a low percentage taking into consideration that this

[1] وزارة التعليم العالي والبحث العلمي (2019). الدليل الإحصائي السنوي 2019/2018 لمؤسسات التعليم العالي الفلسطينية رام الله، فلسطين.
[2] ILO, 2018. The Occupied Palestinian Territories – An Employment Diagnostic Study.
[3] وزارة التربية والتعليم العالي، 2018. الكتاب الاحصائي التربوي السنوي للعام الدراسي 2018/2017. رام الله – فلسطين.

percentage includes the students enrolled in commerce\business specializations, and in many countries it ranges between 30-50%.

Despite the inferiority of TVET compared to academic training in the eyes of the community, there is an increase in the admissions in the TVET system, and this increasing demand is difficult to cover regarding the modest size of the system. For example, the numbers of admissions in vocational training in MoL affiliated training centers for the academic year 2018\2019 was 4,103 students, while the absorptive capacity of these ten centers was 1,948 students only.

Regarding vocational training, there was an increase in the number of training centers from 54 centers[4] (8 public, 46 private and communal) ten years ago in 2011, to 121 centers (10 public and 111 private and communal) in 2019, which constitutes a 124% raise. As for the number of graduates, the number rose from 1,547 graduate for the academic year 2015/2016 to 2,209 graduates for the academic year 2018/2019. Obviously, the expansion of the size of the system was not adequate enough to absorb the increasing demand to enroll in such centers.

Another example about the great expansion in the size of the system is the opening of several branches in the commerce \business departments in the Ministry of Education. The number of students in these specializations was around 6,888 students in 2018, and the percentage of new admissions (eleventh graders) in vocational education compared to academic education has risen to reach 3.0% in 2018 compared to 2.4% in the year before. Moreover, the percentage of students enrolled in vocational specializations from the overall number of high school students was about 4.4% for the year 2018 as mentioned before, compared to 2.2%[5] for the year 2016.

If we observe the numbers from a gendered perspective, one can see that only 1% of females in high schools are enrolled in vocational education compared to 5.6% of males. Regarding vocational training, the statistics of the MoL indicate

[4] World Bank, 2013. SABER Country Report. Palestinian Territories – Workforce Development.

[5] European Training Foundation, 2019. Palestine: Education, Training, and Employment Developments 2018.

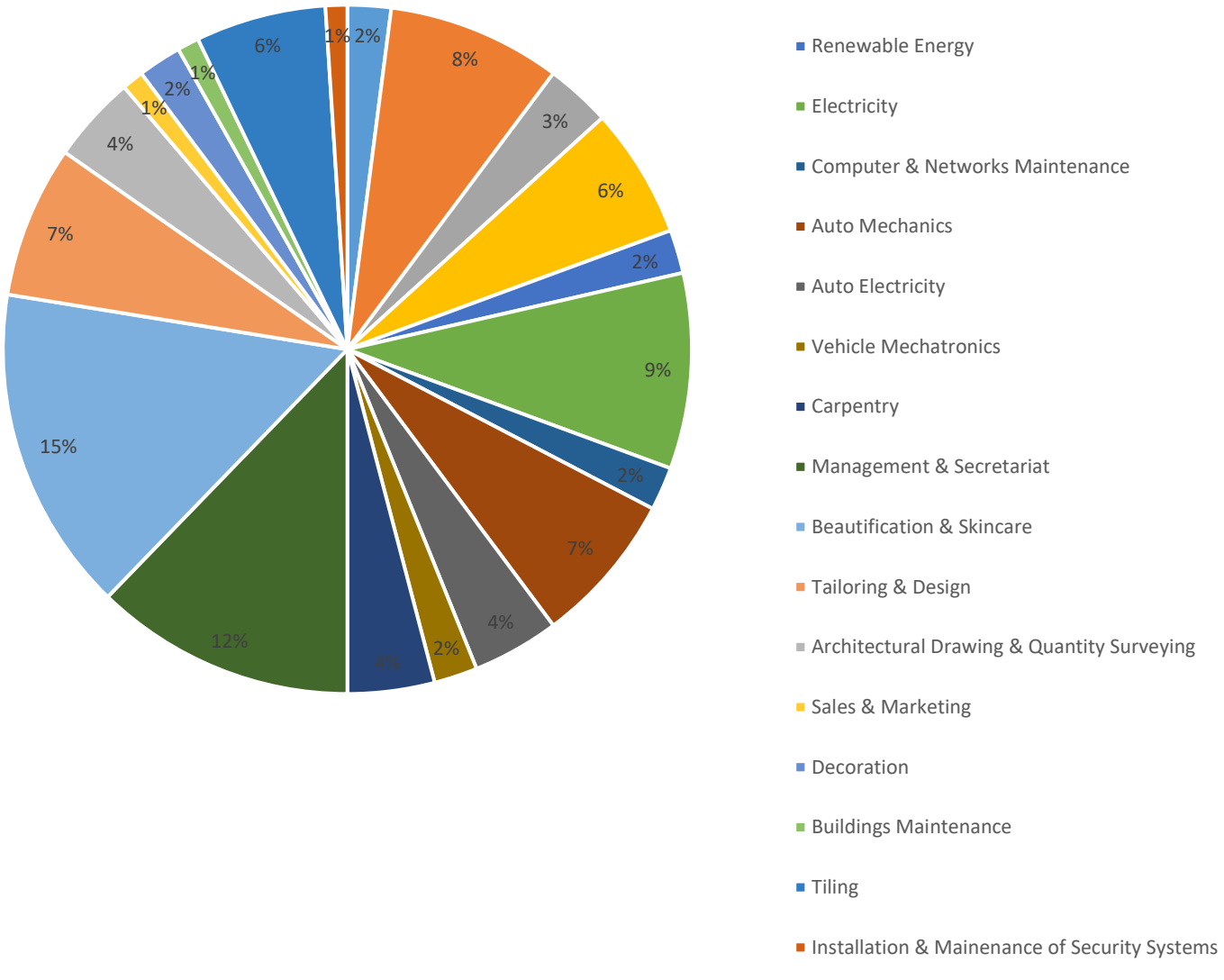
that females constitute 34% of the number of students enrolled in vocational training, which indicates a big increase compared to previous years as shown in the table below.

Number of Graduates						
	Training Year	Morning	Evening	Total Number of Graduate	Males	Females
1	2015\2016	1311	236	1547	77%	23%
2	2016\2017	1557	312	1869	74.5%	25.5%
3	2017\2018	1339	758	2097	60.5%	39.5%
4	2018\2019	1551	658	2209	65.7%	34.2%

But despite the immense efforts spent to introduce new specializations that can absorb females, the largest percentage of females enrolled in the system, with some exceptions, are still focused in a few traditional professions. For example, females are almost wholly focused on 3 main professions\specializations in the vocational training centers; secretariat services and office automation, beautification and skin care, and tailoring and design. And to lesser degrees architectural design, quantitative accounting and sales and marketing.

Additional efforts should be oriented towards improving the participation of women in unconventional specializations especially through raising the awareness of qualified women, employers, and the society.

Distribution of Graduates from Public Vocational Training Centers



Quality and Relevance of Programs to Labor Market Needs

Quality mainly depends on the training process inputs from trainers, facilities and curriculums. It also depends on the standards and systems of quality control and improvement that are in line with international standards.

Developing the Training Staff:

Investment in the training and administrative staff working in the TVET institutions is ongoing, because the trainer is the key to qualitative training. Within this framework, hundreds of trainers and administrative staff were trained through cooperation programs supported and funded by the European Union and the GIZ in technical, educational and administrative specializations. Despite the training, there still exist challenges in the possibility to appoint new staff for newly ascribed specializations in the vocational training centers, and there is a limited capacity to employ new technicians from industries to train in the TVET institutions in part-time jobs.

Facilities:

In addition to building many vocational training centers and schools funded by donor countries, we were able in the past three years to develop and improve tens of workshops equipped with the latest tools and machines in all training institutions around the WB and GS through a project funded by the European Union.

Regulations and Standards:

In the past years, 5S quality regulations were applied in many training institutions. With the cooperation of GIZ, work on developing standardized mechanisms (standard processes) for the components of the main training process was put forth, especially concerning the most important of all components; developing the curriculums. Comprehensive curriculums for more

than 45 professions and occupations were developed, 18 of which were curriculums of training programs offered in the vocational training centers under the MoL administration. This process depended on the full participation of the labor market in specifying the skills required and translating them into educational\training approaches and then into training units.

Despite the progress in developing the National Qualifications Framework (NQF) in terms of professional standards and occupation classification, the development process was not completed and the outcomes were not completely delivered or adopted. The absence of clear regulations and standards in the training centers, especially the public centers, keeps the centers and institutions from properly knowing how to close programs or create new training programs, or provide public services like maintenance or production, and knowing the best way to manage the income for the benefit of the training institution.

Moving on from quality to the relevance of training\education to the needs of the labor market, hard work was put in increasing the relevance through insuring a large and effective participation of employers in specifying the needs and priorities of training and developing the training process. The relevance of training to the labor market increased with the large expansion in providing Continuous Vocational Education and Training (CVET) which is designed and executed to suit and rapidly correspond to specific training needs in the labor market. The relevance to the labor market also increased through the foundation and execution of an effective participatory monitoring system that can measure training outcomes and impacts. The percentage[6] of graduates who have successfully transitioned to the labor market, which is around 70% and is relatively a high percentage regarding the general economic situation of the labor market under unfair occupation influences, is a proof of the success of relevance.

[6] European Joint Strategy in support of Palestine 2017-2020 (EJS). Annual Report - Result Oriented Framework for Palestine, 2018.

Participation of Employers and Industries:

The participation of employers and industries has a key role in ensuring the coherence of the training programs with the ever-changing market needs. The past years have witnessed a large participation of employers through umbrella institutions like the FPCCIA, and the Palestinian Federation of Industries (PFI), or through the small and large companies and enterprises on the individual level. The increase was not only in size, but also in shape and organization, and all introductions of new programs (tens of new specializations were introduced in the past years in all TVET institutions through the European Union) or amendments in existing programs were done with the participation of the industry, as well as for the selection and development of training curriculums as will be explained later on. Recently, the chambers of commerce opened training centers under their administration like the one in the Toubas Governorate.

Cooperative Training Modalities:

As the role of industry is not only limited to specifying the needs and priorities of training and curriculum development, the cooperative model in training execution has become the norm in most programs. The Apprenticeships and Work Based Learning Programs are expanding, and 83 initiatives[7] were supported by Enabel to integrate work based learning in the WB and the GS. Cooperation agreements were signed between 44 TVET institutions with more than 200 companies and enterprises to implement training programs based on market needs. Even traditional programs involve a training period in industries, although work is needed in this field to further expand. Statistics[8] in 2018 show that only 22.8% of vocational education students were following the work based learning model in 2016.

[7] European Training Foundation, 2019. Palestine: Education, Training, and Employment Developments 2018.
[8] General Directorate of Educational Planning, Ministry of Education and Higher Education, monitoring and evaluation system for the third Education Development Strategic Plan (EDSP III 2014–2019), Annual report 2016.

Continuous Vocational Education and Training (CVET):

The past years have witnessed a large expansion in designing and executing CVET. CVET is known as an education or training that is provided after primary education\training or after the entrance into working life. It aims at helping persons to improve or update their knowledge and\or skills, or acquire new skills for career transitions or retraining, or for the purposes of continuing personal and professional development. This kind of training is of great importance for individuals to help them in employment, readability to change, career transitions, and lifelong training. It is also important for economic enterprises to update the knowledge, skills, and competitive capacities of staff. And finally, it is important for the community and the economy because it supports the socially just and equitable smart growth.

This training model in Palestine was previously confined to higher education, and was provided by continuous learning departments in community and private colleges and universities, and through ministries and companies. In many cases it targeted school drop-outs, working individuals, and the marginalized. It was also marked by double standards and the lack of a comprehensive strategy, and it served around 2.5% of the annual labor force, which is a relatively low percentage compared to European Union countries where it ranges between 10-15%.

In the past three years, and through the European Union program in partnership with GIZ, more than one hundred training packages were executed targeting youth working in companies and factories who are subject to losing their jobs \ unemployment, and targeted current and promising entrepreneurs. Additionally, a great number of training packages were implemented with unemployed youth funded by the Belgian and German governments. It is worth mentioning that this training model was institutionalized in the training system; for example, 30 CVET programs were integrated (morning and evening courses) in the vocational training system.

Monitoring and Evaluation System:

There is still an absence of a national mechanism to regularly specify labor market needs. Despite this fact, the European Training Foundation (ETF) and in cooperation with Enabel and GIZ have supported the sector by developing the National Monitoring and Evaluation System, and in 2017 a monitoring framework was completed and ratified involving a list of indicators to be monitored regularly. The TVET League was funded in 2018 to implement a full monitoring and evaluation course (data collection, data entry, analysis, and informing policymakers).

But again, there is a lack of monitoring and evaluation for a system that can provide financial incentives for training institutions whose graduates succeed in finding appropriate job opportunities in higher rates than other institutions.

System Institutionalization and Governance

Strategies:

The Palestinian National TVET Strategy\Plan was developed and adopted in 1998. Its aim was to create an effective, efficient and flexible Palestinian TVET system that is closely linked to the labor market needs, open to everyone, equitable, self-sustained, and able to fulfill its obligations towards the Palestinian society. The strategy was revised, developed and adopted for the second time in November 2019. This strategy remains in force to this day, and despite jurisprudences and changes, this strategy is still unanimously considered the most suitable for our current situation, and most of its components are being implemented.

It must be noted that the governmental support of TVET was and still is immense despite the inability to execute large parts of the national strategy properly. But many organizations, as well as Arab and foreign countries are supporting this sector and providing it with much cooperation.

Laws:

In the past two years a TVET bill has been drafted. The draft is expected to be finalized and ratified by 2020.

Governing Frameworks:

The national TVET strategy stipulated the need to found the Higher Council for TVET which was later created in 2005. For the purposes of developing the proper plans for the implementation of the national strategy, an executive council was created on the level of particular ministries and representatives of the labor market, and it was suggested to found technical and vocational development centers to act as the technical arm of the system. Despite the many attempts on the course of several years, the higher and executive councils were not able to function as expected for many reasons.

In May 2014, a decree from the council of ministers ordered the creation of the National Committee for TVET to be considered the highest committee responsible for the implementation of the national strategy, but the council of ministers suspended the decree in the same month.

In 2017 a development center was founded to help the Higher Council for TVET to develop, restructure and organize the sector, but the center lacked the sufficient professional staff, and lacked the appropriate funds to fully function.

Work on developing the TVET system did not stop, and in the second half of 2019 a ministerial committee was formed for the advancement of TVET in Palestine, and another technical committee was formed to continue the preparation of a comprehensive strategy for TVET in addition to visualizing a full plan for the formation of a TVET University.

On the local level, the MoL founded employment and training councils in 2013 to promote employment opportunities on professional, participatory and complementary bases through the following:

- Identifying developmental priorities and needs to be regularly circulated

- Promoting networking, communication, and coordination between relevant stakeholders
- Fundraising and mobilizing resources for employment and training programs
- Advocating and influencing employment and training policies and legislations
- Raising awareness and encouraging a supportive culture for employment and training

These councils have played a significant role in the past three years in facilitating the execution of TVET national programs related to labor market needs, including those funded by GIZ and the EU.

In short, despite the immense developments in the TVET system, there is a grave need to work on:

- Increasing the absorptive capacity of the system
- Improving the quality and relativity of the training programs to the labor market needs and empowering the role of labor organizations and the private sector on all levels
- Developing ahead the governance of the system and the legal frameworks regulating it

4.2.4 Enabling Environment

Laws and Legislations

The legal environment involving labor sector laws and legislations is still dispersed, and discrepancies between the WB and the GS still exist. The Israeli Law and collective agreements in Israel govern the work of Palestinian workers in Israel, but the application of these laws and agreements is still under question. In many cases, laborers work without contracts, and in other cases, workers face

difficulties getting their compensations or health care in fear of losing their job because they are either unaware of their rights under Israeli law, or they are working informally. Noticeably, and in 2007, the Supreme Court of Israel ruled the compliance of all Israeli employers to the Israeli labor laws for all workers, but to this day, only a small part of these laws was enforced, namely the minimum wage. There is an evident lack of inspection and monitoring inside Israeli settlements.

- Labor Law:

The Palestinian labor law no. (7) was ratified in 2000, and since then more than 30 sub laws and updates were ratified regarding the minimum wage, foreign work permits, social security, occupational health and security, religious holidays, articles forbidding discrimination, the requirements of first aid training, domestic work and others.

The MoL which employs around 900 employees in its headquarters in Ramallah and all 14 governorates is considered responsible for the enforcement of the labor legislations through the management of work inspection and the development of major policies in employment, Labor relations and the working environment.

In April 2019, during the national conference for the world day for safety and health at work, the Minister of Labor formally announced the issuing of a new law related to the responsibility of employers for the safety and health at work, decree number (3) for the year 2019 regulating the work of safety and health committees and supervisors in establishments. The adoption of such a law is an important advancement in improving the legislative framework to protect the health and security of workers, and at the same time treat the poor application of occupational health and safety standards all around Palestine.

Despite the fact that the labor law and relative legislations have aligned the rights of Palestinian laborers to the international conventions and ILO standards, it had its effect on job security (ETF). For example, the law

negatively affected the employment of women and fresh graduates by including the maternity leave and excluding the end of service benefits from workers employed less than a year. Many establishments are not abiding to the labor law especially regarding the minimum wage rate. Additionally, the law in its current form excludes large sectors of the labor force especially the self-employed, seasonal workers, and unpaid family members, etc. The law does not also cover workers in Israel or Israeli settlements, and is adequately insensitive from a gendered perspective. The notes and standpoints of the three parties have been collected to be phrased into a document, and the first draft is in preparation.

- Social Security Law:

In February 2016, the Palestinian Authority adopted a social security law for workers in the private sector and their families, and the law was signed by president Mahmoud Abbas a month later. The law underwent a series of revisions due to the concerns raised by civil society representatives, and the amended law was signed by Mahmoud Abbas on September 29th, 2016. The legislation provides new benefits; designated allotments for old age, disability, death, and work related injuries. The law also includes motherhood protection insurances to encourage employers to hire more women which will help raise the participation of women in the labor force (UN, 2016).On the other hand, the new law requires the foundation of a social security organization to manage the social security programs provided by the law, and it was expected to receive the first contribution in January 2018, and the system was expected to cover more than 300,000 workers by the year 2025, but the social security law was suspended after a series of demonstrations against its application.

- Union Organizing Law:

A first draft has been prepared, and it is suggested to annex the law into a section of the labor law.

Trilateral Partnership

With the support of the ILO, the trilateral social dialogue lead to tangible achievements especially concerning the minimum wage, the social security law, the improved national occupational health and security policies and program with the related work inspection strategy and plan, and the trilateral methodology to fix the labor law. Nevertheless, the trilateral social dialogue still lacks the institutional and legal framework regulating it, and the role of the government is a major requirement. Moreover, there is a need to further enhance the capacities of partners in order to understand the mutual interests and build the trust between social partners. The trilateral committees of labor affairs should further be empowered and organized to ensure the coherence and relevance of the social and economic policies and thus promote a comprehensive and sustainable development.

- Labor Unions

The ILO is currently supporting the creation of a labor union law to ensure its compliance with their agreements and recommendations. The first draft has been prepared and the suggestion is to include it as a section in the labor law. In the WB there exist 186 local unions that are members of 12 national federations (agriculture and nutrition, textiles, transportation, banks and insurance, leather making and sewing, construction, and public services). In the GS there exist eight unions gathering workers in several sectors: agriculture and nutrition, textiles, transportation, services and trade, mining, construction, carpentry, communications and post offices, and governorate employees. The creation of labor unions and the increase in memberships is an important indicator that should be taken into consideration during dialogue between partners. The number of unions in 2017 was around 536, and it increased to 572 in 2019. The number of federations for the same year has reached 14 while the percentage of enrolled workers in labor unions was around 17.4% (12.4% in the WB and 29.6%

in the GS). The percentage has risen again in 2018 and nearly reached 19.5% while in the third quarter it was around 17.6%.

- Chambers of Commerce, Industry and Agriculture

Currently, there exist 18 chambers of commerce, industry and agriculture in the Occupied Palestinian Territories (13 in the WB and 5 in the GS), including East Jerusalem. These chambers are under the umbrella of the PFCCIA.

- The Palestinian Federation of Industries

The Palestinian Federation of Industries (PFI) constitutes the national organization representing the Palestinian industrial sector through 15 federations of specialized industries (specialized industrial unions for employers). The main goals for the federation, in addition to lobbying for the member unions, are promoting the capacities of member unions to better serve their own members, and enhance the competitiveness of Palestinian industries through providing specialized technical assistance and training, or apprenticeship programs and skill development.

Labor Law and Decent Work Enforcement

Despite the immense efforts and achieved developments in enforcing the law, there are still many workers working in indecent working conditions; working without contracts, wage discrimination, long working hours, and poor labor education.

- Minimum Wage

The number of salaried workers in the private sector paid less than the minimum wage of 1,450 ILS has reached 126,300 workers from both sexes; 88,800 of which were in the GS according to the statistics of 2017. The overall number of these workers decreased to 104,800 in 2018 and reached 104 thousand in the third

quarter of 2019. It is noticeable that workers involved in economic activities like sewing, textiles, kindergartens, and services are mostly women, and this sector is mostly paid less than the minimum wage.

PCBS statistics in 2019 indicate that 48% of salaried employees in the private sector are working without a contract, and only 29% are getting their pension contributions \ end of service benefit, while less than half of the female salaried employees (48%) in the private sector are getting a paid maternity leave. Data also shows that 30% of salaried employees in the private sector are paid less than the minimum wage (1,450 ILS) in Palestine, but there is an evident decrease in the percentage of underpaid salaried employees in the private sector in the WB. While the percentage in the WB was 12% in 2012, it has decreased to 10% in the years 2018 and 2019, but the percentage in the GS for the same period has increased from 72% to 80%.

There is still a large gap in the rates of monthly minimum wages between the WB and the GS. The average salary in the GS is now 660 ILS whereas in the WB it is around 1,038 ILS.

Social Security

- Occupational Safety and Health (OSH):

Work accidents are still a real threat to human resources despite the achieved progress in developing the OSH system by ratifying the supervisor law, establishment of occupational safety committees, increasing the number of work inspectors, and the computerization of labor inspection. These developments were able to decrease the number of fatal work injuries to half by the end of 2019, but the annual number of work-related injuries is estimated to be around 9 thousand injuries.

The General Directorate for Labor Inspection and Administration (GDLIA) constitutes the responsible entity for enforcing the law in the MoL. This

involves general inspection visits to workplaces for checking the proper work circumstances, including child labor inspection and the working environment for working children. Supporting the capacity building of the inspection administration (mainly by the ILO) has largely improved the coverage and quality of inspection services, and has led to a promotion of the organizational infrastructure of the inspection processes. But the capacities of the administration are still limited due to a shortage in human and financial resources.

- Child Labor:

The MoL and its partners have been working on ending the phenomenon of child labor and organizing the labor of imprisoned juveniles under the age of 18. Despite the inspection campaigns to workplaces, the phenomenon still exists, and in 2017 the percentage of working children between the ages of 10-17 in Palestine reached 3.4% of the overall number of children. The highest percentage in the WB reached 4.6% and decreased in 2018 to 2.9%, but in the last quarter of 2019, the percentage grew to 3.3% again. In 2019, the difference between the percentage of working children aged (10-17) in the WB and GS was about 3% (4% in the WB and 1% in the GS).

4.2.5 Labor Market Impacts of COVID-19

At the beginning of this year the world faced a new challenge now known as COVID-19 pandemic. The dangerous widespread of the virus lead to unprecedented social, economic and health conditions which have urged governments to take severe measures in many aspects of life to insure the lives and livelihood of its citizens. Companies were forced to close temporarily and production stopped in many sectors affecting millions of workers, small and medium estblishments, and the labor market resulting in increased rates of

unemployment and poverty. In Palestine, the spread of the virus started in March 2020, and the Palestinian government immediately took a series of measures and imposed a state of emergency to contain the pandemic and insure the safety and well-being of Palestinians.

The Present State of the Palestinian Labor Market

The small Palestinian economy is already suffering from the devastating policies imposed by the Occupation rendering it weak and fragile due to land and resource controls, investment bans in Area (C), checkpoint and border controls, movement ban on goods and individuals, imposed closures, and other measures. Labor market indicators published by the PCBS indicates that 96% of establishments are small and micro in size (employing less than 10 workers), and the number of individuals inside the labor force aged 15 and above is around 1,357,000, while the number of unemployed individuals is around 344,000 (approximately 25%). In 2019, the number of employed workers in Palestine was around 1,010,400 distributed as follows:

- Governmental sector: 209,500
- Private sector: 667,600 dispersed geographically into 501,700 in the WB and 165,900 in the GS.
- Workers inside the Green Line: 133,300

Workers are distributed according to employment status as follows:

- 61,600 Employers; 52,000 in the WB and 8,000 in the GS.
- 177,000 self-employed; 140,000 in the WB and 37,000 in the GS.
- 391,000 wage workers; 267,000 in the WB and 115,000 in the GS.
- 39,000 unpaid family members; 34,000 in the WB and 5,000 in the GS.
- 320,000 workers in the unregulated sector; 288,400 are male, and 32,200 are female.

Till this day, the timeline for the spread of the virus has exceeded all expectations, and it is not yet exactly known when the return to normal life will be. Despite the return of some economic activities into operation, the effects of

COVID-19 are largely impacting the operation of most economic activities. Establishments can be distributed according to damage as follows:

1. Unaffected establishments in operation: lockdown measures did not include several economic operations. During March and April, the number of operating establishments was around 42,328 establishments employing around 106,720 workers from both sexes. These operations include food production, communications, banks, bakeries, pharmaceutical companies, supermarkets, etc.
2. Affected establishments despite the gradual and partial operation: most economic operations including services, construction, production, and other activities. This raises the number of establishments and their workers.
3. Temporarily or permanently closed establishments: touristic activities including hotels, touristic offices, and tour guides. But also, activities including halls, clubs, restaurants, public transportation, and private education.

The PCBS labor force survey for the second quarter of 2020 indicated the following:

- A decrease in the number of workers by 121,000 workers in the second quarter of 2020:

  The number of workers decreased from 1,009,900 worker in the first quarter of 2020, to 888,700 workers in the second quarter of 2020, a percentage of 12%. The percentage in the GS decreased by 17% compared to the first quarter, while in the WB it decreased by 10% for the same period. The biggest decrease was among the self-employed (employers and self-employed) whose number decreased by 101,000 workers. Next in line were the wage workers who dropped by 115,300 workers between the first and second quarter of 2020. At the same time, the number of workers who became unpaid family members has increased from 39,000 workers to 133,000 workers for the same period.

- Interrupted employment and absence: during the second quarter of 2020, 30% of workers were absent from their jobs due to the pandemic (a percentage of 29.7%), a number that amounts to 264,100 workers. The educational and service sectors recorded the most absences of 27.9% and 22% respectively, while the agricultural sector witnessed the least absences around 0.06%.
- A decrease in the number of employees in the local market between the first and second quarter of 2020

  The number of workers in the local market decreased from 888,000 workers in the first quarter of 2020 to 793,000 workers in the second quarter of 2020. The number of workers in the GS dropped by 17% and by 8% in the WB for the same period. Most activities witnessed a decrease in the number of workers during the second quarter of 2020. The most affected workers in the local market due to the pandemic were those working in restaurants, hotels, and construction.
- A decrease in the number of workers in Israel and settlements around 26,000 workers between the first and second quarter of 2020

  The number of workers in Israel and the settlements decreased from 120,000 workers in the first quarter of 2020 to 94,000 workers in the second quarter of 2020. This decrease was caused by the COVID-19 containment measures, and the drop was large especially among persons aged 50 and above. The largest decrease was among workers in the construction sector by 20,600 workers between the two quarters, followed by the production and agriculture sectors by 2,700 and 2,000 respectively. In the Israeli settlements, the number of workers dropped from 21,000 in the first quarter of 2020, to 13,000 in the second quarter of 2020, and the daily rate of workers in Israel and the settlements dropped from 265 ILS to 255 ILS.

71% of workers are wage workers compared to 14% of workers whoa re employers or self-employed, while 15 of workers are unpaid family members.

46% of wage workers in the private sector work without a contract, and 37% of workers get a pension contribution\ end of service. On he other hand, more than half of the female wage workers in the private sector (57%) get a paid maternity leave. 34% of wage workers in the private sector get a monthly payment less than the minimum wage (1450 ILS), and the percentage of wage workers paid les than the minimum wage in the WB deceased between the first and second quarter of 2020 from 9% to 8%, but in the GS the percentage increased from 81% to 82% for the same period. The minimum wage in the GS has reached 647 ILS compared to 1,146 ILS.

- A decline in the labor force participation: the COVID-19 quarantine caused persons aged 15 and above to be reluctant towards entering the labor market, and this has negatively affected the rate of participation in the labor force which has dropped to 39% in the second quarter of 2020 compared to 43% in the first quarter of 2020. Data has indicated that this percentage has decreased from 46% to 41% in the WB, and from 39& to 35% in the GS during the same period. The percentage of male participation in the labor force has decreased from 68% in the first quarter of 2020 to 61% in the second quarter of 2020, and the female participation has decreased from 17% to 15% in the same period. This explains the large increase of unemployment rates during the pandemic, and the rate of unemployment among the labor force participation (15 years and above) has reached 27% in the second quarter, while the overall labor shortage was around 30% according to ILO measures (ICLS-19th).
- The number of unemployed persons reached 321,400 in the second quarter of 2020; 203,200 in the GS and 118,200 persons in the WB.

The gap is still large in the unemployment rates between the WB and the GS; 45% in the GS compared to 15% in the WB. Gender wise, unemployment rates among males in Palestine reached 23% compared to 41% among females. The overall labor shortage reached 549,400 persons, including 124,200 frustrated jobseekers and 12,200 persons in temporary underemployment.

The previous indicators suggest that the labor market is largely susceptible to the pandemic. Despite the limited increase in unemployment rates, the labor market is largely unstable especially in some economic activities that are still closed (tourism), and other activities permanently closed or largely affected who have resorted to a reduction in the number of workers, or labor hours, or wages. The MoL has already received 7,000 complaints and consultations regarding restructuring measures and labor conditions during the survey like leaves, wages and labor hours, and it is still early to discuss the overcoming and assimilation of the crisis.

4.3 Major Challenges Facing the Sector

The Israeli Occupation and its policies pose the greatest danger on the Palestinian economy, and thus to the labor sector, and this is reflected through the continued high rates of unemployment, especially in the GS. Unemployment greatly affects the enhancement of decent work; it could make laborers work in improper environments not equipped with occupational safety and health, and this explains the continued work accidents. Unemployment is behind the reason why workers accept less than the minimum wage and work for longer hours. It explains child labor and the lack of security, in addition to informal and unorganized labor. The incomplete legal framework regulating the relations of work like the union organizing law, the absence of labor courts, the suspension of the social security law, the weak vocational training system, and the

unmatched education outputs to labor market needs are all major challenges of utmost importance. The continuous spread of COVID-19 poses a dangerous threat to the economy, and thus to the labor market, its indicators and stability. But there are some positive traits for the sector, strengths and opportunities that could be summarized as follows:

Strengths:

- A political will in the MoL to update legislations
- The computerization of many labor fields
- The signing of memorandums of understanding for vocational training with several countries like Jordan and Tunisia
- The foundation and operation of new vocational training centers equipped with developed workshops by the support of donors (the Islamic Bank, the European Union, and the KFW)
- The existence of educational trainers, the application of quality systems (5S), and increasing the governmentally ratified developmental budget for vocational training
- 17 new curriculums for vocational training
- The ministry's support of reinforcing partnerships with all sectoral parties
- Existing relations and understandings with the national committee for the employment of women, and the civil society organizations
- the direction towards enhancing the role of existing employment councils

Weaknesses:

- Weak coordination, monitoring, and documentation of work in the sector
- Weak exchange and flow of information between sector organizations especially the ministry, the fund, and the commission
- Weak media coverage and marketing of sector achievements to form a positive image of the sector's organizations, especially the ministry

- The absence of important elements of work in the sectoral system (professional standards, vocational classification, NQF)
- Lack of staff in vocational training centers and weak absorption capacity

Opportunities:

- Available governmental support through the Ministry of Finance and Planning after approving the sectoral budget plan and programs
- Available fund from international donor agencies, parties, and civil society organizations to labor sector fields
- Ratifying the International Covenant on Economic, Social and Cultural Rights (2014) and joining international agreements and charters
- Encouraging enrollment in training programs
- Steer the direction of the government towards supporting youth, vocational training, and employment to create sustainable development
- Giving more attention to the case of labor in Israel and making it a national priority

As for the weaknesses and threats, they were as follows:

Threats:

- The existence of multiple references for the sectoral partners
- Slow validation and endorsement of new laws, regulations, statutes, and legislation
- The policies of the Israeli occupation restricting the implementation of sectoral policies and programs
- The decrease in international funding
- The Israeli labor market absorption of vocational training graduates

- The absence of a national mechanism specifying the regular needs of the labor market
- The societal consideration of vocational training as inferior
- The dispersion of the current system
- Weak vocational training laws and legislation
- The inability of the local market to absorb human resources
- The current political circumstances of internal political division
- Poor cooperative and entrepreneurship culture; the cooperative sector is not contributing to employment (only 500 opportunities)
- The continuous spread of COVID-19 epidemic

Based on the above, the most important challenges facing the sector could be summarized as follows:

- Weak opportunities and employment services
- Weak employment services
- Dispersion, weak linkages, and incomplete institutionalization and governance of the vocational education and training system
- Labor relations and circumstances incompatible with accepted standards of decent work
- Absence of national consensus and proper tools for social security
- The limited capacities of the trilateral partner organizations to lead and provide sectoral services and components

4.4 Service Delivery Gaps for Citizens in Several Regions

Due to the Israeli Occupation policies, Areas categorized as "C", areas beyond the wall, Jerusalem and Gaza are suffering a shortage of services. Workers beyond the Green Line are suffering from a lack of services that are controlled by the same occupation policies. Youth are also finding it hard to get sufficient economic resources to implement their entrepreneurial projects or businesses, and there is a lack of governmental centers with enough absorptive capacity for seekers of vocational training services.

While there is a lack of data to evaluate the impact and effectiveness of the diverse active policies and interventions in the labor market serving citizens all over Palestine, evidence shows that these interventions played a role and contributed in developing the skills of thousands of Palestinians in the labor force (especially youth and fresh graduates), and enhancing their employment prospects.

The entrepreneurship program had a positive effect on establishing a supportive environment for entrepreneurs in the Palestinian community, and the emergency employment programs designed based on many cost effectiveness models contributed in building and developing community assets, and prevented the beneficiaries from falling into poverty, although temporarily.

4.5 Goals and Outcomes Achieved During 2017-2019

4.5.1 Achievements

Much has been achieved in the past three years of the Strategy. The most significant achievements are:

Concerning Vocational Training: vocational training constitutes the most important file for the MoL, and takes up to 60% of the designated budget for the sector, especially from the government and the civil society. During the past three years, the following has been achieved:

1. Built and operated three governmental vocational training centers in Salfit, Bethany, and Yatta.
2. Expanded, updated, and fully equipped four existing centers in Nablus, Jenin, Qalqilya, and Beit Jala
3. Expanded the number of training programs, and increased their number from 14 programs to 21 basic training programs.
4. Introduced 30 continuous vocational training programs to the vocational training system (as short evening courses) and thus maximized the benefits of the available resources and space.
5. Developed 2 centers for excellence in main vocations in the governmental vocational training centers.
6. Increased the number of admissions to morning and evening vocational training programs from 1200 students to 2200 students annually.
7. Increased the number of female admissions in vocational training programs to 40% in morning programs and 15% in evening programs from the overall number of students, and also increased the number of admissions holding high-school degrees.
8. Completed and published a unified Palestinian curriculum for 18 vocational training programs.

9. Adopted a work based learning strategy to be applied in partnership with the private sector.
10. Introduced business orientation as a key constituent of vocational training programs in governmental centers to encourage vocational training graduates to start their own entrepreneurial projects after graduation.
11. Developed the capacities of trainers working in vocational training through a new program for the training of trainers (ToT) and targeted 135 trainers and employees in 2019.
12. Completed the tools and standards of monitoring and evaluation for vocational training and trained a specialized staff to follow up with the specified monitoring and evaluation process.
13. Followed up and supervised over 180 private and community centers licensed by the MoL which provide vocational training services in more than 50 training programs, and issued more than 7000 certificates annually.

Concerning Employment: employment is considered a central program in the labor sector, and the following was achieved:

1. Conducted job fairs in the governorates of Jericho, Ramallah, Salfit and TulKarm managed by the employment departments in the labor directorates all over the WB in partnership with several bodies and the funding of GIZ.
2. Conducted and participated in the first job fair for people with disabilities in the city of Hebron funded by GIZ.
3. Developed meaningful projects and programs to create employment opportunities through the PFESP, and mainly supported the business sector support program for Palestinian start-ups, supported promising economic sectors and specific segments, and additionally developed new civil and private sector partnerships like theBnk of Palestine. These interventions have created at least 3500 employment opportunities, and developed at least 1300 small and micro businesses.

4. Developed employment service delivery cooperation mechanisms, and strengthened self-employment opportunities through the technical support between the general employment administration and the PFESP. Also signed a memorandum of understanding with the Bank of Palestine to fund micro-credit schemes for people with disabilities, and succeeded in funding 74 initiatives.
5. Prepared and published in partnership with Sharek Youth Forum a study called "Future Indicators: the labor market needs for different specializations; scientific, medical, information technology and the sort, law, media, arts, music, sports and the sort, marketing, and accounting" to contribute to assessing the needs for specializations in the labor market.
6. Signed a memorandum of understanding with the National Bank of Palestine to fund credit schemes with zero interest under a project for women called "Hayati."
7. Signed a memorandum of understanding with the Union of Youth Activity Centers in Palestinian refugee camps to train graduates through work based learning (enable them to acquire work experience that could facilitate their entrance to the labor market).
8. Signed a memorandum of understanding with Flow Incubator and Accelerator concerning a program that aims to change and reorient the mentality of youth from traditional approaches to entrepreneurial methods and implement their projects and thoughts. We prepared a project called Youth Led Growth (YLG) that provides a series of intensive workshops in the three main cities of Nablus, Ramallah and Hebron focusing on four main sectors; health, education, agriculture and financial management.
9. Signed a memorandum of understanding with Partners for Sustainable Development (PSD) for a project called "Virtual Institute for Employment & Work (VIEW)" a project designed to create and maintain an on-line virtual work portal that will offer virtual work opportunities for Palestinian youth, and will deliver capacity building services to qualify a selected number of

youth to compete in the market, which will enable them to respond to regional and international company needs. The project aims at providing a positive environment for youth to help them market their services in the international and local market to decrease the rates of unemployment.

10. Signed a memorandum of understanding with Partners for Sustainable Development (PSD) for a project called "Makkeni" funded by the Feminist Peace Organization CFD. The project empowers young Palestinian women, graduates of multimedia, graphic design, and relevant specializations to acquire good skills to better continue their career.
11. Cooperated and partnered with national organizations working in the labor market, namely Sharek Youth Forum and the Palestinian Centre for youth Economic Empowerment (CYEE), launching an initiative called "what does the labor market need?" The initiative aimed at raising awareness about the labor market needs and labor shortages in technical and vocational fields.
12. Cooperated and coordinated with GIZ to launch a project called "Access to the Labor Market" in partnership with employment councils and chambers of commerce and others, especially programs for self-employment, wage employment and else.
13. Created and built a coalition strategy for the years 2019-2022 to give all the support and advocacy needed for people with disabilities, and promote their access to employment opportunities.
14. Worked on a project called "Mustaqbaluna" with the Italian foundation AVSI, funded by the Italian Agency for Development Cooperation to increase employment chances for the most marginalized, including people with disabilities in Palestine.
15. Activated the role of employment councils in all Palestinian governorates for their integral role in contributing to the decrease of unemployment rates by implementing different employment programs.
16. With the support of GIZ, we cooperated and coordinated with the chambers of commerce to open employment corners in four governorates; Ramallah,

Hebron, Salfit and Nablus, to contribute and participate in employment services delivery to all jobseekers and the unemployed.

17. Conducted field visits to the different departments of employment to follow up with the general flow of work, and visited some governors to coordinate joint actions.
18. Participated in meetings and workshops about the development and amendment of the Palestinian Labor Law no. 7 for the year 2000.
19. The continuous and effective cooperation and coordination with the PFESP to implement and suggest different employment programs.
20. Participated in the development of a national strategy for employment.
21. Delivered qualitative services for unemployed persons and jobseekers through employment offices in 2019, namely the following:
    - The number of primary field visits was around 1,091 visits with 8,595 workers; 6,095 males and 2,500 females.
    - The number of field visits and follow-ups to establishments was around 915 visits with 8,778 workers; 2,669 males and 6,109 females.
    - The number of registered jobseekers reached 12,247; 10,773 males and 1,474 females.
    - The number of announced job opportunities were 10,780 opportunities, only 717 opportunities were filled.
    - The number of the registered people with disabilities looking for a job was 480, out of which only 34 were employed.
    - The number of visits to developmental organizations (funding, employment, and training) were 772 visits.
    - The number of visits to employment units in Palestinian universities was around 125 visits.
    - The number of visits to Palestinian schools for vocational counseling and guidance was around 121 visits.

- The number of beneficiaries from vocational counseling and guidance was around 17,800 beneficiaries; 7,619 males, and 10,181 females.
- The number of university students who benefitted from the services of vocational counseling and guidance in the employment units (implemented in partnership with labor offices) was around 928 students; 311 males and 617 females.

Concerning Labor inspection and Protection: labor inspection and protection is considered a focal file for the labor sector, and this file grabs the attentions of a large group of social partners because it concerns workers and employers at the same time. During the past three years, the following was achieved:

1. Automation and governance of field inspection programs.
2. Provided tablets for labor inspectors to use in field inspection visits.
3. Increased the number of inspectors from 45 to 90 inspectors.
4. Increased the number of field visits to approximately 16,000 annual field visits.
5. Introduced a new phone line (127) for the general directorate of inspection to receive the complaints and questions of citizens.
6. Monitored the application of the minimum wage law in approximately 92% of the visited establishments .
7. Provided tools and gadgets to measure pollutants in the work environment.
8. Completed a decree law for occupational health and safety to enhance the role of work inspectors in large and dangerous private sector establishments.
9. Networking with technical and social partners.
10. Conducted the first inspection conference in Palestine, the first of its kind in the Arab region, and provided applicable recommendations to improve the inspection system in the Arab region.
11. Conducted four occupational health and security conferences in partnership with national organizations to raise the awareness and mainstream the culture of occupational safety, and thus develop the system.

12. Completed an assessment study of inspection in the MoL to improve the quality of procedures and services.
13. Prepared a unified procedure manual for the inspection employees.
14. Conducted four intense inspection campaigns to certain groups and sectors to be implemented annually (child labor, women workers, wages, and dangerous sectors).

Labor Relations and Policies: this file is considered the most delicate one because it deals with labor unions and engages in social dialogue to promote balanced labor relations between employers and workers. The most significant achievements are as follows:

1. Promotion of monitoring over labor unions, and promotion of the principals of good governance
2. Followed up with labor conflicts especially in large establishments, and reached collective work agreements
3. Contributed in the enhancement of inner dialogue between labor committees and employers in many large and medium establishments
4. Treatment of many individual work conflicts between workers (male and female) and their employers
5. Completed the first draft for labor union organizing
6. Completed the first draft for the labor law amendments

The following table shows what has most importantly been achieved compared to planned targets:

Indicators according to the Strategic Outcomes Framework of the Labor Sector for the Years (2017-2019)

National Policy: Provide Decent Work Opportunities for Everyone						**Policy intervention:** adopt procedures concerned with accelerating the creation of permanent employment opportunities through investment partnerships between the public and private sector, supporting the PFESP and developing it, and adopting procedures that support the rapid launching of entrepreneurial projects to rehabilitate graduates and employ both sexes.		
Strategic Goal One: Decrease Unemployment Rates						**Budget\Financial Ceiling:** 52 million ILS (2018-2020)		
Outcome	**Indicator**	**Date Sources and Verification**	**Baseline Data 2016**	**Achieved Value 2017**	**Target 2018**	**Achieved Value 2018**	**Target 2019**	**Achieved Value 2019**
Creation of job opportunities	Percentage of unemployment in the Palestinian Territories	PCBS	%27,14	%28.4	%25	31.4	%23	%25
	Number of implemented projects (self-employment)	Employment\PFESP\ Employment Councils	15	39	1,200	177	1,200	239
	Number of beneficiaries \ workers in the implemented projects (self-employment)		26	54	5,000	162	5,000	415

	Number of workers from the emergency employment program	Employment\ the Partnering Private Sector	715	N/A	1,160	7,172	1,500	1,200
National Policy: Provide Decent Work Opportunities for Everyone			**Policy intervention:** ensure a secure work environment in compliance with occupational health and safety standards					
Strategic Goal Two: Reinforce the application of decent work principles in Palestine			**Budget\Financial Ceiling:** 24.97 million ILS (2018-2020)					
Outcome	**Indicator**	**Date Sources and Verification**	**Baseline Data 2016**	**Achieved Value 2017**	**Target 2018**	**Achieved Value 2018**	**Target 2019**	**Achieved Value 2019**
Monitoring the law enforcement in its enhanced conditions and circumstances	Percentage of new establishments inspected	PCBS/ MoL	%5.6	%8	%9	15.5 %	%11	%10
	Percentage of labor force benefitting from inspection services \ WB	PCBS/ MoL	%10.0	%10.4	%12	10.7 %	%16	%9.5
	Number of internal regulations ratified for new establishments \ annually	MoL	44	63	50	48	50	71
	Number of labor complaints followed up	MoL	322	427	400	524	400	607

	Number of labor establishments complying with the labor law	MoL, Arab Labor Organization (ALO) and ILO	100	3,630	100+	3,436	+300	7,522
Enhanced safety and prevention measures	Number of annual work injuries	MoL	682	808	648	1287	614	880
Limit child labor and organize juvenile labor	The number of children and juveniles who were removed from the labor market or whose work was organized	PCBS/ MoL	154	598	250	681	250	435
National Policy: from education to labor			**Policy intervention:** adjust TVET and higher education with developmental needs and the labor market to ensure the availability of opportunities for everyone, and develop the base of TVET					
Strategic Goal Three: Provide a professional and trained labor force relevant to the needs of the labor market			**Budget\Financial Ceiling:** 117.42 million ILS (2018-2020)					
Outcome	**Indicator**	**Date Sources and Verification**	**Baseline Data 2016**	**Achieved Value 2017**	**Target 2018**	**Achieved Value 2018**	**Target 2019**	**Achieved Value 2019**
Competent and available labor force fulfilling market needs	Percentage of graduates successfully transferred to the labor market from primary vocational training programs in public centers (males and females)	PCBS/ MoL		% 71	%72	%72	%73	The study is in process

	Number of graduates from private and public vocational training centers	PCBS/ MoL		7,144	8,018	10,722	8,699	9,353
National Policy: Foster an appropriate investment environment			**Policy intervention:** foster a legislative environment and assist administrative procedures for the business sector					
Strategic Goal Four: build the capacities and governance of tripartite partnerships and enhance their role locally and internationally			**Budget\Financial Ceiling:** 13.78 million ILS (2018-2020)					
Outcome	**Indicator**	**Date Sources and Verification**	**Baseline Data 2016**	**Achieved Value 2017**	**Target 2018**	**Achieved Value 2018**	**Target 2019**	**Achieved Value 2019**
An enhanced bilateral relationship between workers and employers	Union membership rate\union membership density	MoL, ALO, and ILO reports	–	15%	16%	14%	17%	%15
	Number of signed collective agreements		–	17	19	10	28	2
National Policy: Foster an appropriate investment environment			**Policy intervention:** support cooperative organizations, expand their base, and develop them					
Strategic Goal Five: promote the role of the cooperative sector in employment and sustainable development			**Budget\Financial Ceiling:** 3.0 million ILS (2018-2020)					
Outcome	**Indicator**	**Date Sources and Verification**	**Baseline Data 2016**	**Achieved Value 2017**	**Target 2018**	**Achieved Value 2018**	**Target 2019**	**Achieved Value 2019**
A strong and diverse cooperative structure	The number of inactive cooperative organizations with cancelled registrations	CWA	18	120	100	76	80	

	The number of new entrepreneurial cooperatives registered	CWA	11	11	12	22	14	
	The number of sectoral cooperative unions newly founded	CWA	-	-	-	-	-	
An updated legislative system and an effective work environment regulating cooperative work	Establish a system and internal regulations for the Palestinian Cooperative Law	CWA	NA	The law is validated	40%	ratifie d	–	
	The number of active cooperative organizations linked to a computerized programs	CWA	0	0	20	0	40	
Create job opportunities in the cooperative sector	The number of new job opportunities	CWA	–	445 (accumul ative)	+30	85+	50+	

4.5.2 Conclusion and Lessons Learnt

During the execution of the strategy we experienced many circumstances, opportunities and challenges that deepened our understanding of the labor sector and enhanced our capacities to respond to the needs and requirements of this economically and politically challenged phase. The previously accumulated experiences further assisted the ministry and its social partners to realize the above-mentioned achievements. The most important lessons learnt were as follows:

1. The role of the private sector is central in the labor sector, not just as the principal employer of the Palestinian labor force in the local market, but for its role in the shaping of policies in the labor sector, and absorbing new interns from vocational training through work based learning programs.
2. The deepening of social dialogue between the trilateral production parties is not just a role for the labor sector, but a better tool to manage labor conflicts, update legislations, and promote civil peace in the country. Institutionalizing the dialogue, regulating it, and opening it to the civil society is an urgent need to be achieved in the few coming years.
3. The role of labor unions is not confined to protecting the rights and interests of workers, but also to participating in policy shaping and direct supervision over the enforcement of relative laws and legislations.
4. Civil society organizations play a pivotal role in TVET files but their work is still weak and dispersed due to its dependency on foreign funding. Therefore, it is important and necessary to deepen the relationship with these organizations, and provide them with governmental funding to empower the implementation of interventions based on the national agenda and strategic goals.
5. The MoL, as the governmental body leading the labor sector, invests its efforts to follow up with the achievement of its goals. It is thus necessary to increase the financial governmental allotments to the ministry, and restructure its framework to adjust its actions to the emerging needs of the labor sector.
6. The emerging programs developed with local and international partners like work based learning, self-employment services, business and employment guidance in the chambers of commerce, and the computerization of inspection programs have all proven to be effective. It is thus necessary to structure them as part of the frameworks of social partners and allocate budgets for them.

7. Considering the labor sector an independent sector like education, economy, and social development has re-emphasized the importance of its role in the sector, and at the same time, it has revealed the amount of challenges facing it. It is thus necessary for the government to support it and prioritize it with its funding policies.
8. The independency of the labor sector has encouraged partners and international donors to increase their allocated funding for the sector. The creation of a labor sector group as part of a local funding coordination program scheme had a big role in deepening the relationship and partnership with international partners.
9. Deepening the understanding towards the roles of all partners, especially in planning, implementation, follow-up and evaluation programs and strategic interventions has become a recurring need in order to promote the harmony and complementarity of actions, and ensure the best outcomes.
10. Deepening the relationship and partnership with educational institutions, especially university, has become an urgent need to enhance the capacities and develop the skills of students and fresh graduates about to enter the labor market.
11. Finally, improving relations with local governance organizations and grassroots volunteers is an opportunity to invest in and benefit from in order to enhance employment opportunities locally.

5. Sector Vision

5.1 Sector Vision Statement

An active, organized and encouraging labor sector actively contributing to sustainable development.

5.2 The Mission of the Sector Leading Ministry

The MoL is leading the Palestinian labor sector to organize the labor market, deliver distinct services for both ends of production, contribute to the rehabilitation of the labor force of both sexes, provide employment and social security to ensure decent work conditions and circumstances, and contribute to a professional and transparent social, economic, and environmental development in line with existing labor legislations in harmony with international standards and practices under the trilateral partnership framework.

6. Strategic Goals and Outcomes

Table B: the outcomes of strategic goals

Strategic Goal One: Develop Employment Opportunities and Services					
Outcomes	**Indicators***	**Baseline**	**Targets**		
		2019	**2021**	**2022**	**2023**
1-1- Programs supporting self-employment implemented locally (governorates) and nationally	Number of self-employment programs funded and implemented annually	600	700	1,000	1,000
	Number of annual self-employment program beneficiaries (males, females, people with disabilities)	1,200 80	1,400 110	2,000 420	2,000 420
1-2- Programs supporting temporary and permanent employment implemented locally (governorates), nationally, and internationally	Number of female workers in the settlements of the Jordan valley being annually employed in the local market		800 female worker	800 female worker	800 female worker
	Number of temporary job opportunities provided annually	1,500	2,830	4,500	4,500

	through the temporary employment program, including temporary employment programs in response to the pandemic				
	Number of unemployed workers annually employed through networking with the private sector	700	800	900	1,000
	Number of private employment offices registered	0	1	2	4
	Number of employment opportunities monitored and followed up outside the country	0	Under research	Under research	Developed monitoring system for outside work opportunities
	Number of experience certificates issued to unemployed workers seeking work in foreign markets	53	70	80	100
1-3- A program providing downtime benefits for workers affected by the	The number of workers receiving financial assistance in exchange for unemployment allowances	-	108,000 workers	-	-

	COVID-19 pandemic					
1-4-	A program supporting the wages of workers in affected establishments due to the COVID-19	Number of supported workers in affected activities (private education and touristic institutions)	0	0	20,000 workers	-
1-5-	A loan program for projects affected by COVID-19 (Emergency Credit Line Program for small and micro businesses "SOMOD")	Number of projects and establishments receiving loans	-	150 establishment	200 establishment	300
1-6-	Institutionalized and effective Old and new cooperatives in different specializations and governorates implementing cluster development plans	The number of new cooperatives of different specializations being registered annually	20	20	20	20
		Number of new cooperatives submitting action plans to implement cluster	0	20	20	20

	planning in the different governorates				
1-7- Qualitative and regularly updated legal and vocational counseling and guidance services available to several groups of the labor force	The number of youth who received vocational training or counseling and joined the labor market	250	250	750	850
	Number of annual field visits to establishments for monitoring and documenting the labor market system	1,900	2,000	2,500	3,000
	Number of workers registered in the labor market system through field visits	2,000	2,500	3,000	3,500
	The number of beneficiaries from the labor market information system	15,000 workers	20,000 workers	25,000 workers	30,000 workers
	Number of Palestinian workers in Israel contacted for conscious raising purposes including workers	-	150,000	150,000	150,000

	affected by the pandemic				
1-8- Qualitative services provided to workers in Israel	The percentage of monitored labor brokers working in Israel	70	80	90	100
	The percentage of monitored work injuries among workers in Israel	30	35	40	45
	Percentage of working permits for workers in Israel distributed by the labor offices	92,000 permits	90,000	90,000	90,000
1-9- Legal services for the affected by the COVID-19 pandemic (Legal assistance program for laborers working inside the green line)	Number of workers receiving compensation for their unemployment due to COVID-19	-	Signing the agreement with the legal office	10,000 workers	20,000 workers

Strategic Goal Two: The Rehabilitation and Preparation of a Professionally Trained Labor force Corresponding to the Needs of the Labor Market

Outcomes	Indicators	Baseline	Targets		
		2019	2021	2022	2023
2-1- Quantitative expansion in TVET outputs	The number of vocational education and training	110	120	130	140

	institutions (public and private)				
	Annual number of graduates from public and private vocational education and training centers (males, females)	Total 9,353 Public 2,206 Private 7,147	Total 10,350 Public 2,850 Private 7,500	Total 10,600 Public 2,850 Private 7,750	Total 11,100 Public 3,100 Private 8,000
2-2- Increased effectiveness and relevance of TVET to the needs of the labor market	The satisfaction rate of employers from fresh graduates		Under research		
	The percentage of graduates working in their fields 6 months after graduation according to sex and vocation	%72	%73	%73	%74
	The percentage of training programs that include internships not below 30% of the training period.	30%	25%	25%	30%
2-3- A modern TVET system governed and regulated with laws and legislations in line with international standards	A ratified and enforced law for TVET	No law governing vocational labor	In the process of developing a law regulating vocational labor	A law draft is ready to be discussed and adopted	A ratified law regulating vocational labor to be enforced nationally

	A national commission is formed and works in TVET	the Higher Council for Education and Vocational and Technical Training	An issued law to found a TVET League	The adoption of the law and framework of the league to start its work	An effective and efficient TVET League
Strategic Goal Three: Reinforce the Application of Decent Work Principles in Palestine					
Outcomes	**Indicators**	**Baseline**	**Targets**		
		2019	**2021**	**2022**	**2023**
3-1- Amended, ratified, and efficiently implemented labor laws, legislations, policies, and safety monitoring measures	Number of visits to annually inspected establishments	16,322	21,512	21,512	21,512
	Number of workers annually benefiting from inspection services in the WB	59,961	70,000	70,000	70,000
	Number of labor complaints being followed up annually	607	400	400	400
	Number of establishments committing to the act of minimum wage annually		600	600	600
	The number of new establishments certified	129	100	100	100

	with vocational health and security				
	The percentage of work injuries investigated	All fatal injuries and 66% of other injuries	All fatal injuries and 50% of other injuries	All fatal injuries and 50% of other injuries	All fatal injuries and 50% of other injuries
	The number of children annually removed from the labor market	41	40	40	40
	The annual number of juveniles with organized labor	367	400	400	400
	Number of annually ratified secondary labor legislation				
	Updated policies adopted for work inspection and vocational health and security, etc. (the policy of protection from violence and harassment in the workplace for example)	0	0	1	1
3-2- Specialized union organizations and labor committees working professionally and effectively	The rate of union membership\union density	15%	15.5%	15.75%	16%

	The number of meetings for the national committee against child labor annually	2	2	3	3
	Number of meetings for the vocational health and security committee annually	2	0	2	3
3-3- Conscious workers and employers defending their legally ascribed rights and duties	The number of workers participating in conscious raising trainings annually	5,000	1,000	6,000	6,000
	Number of workers\employers benefiting from individual consultations annually	10,000	16,000	10,000	10,000
3-4-Regulated and reinforced bilateral labor relations	Number of participants in collective dialogue	100 union organization (workers and employers)	100 union organization (workers and employers)	100 union organization (workers and employers)	100 union organization (workers and employers)
	Number of collective agreements signed	2	15	17	18
3-5- Decent work program in harmony with partner needs during COVID-19	Number of workers and employers receiving trainings to deal with the epidemic		10,000 workers 200 employers	50,000 workers 10,000 employers	

	Number of establishments committed to the health protocols Number of awareness documents distributed		1000 establishments	30,000 establishments	
Strategic Goal Four: Reinforce and Institutionalize Social Protection for Workers					
Outcomes	**Indicators**	**Baseline**	**Targets**		
		2019	**2021**	**2022**	**2023**
4-1- A national consensus concerning the social security law	Number of annual consultations with relevant stakeholders	-	5	10	-
	Written documentation of the opinion of relevant stakeholders about the law, and accepted or refused articles, and why	20%	50%	80%	A complete notes document
	Number of parties objecting the amended law articles	-	-	Consensus on law articles	-
	Number of conscious raising campaigns about the social security law and its importance	-	5	10	Social awareness about social security
	Redrafting the law to get the approval of	Law is suspended	First draft with amendments	Second draft with amendments	Restatement of the law

	most relevant stakeholders				
4-2- A private fund to manage and invest the retirement funds of workers beyond the green line	A decree issuing the foundation of the fund Bylaws and a list of members	-	First draft	Second draft	A decree to found the fund
Strategic Goal Five: Build the Capacities of the Trilateral Partnership Organizations					
Outcomes	**Indicators**	**Baseline**	**Targets**		
		2019	**2021**	**2022**	**2023**
5-1- Institutionalize all central and sub trilateral committees	Number of committees with updated, endorsed and applied structures	2	3	4	5
5-2- Updated laws and policies regulating and facilitating the work of the trilateral partner organizations	An amended and ratified labor law	Partner notes on the current law	First draft	Second draft	An amended and ratified labor law
	An amended and ratified labor union law	First draft	Amended second draft	An amended and ratified labor law	Law is in force
	A developed and ratified law for the socioeconomic council	Partner notes	First law draft	Second law draft	A ratified law
	A new and ratified wage policy	The current decision on minimum wage limit	Partner notes	An amended and ratified law	A ratified law in force

5-3- Efficient, modern, and comprehensive service packages provided to citizens through the trilateral partner organizations	A developed capacity building program implemented by all relevant organizations (MoL, PFESP, CWA, the federation of Palestinian chambers of commerce, the general federation of labor unions, …)	20% implementation	30% implementation	50% implementation	Program completed
5-4- Strong and organic networking between the Palestinian trilateral partner organizations, and Arab and international labor bodies and organizations	Number of memorandums of understanding and cooperation (MoUs) signed with trilateral international bodies	0	1	2	2
	The organizations join international stages, bodies, and international treaties (ILO for example)	-	-	A proposal to join ILO	Membership procedures
5-5- teleworking and flexible working	Number of ratified laws and regulations	0	2	3	3
5-6- dual and collective agreements due to impact of COVID-19 on labor market	Develop the trilateral agreement Number of active bilateral agreements	0	1	4 dual agreements	5

5-7- Activate social dialogue about the effects and impact if COVID-19 upon the labor market	Conduct first conference for social dialogue	0	A proposal to conduct the conference	The conducted conference	A reinforcement plan for employment stabilization

* All collected data of numbers and labor rates, etc. should be distributed to signify numbers\percentage of males and females, age groups (youth and else), and disabilities

** Trilateral committees include the following: the national committee for wages, the labor policies committee, the national committee for decent work, the national committee for vocational health and security, the national committee for the employment of women, and others.

7. The Linkages between the Strategic Goals, the National Policy Agenda, the SDGs, and the Emergency Plan for the containment of COVID-19 Pandemic Impact on Workers

The goals of the labor sector are addressed directly in the eighth goal of the SDGs, and it is to "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all." This goal also intersects with the first goal about ending poverty, the fourth about good education, the fifth about gender equality and the seventeenth about partnerships.

7.1 The Linkages between the Strategic Goals, the National Policy Agenda, the SDGs

The following table shows the strategic goals and its linkages to the national policy agenda and the SDGs.

Overview of the linkages between the strategic goals, the national policy agenda and the SDGs			
No.	Title of Strategic Goal	Relevant policy intervention in the National Policy Agenda	Relevant SDG
First	**Develop Employment Opportunities and Services**	Adopt regulations to speed up the process of permanent employment creation through investment partnerships between the public and private sector, provide decent employment opportunities for all, support and develop the employment fund, adopt regulations to speed up entrepreneurial projects to rehabilitate and employ graduates from both sexes.	**Goal (8): Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.** Target (8.2): Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors. Target (8.3): Promote development-oriented policies that support productive activities, decent job creation,

			entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services. Target (8.5): By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Target (8.6): By 2020, substantially reduce the proportion of youth not in employment, education or training. Target (8.B): By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the ILO. **Goal (9) – Industry, Innovation, and Infrastructure** Target (9.3): Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.

			Goal 5 – Gender Equality Target (5.4): Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate. Target (5.C): Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels. **Goal 10 – Reduced Inequalities** Target (10.3): Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard. Target (10.4): Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality. Target (10.5): Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulation.

Second	**Rehabilitation and Preparation of Professionally Trained Labor force Corresponding to the Needs of the Labor Market**	Enhance the enrollment in education and labor (adapt TVET to development and labor market needs to ensure equal opportunities, develop the infrastructure and TVET facilities) Our Youth are our future, promote equality between sexes and empower women, and build the fundamentals of the Palestinian economy	**Goal 4 – Quality Education** Target (4.3): By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. Target (4.4): By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. Target (4.5): By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations. Target (4.A): Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all. Target (4.C): By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in

			developing countries, especially least developed countries and small island developing States. **Goal 6 – "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all"** Target (6.8): By 2020, substantially reduce the proportion of youth not in employment, education or training.
Third	**Reinforce the Application of Decent Work Principles in Palestine**	Ensure a safe work environment sensitive to the standards of vocational health and security	Target (8.7): Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms. Target (8.8): Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

Fourth	**Reinforce and Institutionalize Social Protection for Workers**	Provide social protection for the poor and the marginalized, eliminate poverty, develop suitable and comprehensive systems of social security, and enforce a just social security law, including floors.	**Goal 1 – Poverty Elimination** Target (1.3): Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable.
Fifth	**Build the Capacities of the Trilateral Partnership Organizations**	The stabilization of the labor market, activating mechanisms to hold the Israeli occupation accountable, promote the international participation of Palestine, provide a supportive legislative environment and administrative regulations for business sector, develop social responsibility, and institutionalize and promote social dialogue.	**Goal 10 – Reduced Inequalities** Target (10.6): Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions in order to deliver more effective, credible, accountable and legitimate institutions. Goal 16 – Peace, Justice and Strong Institutions Target (16.6): Develop effective, accountable and transparent institutions at all levels **Goal 17 – Partnerships for the Goals** Target (17.7): Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

			Target (17.8): By 2020, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national contexts.

8. Budget Program

Table C: Budget Programs

# Budget Program	Budget Program Name	Budget Program Policy Goal	Budget Program Objective	Strategic Outcome Supported by Budget Program	Name of Responsible Organization
Strategic Goal (1): Develop Employment Opportunities and Services					
1413	Technical and Vocational Education and Training Program	Enhance the services delivered to workers	Train and employ convenient labor for the market	Programs supporting self-employment implemented locally (governorates) and nationally	MoL, Employment and training departments
		Enhance the services delivered to workers	Trian and employ workers	Programs supporting temporary and permanent employment implemented locally (governorates) and nationally	MoL \ Employment and training departments \ PFESP
		Increase the role of cooperatives in development	Enhance work opportunities in the cooperatives	Institutionalized and effective old and new cooperatives in different specializations and governorates implementing cluster development plans	CWA PFESP MoL
		Enhance the services delivered to workers	Adapting with the labor market	Qualitative and regularly updated legal and vocational counseling and guidance services available to several groups of the labor force	MoL
		Enhance and increase the services delivered to workers for Israeli employers	Legal services	Qualitative services provided to workers in Israel	MoL

Strategic Goal (2): The Rehabilitation and Preparation of a Professionally Trained Labor Force Corresponding to the Needs of the Labor Market					
1413	Vocational training and employment	Endorse and implement a vocational labor regulatory law for 3 priority vocational sectors, and by 2025 duplicate the number of vocational training admissions by 100% compared to the admissions in the academic year 2016-2017, around 1,374 trainees.	- Build capacities of governmental vocational training centers, and provide morning and evening programs - Provide licensing and supervision services for private vocational centers - Provide vocational guidance and counseling - Prepare a Palestinian occupation classification - Prepare occupational standards - Endorse and implement a law for vocational labor regulation	Quantitative expansion in TVET outputs Increased effectiveness and relevance of TVET to the needs of the labor market A modern TVET system governed and regulated with laws and legislations in line with international standards	Central administration of vocational training
Strategic Goal (3): Reinforce the Application of Decent Work Principles in Palestine					
1410	Monitor and regulate work relations	Provide economic and social protection to workers and employers, and reinforce social dialogue to maintain the stability of work relations in the labor market	- Strengthen the democratic principles of transparency and financial control in union organizations to reach a stable work environment - Strengthen collective negotiations	Amended, ratified, and efficiently implemented labor laws, legislations, policies, and safety monitoring measures	Work relations department Labor inspection department partners
			- Develop and organize the labor sector to reach stable work	Specialized unions and work committees working	Work relations department

			relations and thus increase productivity	professionally and effectively	Labor inspection department partners
			Reinforce the application of the labor law especially for economic and social protection and the employment of children	Conscious workers and employers defending their legally ascribed rights and duties	Work relations department Labor inspection department partners
			Establishing decent work principles	Regulated and reinforced bilateral labor relations	Work relations department Labor inspection department partners
			Strengthen the compliance to the laws and regulations of occupational health and safety	Compliance with 21 regulations, orders, and decisions related to occupational health and safety	Labor inspection department partners
Strategic Goal (4): Reinforce and Institutionalize Social Protection for Workers					
1410	Monitor and regulate work relations	Social protection system	Amend the social security law	A national consensus concerning the social security law	Partners and the social security organization
		Social protection system for workers inside the green line	Provide a social protection system for workers inside the green line	A private fund to manage and invest the retirement funds of workers beyond the green line	Partners and the social security organization
Strategic Goal (5): Build the Capacities of the Trilateral Partnership Organizations					
1410	Monitor and regulate work relations	Regulate work between partners	Reinforce the tripartite partnership	Institutionalize all central and sub trilateral committees	Partners
	Administrative program	Institutionalize committees and tripartite partner organizations	Regulate relations between partners	Updated laws and policies regulating and facilitating the work of the trilateral partner organizations	
		Qualitative services for targeted groups	Strengthen civil peace	Efficient, modern and comprehensive service	Partners

				packages provided to citizens through the trilateral partner organizations	
		Strengthen the partnership with specialized organizations	Establish and consolidate cooperation between Arab and international organizations and bodies	Strong and organic networking between the trilateral partner organizations, and Arab and international bodies and organizations	Partners

Table D: Available Financial Resources for the Sector in 2020-2022

Available Financial Resources for the First Goal for the years 2020-2022				
The Entity	**2020**	**2021**	**2022**	**Notes**
Government				
laws	12.5 million ILS	13.5 million ILS	13.5 million ILS	
Budget for partnering governmental organizations in the sector	8 million (PFESP) 750 thousand ILS (CWA)	11 million (PFESP) 800 thousand ILS (CWA)	11 million (PFESP) 850 thousand ILS (CWA)	
Donor Countries				
Through the unified budget account	230 thousand EUR (CWA)	80 thousand EUR (CWA)	230 thousand EUR (CWA)	
Projects through other partners				
UN organizations				
Local civil society organizations				
International civil society organizations				
The Private Sector				
Total:				
Available Financial Resources for the Second Goal for the years 2020-2022				

The Entity	2020	2021	2022	Notes
Government				
Budget of the sector leading organization	10 million ILS (operational and development expenses) in addition to employees' wages	25 million ILS (operational and development expenses) in addition to employees' wages	30 million ILS (operational and development expenses) in addition to employees' wages	
Budget for partnering governmental organizations in the sector				
Donor Countries	10 million EUR	10 million EUR	10 million EUR	The projects are shared with partnering ministries and social partners in TVET
Through the unified budget account				
Projects through other partners				
UN organizations				
Local civil society organizations				

International civil society organizations				
The Private Sector				
Total:				

Available Financial Resources for the Third Goal for the years 2020-2022				
The Entity	**2020**	**2021**	**2022**	**Notes**
Government				
Budget of the sector leading organization	9,181, 950	9,075,633	9,501,949	In addition to project budget (occupational health and safety system)
Budget for partnering governmental organizations in the sector				
Donor Countries				
Through the unified budget account				
Projects through other partners				
UN organizations				
Local civil society organizations				

International civil society organizations				
The Private Sector				
Total:				
Available Financial Resources for the Fourth Goal for the years 2020-2022				
The Entity	**2020**	**2021**	**2022**	**Notes**
Government				
Budget of the sector leading organization				
Budget for partnering governmental organizations in the sector				
Donor Countries				
Through the unified budget account				
Projects through other partners				
UN organizations				
Local civil society organizations				
International civil society organizations				
The Private Sector				

Total:	4,000,000 ILS			Through the decent work program ILO
Available Financial Resources for the Fifth Goal for the years 2020-2022				
The Entity	**2020**	**2021**	**2022**	**Notes**
Government				
Budget of the sector leading organization	16,314,440 ILS	16,947, 378 ILS	17,381,173 ILS	
Budget for partnering governmental organizations in the sector				
Donor Countries				
Through the unified budget account				
Projects through other partners				
UN organizations				
Local civil society organizations				
International civil society organizations				
The Private Sector				
Total:				

Available Financial Resources for the Sector in 2020-2022

Source	2020	2021	2022	Notes
Government				In addition to the expenses of implementing the COVID-19 pandemic response plan which is around USD 30 million enabled through Wakfet Izz Fund, the World Bank, UNDP and ILO Except for the wage support program of USD 12 million.
The budget of the sector leading organization \ **ILS**	70,000,000	91,023,011	96,883,122	
The budget of the sector partner governmental organizations	8,750,000	11,800,000	11,850,000	
Donor Countries				
Through the joint budget account	920,000	320,000	920,000	
Projects through other partners				
United Nations Organizations				
Local civil society organizations				
International civil society organizations	57,500,000	40,000,000	40,000,000	
Private Sector				
Total:	137,170,000	143,143,011	149,653,122	

9. Administration Plan

The labor sector is managed and supervised through social stakeholders and led by the MoL. To achieve its vision and strategic goals, in line with existing laws and legislation, the ministry and partners have formed a group of policy and operational arms in all the work themes of the ministry. These arms represent the optimal form of sector leadership. Regarding the amendment of labor legislations, there is a national team comprised of a group of specialized committees, and each committee has an action plan, and when all committees finish their work, they hand the results to the national team and then refer them to the council of ministries.

Moreover, the ministry is leading the labor policies that specify the sector priorities, especially in employment and training, and so on for all committees. The committees are the wage committee, the national committee for the employment of women, the national committee for vocational health and security, the national committee against child labor, and the employment councils. The work of the above-mentioned specialized committees is translated into annual executive plans that specify the responsibilities of partners.

To be able to monitor the plans and programs of the labor sector organizations, and implement positive interventions that help achieve the vision and mission of the labor sector, the MoL will be implementing a group of tasks including:

9.1 Guidance and Supervision over the Plan

This will be done through activating the role of the planning and budgeting group in managing the three aforementioned ministerial programs. This means expanding the tasks of the group to include the preparation and implementation of internal procedures to ensure monitoring, follow-up and evaluation of the execution plan in every program. The procedures that could be implemented are: making annual plans, making mid-term and annual evaluations for executive plan outputs to check its achievability compared to the planned targets, making updated standards and specified indicators for the methodology of executive plan preparation follow up, and evaluation, and finally reporting about the different stages of the planning process.

9.2 Monitoring and Evaluation Indicators

Will be monitored according to the strategic results framework in the Policy Agenda.