







CLUSTER (C_A.3.1_0014)

WP6 – A.6.1.1 Mapping of Policy Frameworks

Tunisia Report Commissariat Général au Développement Régional

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Introduction and Methodology

The report is the result of the activities relating to the project Output 6.1 (A.6.1.1 - Mapping of Policy Frameworks), implemented within Work Package number 6 (Raising awareness of public authorities to create supportive environment for employment).

This report is therefore the result of several different actions carried out by WP6 leader (CGDR, the General Agency for Regional Development in Tunisia, PP7), in coordination with the all the project partners (PPs), namely: design and translation of the consultation for mapping policy frameworks related to fostering employability of youth and women; conduction of the consultation with public authorities and Civil Society Organizations (CSOs); and analysis of the feedback received complemented by desk research. This consultation and the elaboration of the report lasted for two months (October – November 2022).

The questions tackled the employment landscape in each project targeted country/region in the context of COVID-19, in addition to addressing the challenges of NEETs in accessing the labour market and the role of public institutions in combating their exclusion. The consultation also refers to the level of trust young people have in public institutions and the synergies that already exist between the government and external employment initiatives. This specific set of questions was designed by PP7 with the input and comments of all other PPs and the Project Coordinator.

This report is the result of desk investigations and field interviews with main actors involved in the awareness of public policies concerning employment in general and specifically for NEETs.

The desk research coverd 3 types of documents:

- Official statistics carried out by INS, mainly general census on population and household conditions (2014) and reports on employment investigations (available each 3 months). The official statistics of the MFPE, about labor market statistics, are monthly relieved and constitute a precious information in continue about labour market; even though we draw attention at first that these informations on labour market do not cover, in fact all the labour market in Tunisia. It concerns only the demand and supply registred in office jobs under the supervision of the ANETI.
- Documents and reports officially published, carried out by ITCEQ, the MFPE and other
 institutions* are so helpful. A particularly rich documentation through the publications of
 the OECD on this question, allowed possibilities of comparison on the main aggregates
 relating to employment policies in different countries.

























- Legislative texts and regulations through the JORT (Journal officiel de la République Tunisienne) are relevant to understand the legislative framework of policies dealing with the issue of unemployment and that of young people in particular.

The statistical information and comments noted through this research are relevant and enabled an assessment of the current situation covering the various aspects of the subject, economic aggregates, the global situation of unemployment in general, mainly of young people and women, its evolving aspect in terms of number, regionalization, qualification, etc. However, we note that the issue of NEETs is little addressed, perhaps the novelty of the concept, the difficulties of understanding it mean, so that specific studies on this issue are relatively scarce. Indeed, only one document is available as part of a study conducted by GIZ in 2020 dealing with the employability of young people and NEETs in particular. Another study was carried out within the framework of the MYSEA partnership project also dealt with this question, through almost surveys carried out in different regions of Tunisia.

These documents allowed understanding the employment situation, by referring to spaced chronological data, to better simulate the evolution of trends and therefore to position oneself clearly on the relevant ideas.

All the documentations pointed out the current trend of the decline in economic activity through economic aggregates, affecting unemployment which is already qualified as structural, by a slowdown of job creations. This trend has been generated since the end of the 2000s, even before the change of 2010 and has been amplified with the "CORONA VIRUS" pandemic and the current international circumstances

These desk research are compiled with field investigations both on national and regional levle (in the governorate of Nabeul).

The field investigations were conducted as follows:

- Official letters are adressed to organisms and administration targeted (both national and regional levels), contacts are therefore established with stakeholders, and finally a specific meetings were planned. Using the framework questionnaire to progress in discussions of the relevant questions, starting with an overview and comments about the market labour, progressing through the active programs, mainly the role of the institution and the stakeholder office in the implementation of these programs, discussing the results and comments, to end with point of view of the stakeholder about the limits of these programs and what should be done to enhance public authorities awareness of the question of NEETs and especially how to draw peaceful contact to reach the expectations of youth.

The regional level investigation is conducted as follows:

- The field research guideline was translated from English into Arabic to facilitate the process of answering questions and interacting with the topics raised.
- Choosing stakeholders working in different fields related to the CLUSTER project, namely, the advancement of women, agricultural development, vocational training, and civil society.

























- Addressing official letters to heads of selected institutions to carry out the field research in order to inform them of the objectives and content of this research.
- Setting a calendar of meetings with the head offices of targeted institutions .
- Chokri Messelmani, regional referent of the project and Regional Development Service Director in Nabeul has conducted in person the interviews with stakeholders.
- Finaly, Translating the results of the field research back from Arabic into English.

On the national level we were able to contact in person:

- Iness Frej and Lilia Makhlouf from MEFE
- Samira Hached from ATFP
- Hichem BouSaid from ANETI
- Messoudi Lotfi and Habib Tekkeri from UTSS

On the regional level we contucted in person:

- Wahid Jenhani, (Environemental Association Kélibia)
- Fethi Lengliz (Regional delegation for women, family and children affairs)
- Faiçal Kataa (CRDA)
- Kamel Shal (Sectorial training Center for marine Mechanization Kélibia)

It appears clearly that the national and regional selected administrations and stakeholders contacted are different in order to find a synergy and coordination in the results, and to confirm that public policies of employment programs are designed at a central level and implemented regionally. In this scope, the responses of the executive staff interviewed show this conclusion.

The activity of desk research and field research are conducted simultaneously, so that the report to produce would take a minimum of time.

Employment Landscape

1- Who is unemployed

The INS is officially adopting the ILO (international labour organization) standards concerning the employment criteria, which consider as unemployed "everyone over 15 years old who didn't worked in the week in reference, looking for a job and able to work for the next two weeks after the referenced week".

Compared to the definition of who is unemployed in France:

For INSEE, an unemployed person is a person of working age, unemployed, i.e. who has not worked even one hour during the reference week, available to work in two weeks, and who has taken active steps to find a job in the previous month (or has found a job that starts within three months).

So, who is unemployed in Tunisia?

- The 1984 census considers the category of people aged between 18-59 looking for work to be the unemployed population

























- Since the 1994 census, the category of people aged 15 and over looking for work is considered unemployed population.

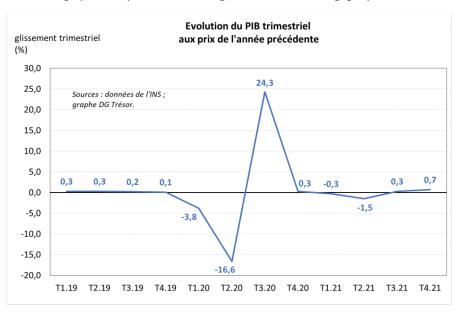
The Tunisian legislation considers the job seekers to integrate the labour market to be aged more than 18 years old. Hence the category of people aged between 15 and 18 years old are considered active population without the right to integrate the labour market. This situation is not helpful for the category of young people.

2- General overview of economic aggregates:

Tunisia shows a successful example of demographic policy in the Arab world and the MENA region, with a population growth rate that currently reaches 1.06% per year. However, all analyses show a persistence of the unemployment rate around 15-16%, whereas even during a series of 20 consecutive years (1990-2010), the country recorded a GDP growth of around 5%.

The general trend of the average annual growth rate of (GDP) is downward. This rate fell from 4.3% to 1.7% during the decade 2010-2020. According to the INS, for the year 2021 Tunisian GDP growth reached 3.1%, after a fall of 8.7% in 2020.

The quarterly evolution of GDP between the years 2019 and 2021, compared to that of the previous year, measuring quarterly annual shift gives the following graph:



The recovery was hampered in 2021 by the continuation of restrictions imposed by the health crisis. The gross investment rate in relation to the State budget, already considered insufficient, collapsed to 13.3% in 2020 and estimated at 8.8% for the year 2022.

Investment effort/Total budget

Year	2014	2016	2018	2020	2022
Total Inv/Budget (%)	17.2	16.47	14.28	13.3	8.8

The tax burden continued to rise, reaching an estimate of 25.4% in 2022. The highest level ever registred. The Tunisian economic fabric, dominated by small and medium-sized businesses, is then

























under double pressure, the negative impacts of the CORONA VIRUS pandemic on the one hand and fiscal pressure on the other. This constitutes a brake on the economic recovery.

Tax pressure in Tunisia:

Year	1990	2000	2010	2016	2022
Tax burden (%)	20.1	20.0	18.6	20.8	25.4
			0		

The current budget deficit fell during the 2000s from a range of 2 to 6% of GDP to a range of 8-11% during the decade 2010-2020.

From 4.9% at the end of 2020, inflation rose to 6.7% in January 2022, fueled both by pressures on world prices and changes in administered prices and affecting food prices in particular. Inflationary pressures are also reinforced by the Russian-Ukrainian crisis via the rise in international prices for energy and largely imported agricultural products. Social indicators have deteriorated sharply during the crisis and barriers to employment have increased.

3-Overview of the employment in Tunisia:

Tunisia shows a successful example of demographic policy in the Arab world and the MENA region, with a population growth rate that currently reaches 1.06% per year. However, all analyzes show a persistence of the unemployment rate around 15-16%, whereas even during a series of 20 consecutive years (1990-2010), the country recorded a GDP growth of around 5%.

The latest statistics of the second quarter of 2022, according to the INS, show that the number of employed persons stands at 3454.4 thousand in the second quarter of 2022 against 3393.2 in the previous quarter, an increase of 61.2 thousand. This population is distributed unequally between the two sexes: 2464.7 thousand men against 989.7 thousand women, that is to say respectively 71% and 29% of the employed working population. In the second quarter of 2022, the number of unemployed is estimated at 626.1 thousand, against 653.2 thousand in the first quarter of the same year. The unemployment rate stands at 15.3%, against 16.1% in the first quarter. The fall in the unemployment rate is more marked for men (13.1% against 14.1% in Q1) than for women (20.5% against 20.9% in Q1). In the second quarter of 2022, 37.2% of working people aged 15 to 24 are unemployed, compared to 38.5% in the first quarter of this year. Unemployment is 37.4% among young men and 36.7% among young women.

The impact of the corona-19 virus is very remarkable on employment, and particularly on young seeking for jobs. The results of the INS surveys for the third quarter of 2019, compared to those of the third quarter of 2022 are reported in the following table:

Global unemployment rates (%)

	Third quarter 2019	Third quarter 2021
Men	12.2	15.9

























Women	22.0	24.1
total	15.1	18.4

Source INS (inquiry employement)

Youth unemployment rate (15-24 years old) (%)

	Third quarter 2019	Third quarter 2021
Youn men	34.4	42.8
Young women	35.5	41.7
total	34.7	42.4

Source INS (inquiry employement)

Policy Framework and Responses

The main constraints of legal system, leading to young exclusion from labour market are:

- Regidity of tunisian legislation against new recruitment, even though the public policies enhancing the labour market.
- Public recruitment is blocked since the year 2014.
- insufficient facilities of transport and communication, high costs of life (housing and nutrition), especially in big cities of the country, compared to wages paid, are becoming major discoursing young job seekers to
- Actually, the public policy and most active programs for employment are dedicated to high graduated job seekers; NEETs and other categories are supposed to have natural issues for employment which is not the case.
- The authorisation system for new private projects. Recently, the government has freed a second list of 8 activities from authorization. This system is still blocking so many investment opportunities, economic partners are calling for integral freeing the private initiative, other than national security and military necessities.

Two basic institutions under the supervision of the ministry in charge of employment are the ANETI (in charge of employment) and the ATFP (in charge of training activities)

Role of the ANETI

The main mission of the agency is to implement the public policy in the accompaniment of young people towards salaried or independent work, mainly:

- Animate the labour market at national, regional, local and sectorial levels,
- Widespread information on employment and professional qualifications towards businesses and job seekers;
- Implement programs to promote employment and integration of young people;
- Promotion of small businesses and self-employment;

























- Provide companies with services in the assessment of qualification profiles and recruitment advice;
- Organize operations for the placement of Tunisian labour abroad and ensure their implementation

Actually 4 active programs are implemented by the ANETI

1. Professional Life Initiation Contract (CIVP):

Objective: - Meet the needs of private sector companies. - Help job seekers acquire professional skills in order to facilitate their integration into working life.

- -For Job seekers: First-time job seekers of Tunisian nationality, graduates of higher education (DES) or holders of a BTS. Job seekers without a higher education diploma with at least a 7th year basic level. Persons with disabilities are excepted from the condition of first-time job seeker and from the level of study.
- -For the company: Support for the employer's share relating to the salaries paid to the recruit of DES or BTS among the beneficiaries of the CIVP within the same company, for a period of two (2) years under a CDI and within the limit of 600 dinars per month.
- The company undertakes to Recruit at least 50% of the total number of trainees during a period of 3 years.

2. KARAMA Dignity Contract:

Objective: Encourage private sector companies to recruit job seekers and improve their supervision rate.

Advantages: The State supports during the period of the contract \neg First-time job seekers of Tunisian nationality, graduates of higher education (DES) or BTS whose period of unemployment is at least two years from the date of obtaining the last degree

the employer's share in respect of the salary paid to the recruit, and within the limit of six hundred (600) dinars per month. NB: The duration of the allocation of these two advantages is three (3) years for people with disabilities who have graduated from higher education. A half (50%) of the net salary paid to the recruit within the limit of four hundred (400) dinars per month. Support by the national employment fund, for two years from the date of recruitment of: For the Company The support by the national fund of the employment of the salary share in respect of the salary paid to the recruit, and within the limit of six hundred (600) dinars per month. A minimum global monthly salary of six hundred (600) dinars per month served by the company, For the Recruit Companies All companies in the private sector and the liberal professions whose tax and social situations are regularized. Duration: Two years from the start date of the employment contract.

3-Adaptation program to improve employability

Objective: adaptation of job seekers to improve their employability and facilitating their integration into companies requiring additional training.

























Beneficiaries Job seekers of Tunisian nationality registered in the BETIs, with a minimum level of study 7th basic year completed. The structures involved in the training: - Public or private training structures, private sector companies, - Professional associations or organizations Advantages: The State pays during the training or adaptation period:

The cost of additional training or adaptation training for a maximum period of 6 months for each beneficiary capped at 2500 dt; Social security coverage for the beneficiary; A monthly allowance of - 200 DT for graduates of higher education or holders of a BTS (approved) - 150 DT for other categories - 50 additional DT for people with disabilities

4-Civil Service Contract (CSC)

Objective: enable job seekers to develop owen skills facilitating their integration into working life. Beneficiary: First-time job seekers of Tunisian nationality, graduated from higher education whose period of unemployment exceeds 12 months from the date of obtaining the last diploma. All associations, professional and civil organisations.

Duration: One year, renewable for a period not exceeding 12 months

Advantages For the beneficiary: - A monthly allowance of 200 dt - Social security coverage – Support for cost of additional training within the limit of 400 hours per person.

Role of the ATFP

The ATFP is the most important public training organization in Tunisia. It offers large diversified training opportunities that covers several areas. A wide choice of professional training is offered; one hundred and thirty-six training canters (sectoral, young rural girl, apprenticeship and training in craft trades) and more than four hundred specialties are offered. During the training, the learner can benefit from innovative pedagogy with solutions that combine work-study and e-learning training. With its training canters, the ATFP covers twelve vocational training sectors. Currently the ATFP covers 80% of the vocational training market.

Benchmarking of active/Passive programs employment

Tunisia has always opted for active employment programs (PAE). These programs consist of incentive measures, supervision and training for job seekers. Expenditure on PAEs is in the order of 1 percent to 1.5 percent of GDP per year* (employment strategy papers 19/2005 (intermediation on the labor market in Tunisia by M.S Redjeb and Miloudi Ghobhbani). Comparing the situation of Tunisia with the southern Mediterranean countries, we find:

Active employment programs / GDP

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Country	Year 2020	Year 2019
France	0.76	0.72
Spain	1.18	0.69
Italy	0.45	0.40

Source OECD.stat

























In addition to active programs, theses countries are implementing passive expenditure distributions, which are largely higher, and more important due to the corona virus battle. The following table shows this importance:

Passive employment programs / GDP

Country	Year 2020	Year 2019
France	3.21	1.98
Spain	3.36	1.52
Italy	2.58	1.29

Source OECD.stat

Main challenges

Challenges to integrate labour market

Nowadays, it is more and more complicated for NEETs to integrate labour market, especially for those who left school early without qualifications. This category of job seekers is usually recruited in informal economic activities. This sector is becoming a serious economic problem; both for existing enterprises by reducing their competitiveness and threats their existence on one hand, on the other hand, the costs of economic shortfall is becoming so high. In this optic, a specific law aiming to integrate the informal economic activities into legal sectors is gradually applied.

A second challenge is concerning the legislation for authorization to set up a new economic project. This challenge is common for all young people to develop their own projects, but more sever with young NEETs, suffering from shortage in qualification and threatened by social exclusion.

The third challenge is related to tunisian legislation limiting the possibility for young people, who left school earlier (15- 18 years old) to integrate training system before reaching the age of 23; otherwise they are no more accepted in the training system.

The fourth challenge regarding the tunisian laws about accessibility to labour market. Young people from the age of 15 are considered among active population, without the right to integrate labour market.

Trust in public institutions

This topic is mitigated, some of the interviewed consider that the actual level of coordination between organisms are sufficient but affected by administrative limits. Some others consider that there is no coordination between organisms, In more, there is overlap between the attributions of the actors concerning the services provided. Third category finds that coordination between actors exists but limited to informal relationships between agents, and this should be clarified at high level between ministers.

Approaches going forward

Different point of views of people interviewed about the approaches de be adopted have been mentioned such as :

















Implemented by









- -Develop an accurate database on the requirements of the labor market and job seekers
- Develop medium and long-term programs and strategies to operate on these groups
- High level of regional and local authorities to develop and implement their own programs for employment within the framework of decentralization.
- Creating a referential document setting the tasks of all stakeholders
- Creation interactive platform to listen to young needs
- Interministerial cooperation for the implementation of policies on youth issues in a multisectorial framework, to ensure each one responsibility.
- Strengthen the role of trainers and teachers, as well as their economic partners, with regard to the development of training programs and teaching
- Further financial support NGOs that intervene in the integration of young people into the labour market
- More dialogue on employment and active work programs with social and economic partners
- Improve the quality and image of training at all levels: training of trainers, more efficient and attractive training tools and logistics, openness to training programs training in new paths.

























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Acronymes

ATFP: Agence Tunisienne de la Formation Professionnelle

ANETI: Agence Tunisienne de l'Emploi et du Travail indépendant

BTS: Brevet Technicien Supérieur

BETI: Bureau de l'Emploi et du Travail Indépendant

CDI: Contrat à Durée Indéterminée

CIVP: Contrat d'Insersion à la Vie Professionnelle

CGDR: Commissariat Général au Développement Régional

CSC: Civil Service Contract

DES : Diplômé des Etudes Supérieure

GDP: Groo Domestic Product

GIZ: Coopération Technique allemande

ILO: International Labor Organization

INS : Institut National de la Statistique

INSEE : Institue National de la Statistique et des Etudes Economiques

MENA: Middle East and North Africa

MEFP: Ministère de l'Emploi et de la Formation Professionnelle

NGO: Non Gouvernemental Organization

NEET: Not in Education, Employment or Training

OECD: Organisation for Economic Coopration and Development

PAE: Programme Actif pour l'Emploi

UTSS: Union Tunisienne pour la Solidarité Sociale















