CONCEPT NOTE ON TRIPARTITE INITIATIVE FOR

“DHAKA SUMMIT ON SKILLS, EMPLOYABILITY, AND DECENT WORK 2016”

National Dialogue on ‘Future of Work Initiative’

Organized by

Bangladesh Employers’ Federation

Ministry of Labour and Employment Government of Bangladesh

National Coordination Committee for Workers Education (NCCWE)
CONCEPT NOTE ON TRIPARTITE INITIATIVE FOR

“DHAKA SUMMIT ON SKILLS, EMPLOYABILITY, AND DECENT WORK 2016”

National Dialogue on ‘Future of Work Initiative’

Co-Organizer

a2i Programme, Prime Minister’s Office

Knowledge Partner

CENTRE FOR POLICY DIALOGUE (CPD)
BANGLADESH
a civil society think tank

Powered by

BANGLADESH GARMENT MANUFACTURERS AND EXPORTERS ASSOCIATION (BGMEA)
Towards a Sustainable Garment Industry

Government of Peoples Republic Bangladesh
NSDC Secretariat

International Labour Organization

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development and Cooperation SDC

THE WORLD BANK
(Expected)
The best point of departure for an examination of the future of work is a baseline understanding of what the world of work looks like today. What are the circumstances of our planet’s approximately three billion strong workforce? Where are the most significant decent work deficits?

*ILO Director General’s Report to 104th Session of the ILC, Geneva, 2015 (Chapter 2, p. 5)*
1. Background and rationale

This note originates from the “Future of Work Initiative” which was first presented by the ILO at the 104th session of International Labour Conference in 2015. The scope and nature of this Initiative and proposed plan for its implementation are described in the ILO Director General’s Report to the ILC. The report argues that the world of work is undergoing major processes of change. So, the ILO and its member States need to deepen their understanding of this transformation to meet the required policy changes towards the goal of decent work for all which is also one of the SDGs.

To proceed with the national level activities, the ILO has invited all member States to undertake national “Future of Work Dialogues” structured around four thematic areas: work and society; decent jobs for all; the organization of work and production; and the governance of work.

These thematic areas are indicative only and each member States may wish to adapt the content to their own national circumstances and priorities.

To contribute to the “Future of Work Dialogues” mentioned above, this concept note proposes country level work in the form of a two-day high level conference titled “Dhaka Summit on Skills, Employability and Decent Work” to be organized by tripartite constituents in Bangladesh. Considering the importance of the skill development in the context of Bangladesh and the high priority accorded to skills by the government, the private sector and the development partners, the conference will have an overarching skills agenda towards promotion of decent work. Bangladesh Employers’ Federation (BEF) will take the lead in moving this initiative forward and will involve participation of the tripartite constituents and other key stakeholders who are involved in various skills development initiatives in Bangladesh. Background and rationale for this conference are described in the following paragraphs.

In line with the national development goal, Vision 2021, the business community is keen to make the transformation of Bangladesh towards a middle income country a reality. Bangladesh Employers’ Federation (BEF) is the apex organization representing the legitimate interests of employers across all industrial sectors in Bangladesh. In addition to its traditional role, BEF is engaged in improving the industrial relations, determining minimum wages, promoting workplace safety, and development of skills and productivity. BEF is concerned not only with the present issues of demand, supply, and productivity of the labor force, but also with the issues affecting the employability of the country’s human resources in the medium and long term. Also, BEF considers productivity of workers equipped with the right set of skills is critical for sustainable and inclusive socio-economic development in the local and international context.

The good news is that there has been a major policy shift at the national level in favor of skills development since 2009. The recent national policy documents, e.g., the 6th Five-Year Plan, Mid-Term Budgetary Framework, the Accelerated Poverty Reduction Strategic Paper, the 7th Five-Year Plan, etc., are focusing on an employment-led growth model for the national economy.

---

The National Skills Development Policy has been framed and the National Skills Development Council, the highest body for skills development, chaired by the Hon'ble Prime Minister, has been established and made functional. Also, establishment of the proposed National Human Resources Development Fund is under active consideration of the government. On top of these, there have been substantial budgetary allocations targeted at developing the infrastructure and physical facilities for technical and vocational education.

All these initiatives are being supported by the major development partners through technical and financial assistance. The major development partners supporting various skills development programs and projects in Bangladesh include ILO, EU, ADB, World Bank, SDC, JICA, CIDA, DFID and GIZ.

However, the business community feels that there is a need for increased coordination among the government agencies implementing projects supported by the above externally-funded projects. Also, the development partners themselves need more harmonization among different initiatives to avoid duplication of activities and wastage of resources.

Thus, there is an urgent need for both the government and development partners to include the private sector in their decision-making process while designing and implementing various skills development projects and to make these projects need-based and realistic for maximum impact. The employers of major industrial sectors have already formed a number of Industry Skills Councils (ISCs) to bridge the gap between the skills demand and supply but these initiatives need to be scaled up further.

In the same vein, there is a need to bridge the gap between industry needs and the supply of technical and financial assistance provided by the development partners, implemented by the government and others.

Considering the above, a high level dialogue among the employers, development partners, government agencies, national and international experts, workers’ representatives, and other stakeholders would be useful for optimizing the efforts of the government and development partners in skills development.

Along with the promotion of skills development, the youth as a group requires particular attention as the main target group of the skills program due to the aspiration of the young people to enter the labor market. Youth employment has been identified by the ILO as a global challenge and highlighted by the ILO Director General in his report to the International Labour Conference in June, 2012. Majority of the young people – about 90 per cent – live in developing countries, with 60 per cent in Asia and 17 per cent in Africa. In South Asia alone, 27% of the world’s young people live.
Like many other developing countries, Bangladesh faces a major challenge of providing jobs for its labor forces, particularly for its youthful population. In 2014, Bangladesh’s population stood at 158.5 million.\(^2\) Of the total population, 28.1% are young people i.e., belonging in the age group 15 to 29. The relatively high percentage of working age and youth population are Bangladesh’s “demographic dividend”. Bangladesh’s youth labor force (15 to 29 years) stood at 43.4 million in 2013 or 36.5% of the total labor force (2013).\(^3\) Therefore, along with the importance of job creation in general (both at domestic market and overseas), special attention and programs are needed focusing on youth. Mainstreaming them into development activities is also imperative.

Considering the high priority of job creation in Bangladesh, for the young people in particular, Technical and Vocational Education and Training (TVET) has been identified by the national authorities as one of most effective means to prepare the young people for the labor market. Currently, there are three broad categories of TVET delivery in the country which are being supported by the government as well as the development partners. These categories of TVET include:

(i) **Institutional training:** Formal or institutional training comprises of a large number of training institutions in the public, private and NGO sectors producing graduates, mostly young people, for the job market. The evidence shows that there is an enormous gap between industry required skills demand against the supply of graduates from private and public institutions.

(ii) **Apprenticeship and on-the-job training:** Apprenticeship in the formal sector is governed by the BLA 2006. Also, the NSDP 2011 refers to both formal and informal apprenticeship. Under the TVET project of the ILO, the leather sector has successfully implemented a program known as “Centre of Excellence in Leather Sector” which has trained about 15,000 young persons (male and female) and provided most of them with jobs after training.

(iii) **Skills training leading to self-employment and entrepreneurship:** Considering the fact that formal or wage employment is not available for the youth in the job market, alternative job opportunities in the forms of entrepreneurship development and self-employment are very important as well in the context of Bangladesh.

Main problems and issues relating to TVET include the following:

- Mismatch between skills demand and supply
- Lack of arrangements for preparing the youth for the job market (i.e., school to work transition)
- Employers’ participation in the delivery of skills is insufficient or virtually non-existent.
- The youth labor market in Bangladesh is characterized by gender inequalities.
- Disadvantaged groups are not adequately represented in the formal training system.

\(^2\) World Bank: “Getting prices right: Recent disinflation and its implications” South Asia Economic Focus (Fall 2015), World Bank, Washington, DC, 2015 pp 51-52

\(^3\) BBS: Report of the Labour Force Survey 2013
Decent work in global supply chains

Global supply chains have become a common way of organizing investment, production and trade in the global economy. In many countries, particularly in the developing ones, trade has created employment and opportunities for economic and social development. However, there is also evidence that the dynamics of production and employment relations within the global economy, including some global supply chains, can have implications for employment, working conditions and labor rights.

To highlight the above issues, the 105th Session (2016) of the International Labour Conference held a general discussion on decent work in global supply chains. An evaluation of 250 relevant ILO development cooperation programs implemented between 2000 and 2015 have revealed that most of the projects have focused on social dialogues and rights at work, and have targeted a variety of sectors, particularly agriculture and textiles. The evaluation concluded that the involvement and participation of social partners have been and continue to be crucial for the success of all the projects related to global supply chains.

In Bangladesh, with the support of the ILO and several development partners, the Government and social partners are currently involved in implementing a major program in the RMG sector for improving working conditions and social dialogues. One of the key priorities for Bangladesh achieving its Vision 2021 objective is to diversify and expand its export base and attract foreign direct investment. Significant progress has been made by Bangladesh in continuously raising its export volume over the past ten years or so. Country’s export earnings in the just concluded financial year 2015-16 stood at $34.24 billion with a 9.72-per cent growth thanks to a commendable performance by the readymade garment sector. The export earnings in FY15 were $31.20 billion. According to the EPB data, the export earnings from the RMG products in FY16 stood at $28.09 billion with a 10.21-per cent growth from $25.49 billion in the FY15.

Side by side with the above mentioned growth in export volume, Bangladesh needs to address the challenges of decent work issues relating to its economic and export growth as well as its ever growing foreign direct investment and efforts to integrate the economy and production process with the global economy. The ILO report highlights such challenges as follows:

“While there have been multiple efforts to address these challenges, lessons learned from these experiences have shown that there is scope for much wider interaction and synergies between the tripartite constituents and other actors engaged in global supply chains. Targeted policies that draw lessons from past problems and address existing problems are required in order to ensure that decent work opportunities are created and extended to all workers.”

In this context, the skills summit will address the issues related to decent work issues in the global supply chains. This thematic issue will be addressed in the second day.

4. ILO: Decent work in global supply chains, International Labour Conference 105th Session, 2016,
6. ILO: Decent work in global supply chains
2. Organization of the event

As a result of a preparatory discussion held on the 29th February, 2016 among its key stakeholders, BEF in consultation with other constituents has decided that the proposed “Dhaka Summit on Skills, Employability, and Decent Work 2016” will take into consideration the key thematic areas of the ILO’s centenary dialogues, global supply chain issues. Considering BEF’s focus on employability, skills and productivity and the ILO’s centenary initiative on synonymous themes, BEF will organize this high profile and interactive Public Private Dialogue (PPD).

2.1 Day one

Summary information of the first day’s events is as follows:

Focus of the first day’s event

To develop effective strategy and policy formulation regarding sustainable and more productive employment creation at home and abroad. The outcome of the discussions and the recommendations will be submitted for the consideration of the government and the development partners.

Topics of the day

Constituents of Bangladesh plan to undertake research studies and subsequent publication of four keynote papers. These keynote research papers will be presented at the PPD event for discussion among the stakeholders and the experts. The two keynote papers for day 1 will be as follows:

1) Skills for Decent Employment: An Effective Means of Social Transformation: Present, and Future – the Case of Bangladesh.
2) Employer-led Initiative for Promoting Inclusive Youth Employment: Expansion of Apprenticeship.

Nature of the event

Tripartite, with support from the development partners.

Participants

Participated by international and national policymakers, government, supranational bodies, employers, workers, researchers, civil society, and media. BEF on behalf of the constituents plans to invite high profile guests and engage national and international experts to prepare keynote papers.
2.2 Day Two
Summary information of the second day’s events is as follows:

Focus of the second day’s event
The main focus of the second day of the summit will be on Decent Work in Global Supply Chains and plenary sessions on way forward.

Topics of the day
Following sessions will be conducted on the second day.

1) Decent Work in Global Supply Chain: A Matchmaking Challenge for Bangladesh
   - Consumers’ and retailers’ response to Manufacturers’ Needs: An unnoticed reality

2) Strengthening Social Dialogue, Industrial Relations and Workplace Safety - a Means of Closer Partnership

3) Conclusions and way forward.

Nature of the event
Tripartite, with support from the development partners
3. Preparatory and Follow up Activities

3.1 Preparatory activities
For smooth coordination and organization of the two-day event, BEF, as the coordinator, will organize a small technical committee to agree upon the roles and responsibilities and monitor and track progress of the preparations. A work plan will be prepared to facilitate and monitor progress of the work and preparations leading up to the event. Such preparatory activities will include:

- consultation with the important stakeholders such as Ministry of Labour and Employment, PMO Office, NCCWE, interested development partners;
- mobilizing and securing funding support;
- preparing the TOR and agenda of the resource papers, managing and coordinating the work of the resource persons; and
- event management and logistics arrangements.

As part of preparatory activities, BEF will be responsible to organize and facilitate 3 to 4 consultation sessions/focus group discussions with the stakeholders on the key thematic areas to seek their opinion and validate the findings of the research studies. Such preparatory activities will also help achieving coherence between the reality, government policies and action plans, business strategies of the employers, preparedness of the workers, and the development goals.

3.2 Follow up activities
All of the proposed three studies will have a set of recommendations and action plans. These action plans will be validated and endorsed at the proposed Dhaka Summit. The consensus reached in the Dhaka Summit on the action plan may be labeled as ‘Dhaka Action Plan on Skills, Employability, and Decent Work’ and can be submitted to the High Level Global Commission on the Future of Work, to be formed in 2017 by the ILO, for possible follow up. Besides, the recommendations will also be shared with the development partners for their consideration which may guide them to determine their respective country action plans.

4. Cost Estimate
The total cost for the preparation, keynote papers, and organizing the 2-day event is initially estimated at BDT 11,865,000.00 (BDT Eleven Million Eight Hundred and Sixty Five Thousand) only or equivalent to approximately US $152,000.00. It should be noted that BEF will bear the cost of focus group discussions/consultation sessions during the preparatory activities, which will be about 10% of the total cost estimated above.