



Socio-economic context in Ivory Coast, Morocco and Peru: Comparative Report

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Improve Social Environment »**
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INTRODUCTION

This Summary Comparative Report is part of Task 1.a of project **ELOISE– Enhance Labour Opportunities to Improve Social Environment**.

In the framework of this task, each of the three countries involved in the project, i.e. the Ivory Coast, Morocco, and Peru conducted an analysis of their national contexts and produced three National Reports on Socio-economic Context (one for each beneficiary country).

This document summarises the main information contained in the national reports, order to enable to easily compare the three countries and to highlight the main cross-country differences (or similarities).

When reading this report, it should be borne in mind that all the information presented has been taken from each country's national report, and therefore the data relating to different countries may not be fully comparable.

The national data are, in fact, derived from national sources, and there might be significant differences in the methodologies adopted in each country. Such differences may concern either the statistical procedures, or the calculation of the indicators presented, or the classification adopted at the country level (for example, each country classifies occupations in a different way).

Moreover, the national data on a same subject often may refer to a different year. Given the rapid changes the world's economy has been experiencing over recent years, in order to avoid misleading comparisons time differences between the national data should be taken into consideration during the analysis.

Detailed information on the national sources can be found in the national reports provided by the countries.

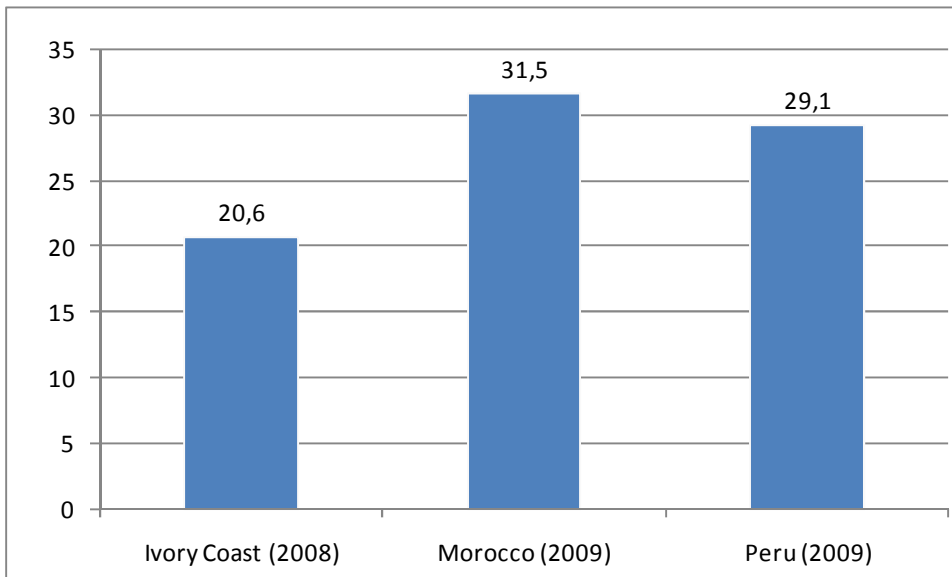
1. THE DEMOGRAPHIC CONTEXT: KEY DATA

1.1. Population characteristics and trends

1.1.1 Population changes and density

Taken together, the Ivory Coast, Morocco and Peru total a population of over 80 million people. Of these, 25% live in the Ivory Coast (corresponding, in absolute terms, to around 20,6 million people), 39% in Morocco (31,5 million) and 37% in Peru (slightly over 29 million).

Population of the countries observed (millions)



Sources¹:

Ivory Coast: World Bank; Morocco: Haut Commissariat au Plan; Peru: Instituto Nacional de Estadística e Informática (INEI)

Over recent years, more specifically since 2005, the population of the Ivory Coast increased at an average annual rate of 2,2%, which is a much faster growth than those of Morocco and Peru, both at around 1,1%.

During the years 2000s, in all the three countries the population growth however slowed down in comparison with the 90s (in those years the annual average growth rates stood at about 3,2% in the Ivory Coast and at 1,5% in Morocco²), thus confirming a trend that characterised several areas of the world.

¹ The detailed description of the sources is available in the national reports

² Data for Peru not available in the Country's report

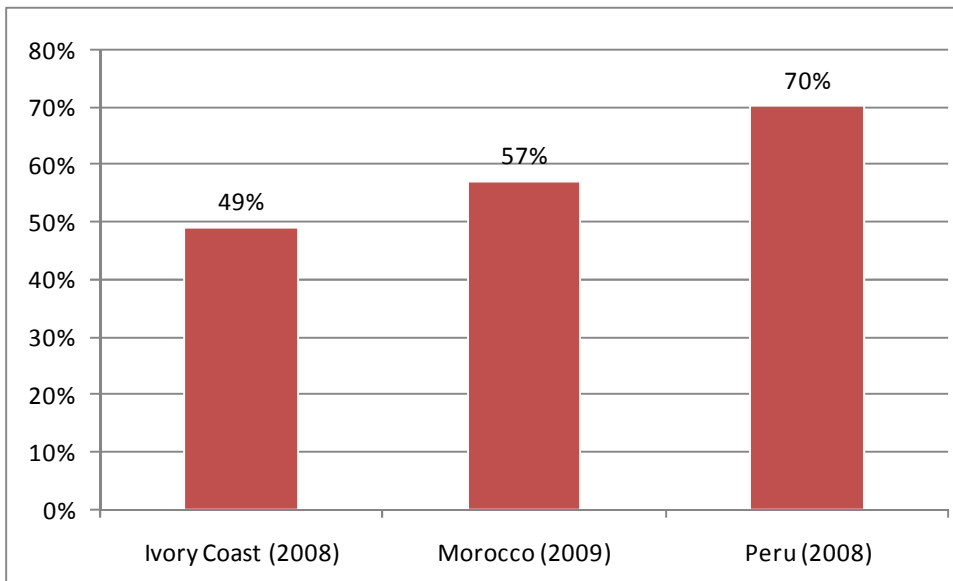
An important indicator of the population is its density, i.e. the number of inhabitants every km², which enables to evaluate the concentration of the population over a given territory. The Ivory Coast and Morocco, with around 65 and 70 inhabitants per km² are by far more densely populated than Peru, which records less than 23 inhabitants per km². Even in a same country, population densities may of course vary significantly across different areas; in Peru, for example, the two most densely populated areas stand well above the country's average: the "Provincia Constitucional del Callao" records nearly 6 000 inhabitants per km², while the "Departamento" of Lima more than 240 inhabitants per km².

The three countries differ substantially also with regard to the level of urbanisation of the population: in the Ivory Coast most of the population (51% in 2008) still lives in rural areas, while in Morocco and Peru the population is concentrated in urban areas. The proportion of the population living in cities is 57% in Morocco and rises to 70% in Peru.

Over the recent years the level of urbanisation of the population has been constantly growing in the Ivory Coast and in Morocco, thanks to increasing flows of people moving from rural areas to cities in search of better living conditions. This of course implies, in these countries, higher growth rates of the population in cities compared to rural areas. For example, in Morocco, over recent years the urban population increased on average, by 1,9% per year, while the rural population remained relatively stable (with an average annual growth of only 0,1%).

Peru was instead characterized by a somewhat different pattern: here the share of urban population in total remained practically unchanged between 2005 and 2008. This can be explained – at least partly – by the fact that the level of urbanisation was already very high in the late 90s and early 2000s. It should be underlined, anyway, that more than half of Peru's population is concentrated in the Coastal Region (54,6% as of the 2007 Census).

Population living in urban areas as % of the total population



Sources:

Ivory Coast: World Bank; Morocco: Haut Commissariat au Plan; Peru: Instituto Nacional de Estadística e Informática (INEI)

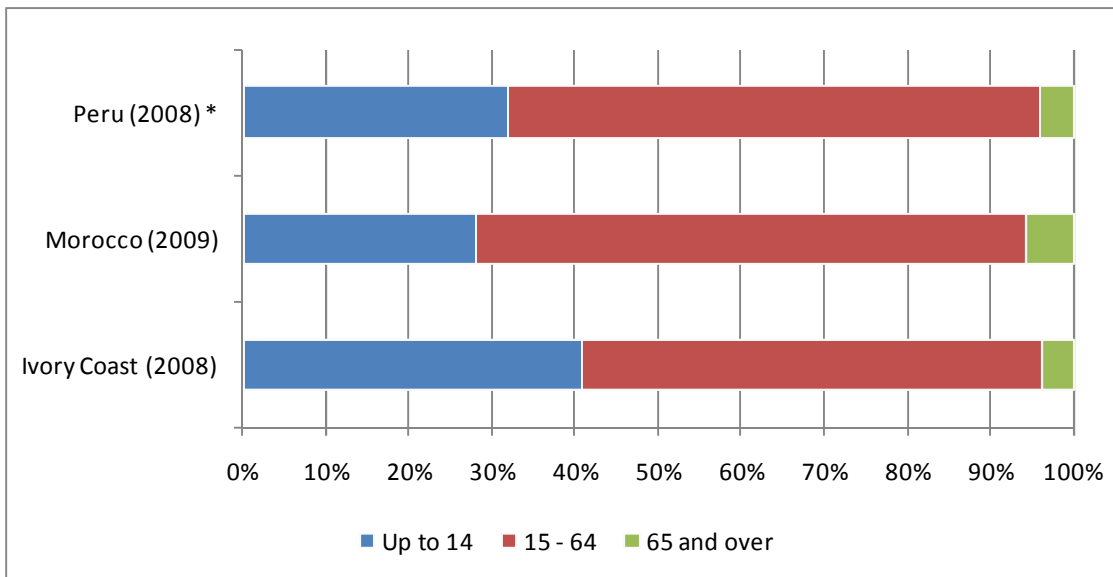
1.1.2 Population age, life expectancy and birth rates

The national statistics show that the three countries observed are characterised by an extremely young population. Persons aged under 15 years account for 28% of the total population in Morocco, for about one third in Peru, and for over 40% in the Ivory Coast (in the EU the share of the population aged under 15 years in total population is lower than 16%).

In Morocco and in Peru persons of working age (15-64 years) represent about two thirds of the total population, which is more or less in line with the EU average (where the proportion of young people is low but that of the elderly is high). In the Ivory Coast, due to the very high proportion of young people, persons of working age account for “only” 55% of the total population.

Unsurprisingly, however, the population of the three countries is ageing and the proportion of elderly people is increasing. Data clearly show that women’s fertility and birth rates are declining, alongside with increases in the population’s life expectancy.

Population by age group



(*) data for Peru are estimated

Sources:

Ivory Coast: World Bank; Morocco: Haut Commissariat au Plan; Peru: Instituto Nacional de Estadística e Informática (INEI)

In the **Ivory Coast** the life expectancy of the population increased by two years during the 2000-2008 period, rising from 55,6 to 57,8 years. In 2008 women were expected to live about two and a half years more than men (a life expectancy of 59,1 years compared to 56,5).

Over nearly the same period (2000-2007) birth rates dropped from 37,3 every 1 000 inhabitants to 35,1; the reduction that took place over the 90s is also significant (41 births every 1 000 inhabitants in 1990 compared to the 37,3 recorded in 2000). This of course is strictly connected to a drop in the fertility rates: in 1990 each woman living in the Ivory Coast had on average 6,2 children, in 2000 the value was 5,2 and in 2007 it was 4,6.

On the other hand, since the 90s mortality rates have remained relatively stable (but high), at around 11 deaths every 1 000 inhabitants.

Also in **Morocco** the fertility of women has been undergoing a constant reduction. The synthetic index of fertility, which was of 5,5 children per woman in the beginning of the 80s, dropped to 3,3 in 1994 and to nearly 2,4 in 2008. There are however disparities between rural and urban areas: women living in rural areas have on average one child more than women living in cities.

This reduction in women's fertility can be explained by important socio-economic changes. Among these, of particular importance is the increase in women's level of

educational attainment and hence the increase in women's activity in the labour market.

Birth rates stood at 19,5 births every 1 000 inhabitants (in 2008): 17,7‰ in urban areas and 21,9‰ in rural ones. Alongside the reduction of women's fertility, birth rates fell by one percentage point compared to 2004, and by nearly 5 points compared to 1994 (when they were 24,2‰). The drop was more significant in rural zones (nearly 6 points) than in cities (over 3 points).

Mortality declined instead at a relatively slow pace. Mortality rates fell from 6,7‰ in 1994 to 5,8‰ in 2008. They dropped from 4,9‰ to 4,7‰ in the urban environment and from 8,6‰ to 7‰ in the rural one. Infant mortality rates declined significantly: from 50‰ in 1999 to 40,3‰ in 2004 and to 33,8‰ in 2008.

The reduction of mortality, especially that of children with less than five years, contributed favourably to the improvement of life expectancy at birth, which has been increasing fast: from 71,8 years in 2004 to 72,6 in 2008.

As happens in the Ivory Coast, women in Morocco are expected to live 2,5 years more than men (73,9 and 71,4 years respectively). Urban citizens expect to live 7,5 years longer than rural ones (75,8 years compared to 68,4).

In **Peru** the ageing of the population, i.e. the increasing proportion of elderly people in the population can be explained not only by the decline of birth rates, and by the increase in the life expectancy, but also by a "loss" of young people, who emigrate towards other countries.

More specifically, during the three-year period 2005-2008 birth rates fell from 22,2 live births every 1 000 inhabitants to 21,1. The Census data show that the average number of children per woman was 2,2 in 1993 and dropped to 1,7 in 2007. This confirms the reduction of fertility that has been characterising the country over the last decades, which can be partly explained – as happens in Morocco – by the improvement of women's educational levels. This reduction in women's fertility is, however, also due to the urbanisation processes and to orientation policies concerning procreation (focussed on rural areas) that have been implemented since Fujimori's government.

Between 2005 and 2008 life expectancy at birth increased by nearly one year (from 72,5 to 73,3 years) while total mortality rates remained stable at 5,4‰. Infant mortality rates instead declined significantly, from 26,8‰ to 21,9‰.

1.2 Healthcare structures

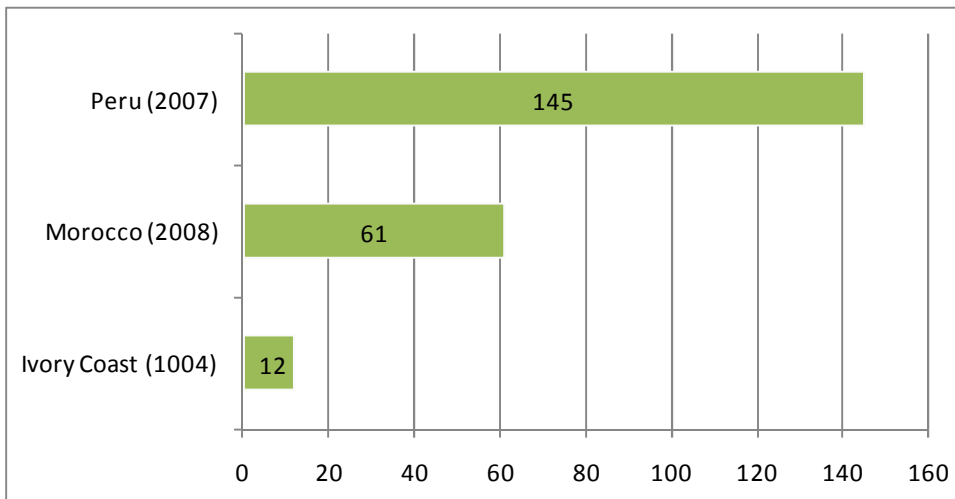
In **Morocco** the healthcare sector is undergoing an in-depth reform, with the objective to improve the quality of the services provided and to allow the destitute population to access the basic healthcare infrastructures. Despite the progress made in the last years, the healthcare sector did not keep up with the development required by the increase in the population and its needs, and there are still disparities between the urban and the rural contexts.

The budget of the Ministry of Public health corresponds 5% of the Government’s total budget (2008 data) and recorded a slight increase with regard to the 90s (when it accounted for 4,9% of the total budget).

The services improved thanks to a continuous increase in the number of doctors: in 1999 there were 42 doctors every 100 000 inhabitants, the ratio increased to 51 in 2004 and to 61 in 2008. Infrastructures, measured in terms of number of hospital beds in relation to the population remained stable over the last the ten years, at around 90 beds every 100 000 inhabitants.

Also in the **Ivory Coast** the number of doctors has increased during the last years, but it still remains extremely low: in 2004³ there were 12 doctors every 100 000 inhabitants; in 1996 there were 9 doctors every 100 000 inhabitants.

Number of doctors per 100 000 inhabitants



Source: Our calculation based on the National reports provided by each country

As for **Peru**, during recent years there have been significant investments in healthcare structures: between 2005 and 2008 the number of hospital beds increased by nearly 2 300 units (from 42 159 in 2005 to 44 455 in 2008).

Also the number of doctors and other operators increased, and in 2007 there were around 41 800 doctors (compared 37 600 in 2002) and 49 200 nurses (21 800 in 2002). In relation to the population, in 2007 there were around 145 doctors and 170 nurses every 100 000 inhabitants

³ Last year available.

2. MAIN ECONOMIC INDICATORS

2.1 Economic growth

After having remained stable during the 80s and the 90s, in the 2000s the Gross Domestic Product (GDP) of the **Ivory Coast** started to develop at a fast rate. At current prices, it grew from US\$ 10,4 billion in 2000 to US\$ 16,4 billion in 2005, and reached US\$ 23,4 billion in 2008 (last year available). When measured in terms of Purchase Parity Standard (PPS), it is estimated at US\$ 34 billion in 2008, compared to US\$ 30 billion in 2005 and US\$ 26,6 billion in 2000.

In real terms, the Ivory Coast's GDP is estimated to have increased by 2,3% in 2008, by 4,2% in 2009 and by 3,6% in 2010⁴.

Also **Morocco** experienced a positive economic performance during the recent years, with a sustained increase in the production and in the investment flows and, at the same time, with a low inflation. More specifically, the economy grew by 4,9% in 2009 compared to 5,6% in 2008. Over the 2001-2008 period Morocco's economy grew at an average rate of 5% per year.

Moreover, during the recent years Morocco's economic growth has become less « volatile », given that it has become less dependent of agriculture. The agricultural sector, however, still accounts for a large - albeit declining – proportion of the country's GDP.

At current prices, Morocco's GDP increased from 457 billion dirhams⁵ in 2005 to 689 billion dirhams in 2008, and reached 736 billion dirhams in 2009. These values correspond to an average annual growth of 15,3% between 2005 and 2009. This is a much more sustained growth than the one recorded between 2000 and 2005 (an annual average of 4,2%) or even during the 90s (3% per year).

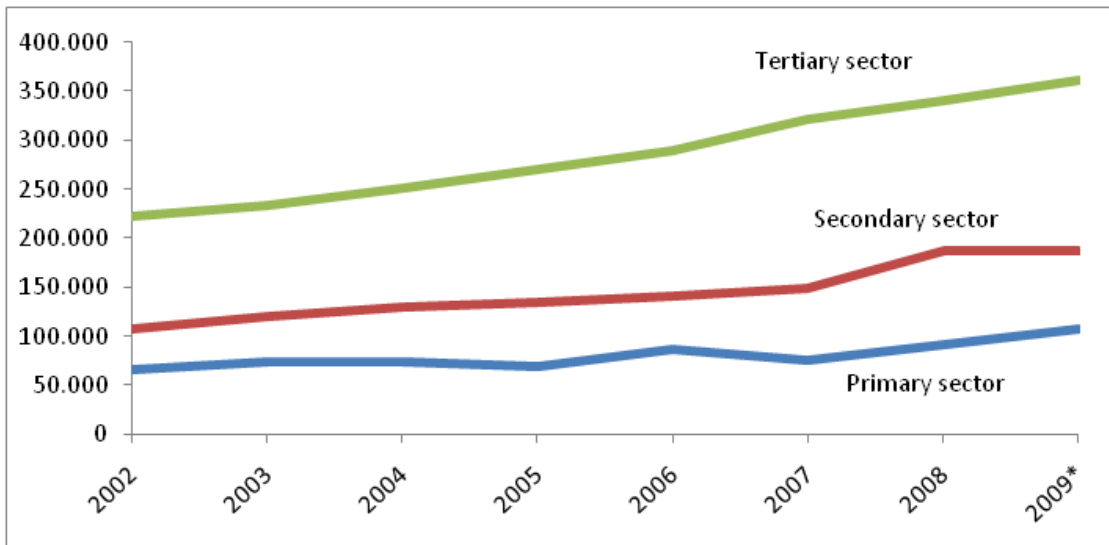
During the 2005-2009 period, the value added of the primary sector increased, on average, by 7,1% every year, thanks to the development of the production of cereals. Conversely, the value added of the secondary sector declined by 4,7%, due to the reduction of mining activities and to the slowdown that characterised all types of industrial activities., including construction and public works.

As for the tertiary sector, including market services provided by the public administration, the value added grew at an average annual rate of 5,2% between 2005 and 2009, thanks mainly to the development of activities related to tourism, trade and telecommunications.

⁴ These data are of source Central Intelligence Agency, the World Factbook

⁵ The exchange rate in 2009 was 11,3 dirhams for one Euro, and 7,9 dirhams for one US dollar..

Morocco: evolution of value added by sector, at current prices, (million dirhams)



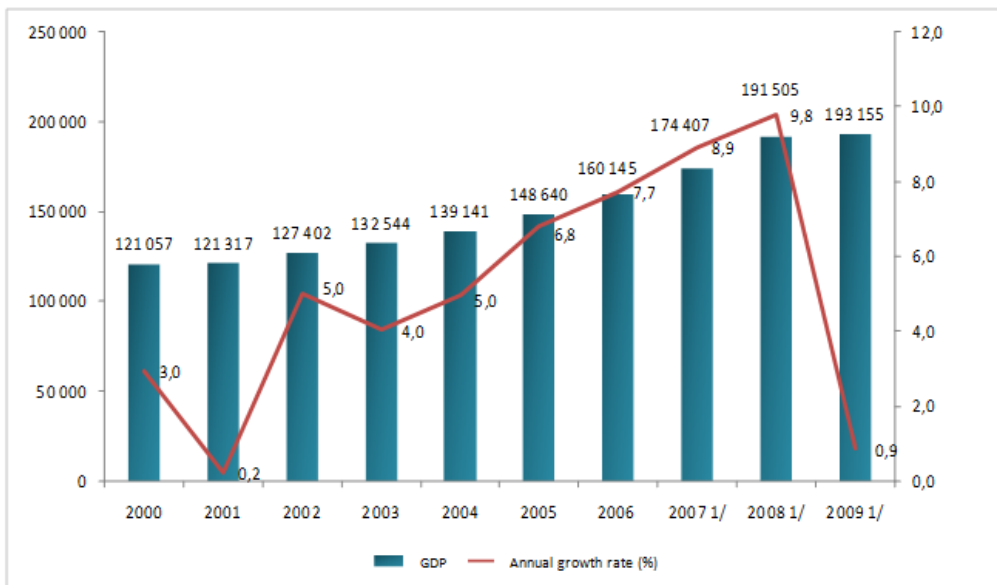
Source: calculation by ANAPEC based on data from Haut Commissariat au Plan

In **Peru**, between 2001 and 2008 the GDP grew at a sustained rate (on average, 5,9% per year), but due to the crisis slowed down in 2009, with a growth of only 0,9%.

The deceleration that took place in 2009 concerned mainly activities strictly related – directly or indirectly – to the foreign trade: the most important reductions concerned agro-industrial products and the manufacturing of capital goods.

Despite the negative context, Peru suffered less than many other countries. The credit crunch did not cause a permanent damage on the Peruvian economy: enterprises remained solid and the population did not lose their welfare.

Peru: GDP (million nuevos soles at 1994 prices) and annual growth rates



Source: Banco Central de Reserva del Perú (BCR)

2.2 Foreign trade

A way to broadly measure a country's level of openness towards other countries is to calculate the value of foreign trade (imports plus exports) as a % of total GDP. For the **Ivory Coast** this indicator stands at 97,3% (2007 data), and recorded a slight growth compared to previous years. The value of exports is slightly higher than that of imports (50,5% of GDP compared to 46,3%)

Morocco's exports totalled 112 billion dirhams in 2009, a value which, as consequence of the reduction of the foreign demand, was 28% lower than the one recorded in 2008 (154,5 billion dirhams). However, the 2002-2008 period was characterised by a growth of exports at an average rate of 10% per year.

Morocco's exports are still dominated by three main commodity categories: agri-food products, textiles-clothing, and chemicals (the latter include phosphates, which underwent a considerable reduction in 2009).

Also imports experienced a reduction in 2009, and declined by 18,7% with respect to 2008 (265,2 billion dirham is the absolute value). This reduction, which concerned mainly semi-finished products, energy products and industrial equipment, is clearly a consequence of the slowdown in industrial activity.

Also in **Peru** foreign trade was negatively affected by the crisis: exports of goods and services declined by 2,5% in 2009, this reduction being the first negative change since 1990. In the same year imports fell by 18,4%, due to the lower economic activity and to the reduction in private investments.

More specifically, imports of consumption goods declined by 12,5%, while those of industrial inputs and capital goods fell by 30,8% and 25,9% respectively.

2.3 Sectoral structure and trends⁶

Agriculture is the key sector of the **Ivory Coast's** economy: in 2001 (last year for which data are available) it accounted for about 1/3 of the country's GDP, for 2/3 of its exports, and for 60% of total employment. Cocoa and coffee still take the lion's share in the Ivory Coast exports: the country ranks 1st in the world for cocoa and 4th for coffee.

In that same year industry accounted for 20% of the country's GDP and for 13% of employment. Agri-food is one of the most important industrial branches within the country's economy: it accounted alone for 22% of investments, for 33% of turnover, and for 24% of the value added generated in industry. Also important are the

⁶ Data in this section refer only to the Ivory Coast and to Peru; information on Morocco was not provided in the national report.

petroleum, chemical and para-chemical industries which accounted for about 20% of investments, 59% of turnover, and 20% of value added. The textile sector followed at some distance, at 16% of investments, 13% of turnover, and 24% of value added.

With regard to energy, since long time the Ivory Coast holds an important position in the international petroleum market, and is self-sufficient for the internal consumption of petroleum. The production of natural gas has been increasing on a regular basis and soon will be enough to satisfy the population's needs and the requirements for the production of electricity (for which the country is also autonomous).

The financial sector is presently made up of seven financial institutions and over 30 insurance companies, with a total network of 170 agencies / branches open to the public.

As for infrastructures, these are aimed at opening the country towards other areas. In the Ivory Coast there are three international airports, among which Félix Houphouët-Boigny d'Abidjan airport, completely renewed, which is presently the hub of Western Africa and is served by 25 international airlines. The road network totals 70 000 km, of which 5 500 paved (150 km are highways). Two international ports, Abidjan and San-Pedro, make the Ivory Coast a privileged area of transit of passengers and goods.

Finally, the telecommunications network is becoming more reliable, led by a private company that has recently installed 290 000 new lines and modernised its equipment.

The Ivory Coast also has an enormous potential in the field of tourism and its various categories: seaside, cultural, ecological, sports, religious, and social tourism.

In **Peru**, despite the economic crisis, during the year 2009 the production sectors recorded, on the whole, a slight growth.

Agricultural activities maintained their positive dynamic and grew by 2,3%. This development concerned to a mainly productions intended for internal consumption (instead of goods destined to foreign markets).

In 2009 mining and hydrocarbon productions grew slightly, by 0,6%. The low increase is due mainly to the slowdown of mining of metals, which was strongly affected by the credit crunch.

As for industry in the strict sense, in 2009 primary manufacturing (petroleum, meat products and sugar) performed similarly to the previous year, while final consumption products declined by 9,6%. The clothing industry was the branch with the worst performance, due to the abrupt reduction in the foreign demand and to the higher competitiveness of Asian countries.

Construction activities increased by "only" 6,1%, after three years of two-digit growth rates. The construction sector turned out to be one of the activities that better resisted against the international financial crisis.

3. POPULATION ACTIVITY, EMPLOYMENT AND UNEMPLOYMENT

In the **Ivory Coast** specific tools for the collection of statistical data on the labour force and employment levels are not available. Information on these themes is obtained through the “employment” sections of the population censuses and of the surveys on household living standards.

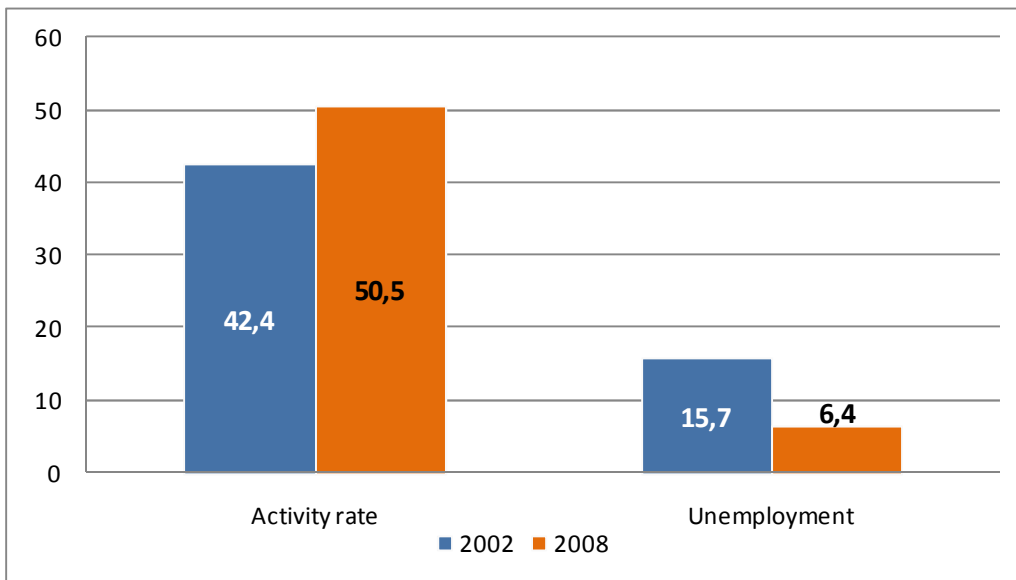
The most recent data obtained through the Survey on living standards (Enquête de Niveau de Vie – ENV) show that the gross activity rate in the Ivory Coast was 50,5% in 2008, compared to 42,4% in 2002 and 46,0% in 1998.

The net activity rate of the population aged 15-59 years is estimated at 80,1% in 2008, compared to 65,8% in 2002 and 72,5% in 1998.

Alongside with the overall increase in the population’s activity, the level of unemployment more than doubled during the last six years: it grew from 6,4% in 2002 to 15,7% in 2008. Youth unemployment is particularly high: in 2008 it stood at 24,2% for the active population aged 15-24 years and at 17,5% for those aged 25-34.

Unemployment concerns women more often than men (in 2008, 19,8% and 12,1% were the respective unemployment rates) and is greater in urban areas (27,4%) than in rural ones (8,7%). It is particularly in large cities such as Abidjan, where it reached 33,2%.

Ivory Coast: population activity and unemployment rates (%)



Source: Enquête de Niveau de Vie – ENV

In **Morocco**, according to the results of the National employment survey (Enquête nationale sur l'emploi⁷), the supply of labour – represented by the active population aged 15 years or more – is estimated at 11,3 million people in 2009. Of these, about ¼ are women and ¾ are men. Since 2000, the labour supply has increased on average by 1,1% every year, which corresponds to an average of 122 000 more persons every year.

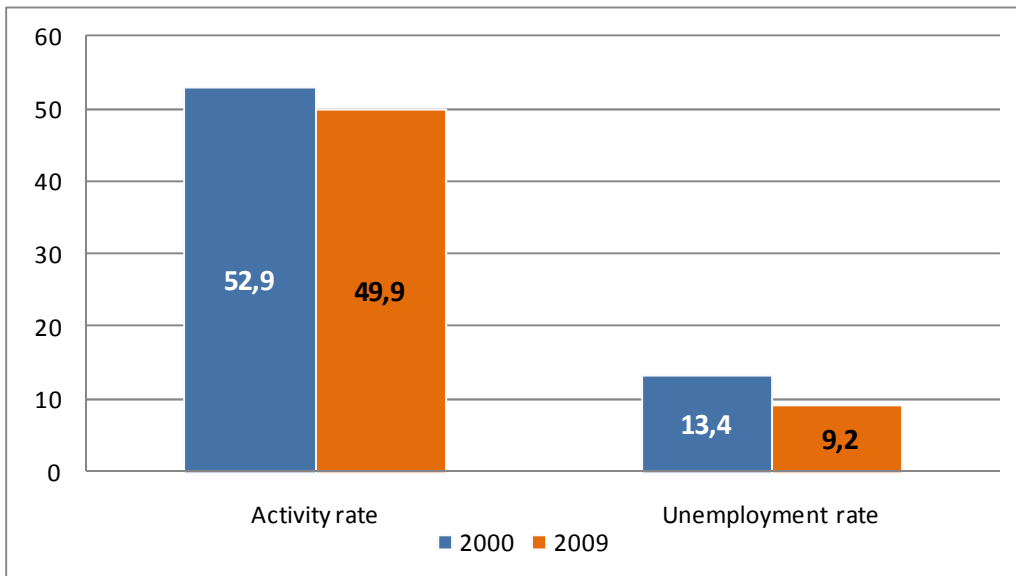
As happens for the total population, also the active population is characterised by a high proportion of young people: in 2009 persons aged under 35 years accounted for about half of the active population.

Despite the increase in the number of active persons, in the 2000s the activity rates (active population as a proportion of total population) declined. Such reduction was due mainly to a significant decline in the activity rates for men aged 15 – 24 years, which fell from 65,7% in 2000 to 54,6% in 2009. Also the activity rates of women in this age group declined, but less than those of men.

An analysis according to the level of educational attainment clearly shows that, especially in urban areas, the higher the education the higher the activity rates.

Also unemployment declined since 2000, and in 2009 the unemployment rate was 9,1% (13,4% in 2000). This positive evolution is due to the combination of two factors: on the one hand, the acceleration of employment creation in inclusion in active life, thanks to labour market programmes implemented by ANAPEC and, on the other hand, to the reduction of the activity rates, especially those of the young.

Morocco: population activity and unemployment rates (%)



Source: Calculation by ANAPEC based on national surveys on employment

⁷ Survey conducted by the Haut Commissariat au Plan.

The number of unemployed persons was estimated at around 1,03 million people in 2009, compared to 1,37 million in 2000. These values correspond to an average annual reduction by 38 000 units in the “stock” of unemployed persons.

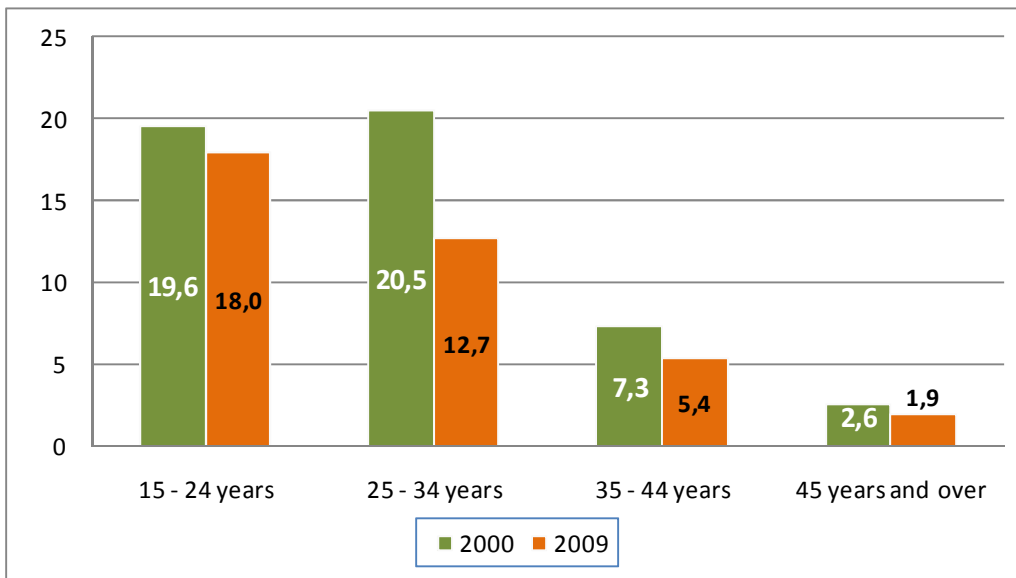
The positive evolution of unemployment rates at the national level however hides some disparities: between the rural and urban environments, across different ages, and across different educational levels.

In fact, in 2009 unemployment rates were higher in cities (13,8%) than in urban areas (4%). Urban unemployment actually experienced an important reduction during recent years (it was 21,4% in 2000). The higher unemployment in cities compared to rural areas can be explained, in the first place, by the in-flows of persons coming from the countryside to seek employment and, in the second place, by the increase in women’s activity in cities.

Unlike the situation that characterised the 90s, when female unemployment rates exceeded those of men, since the year 2000 the difference between the two rates has become less remarkable: in 2009 they are 9,5% for women and 9,0% for men.

The structure of unemployment according to the age of the population shows high unemployment among the very young, especially in cities: for persons aged 15 – 24 years living in cities the unemployment rate is 31,8% (and only 8,7% in the rural areas).

Morocco: evolution of unemployment rates by age group (%)



Source: Calculation by ANAPEC based on national surveys on employment

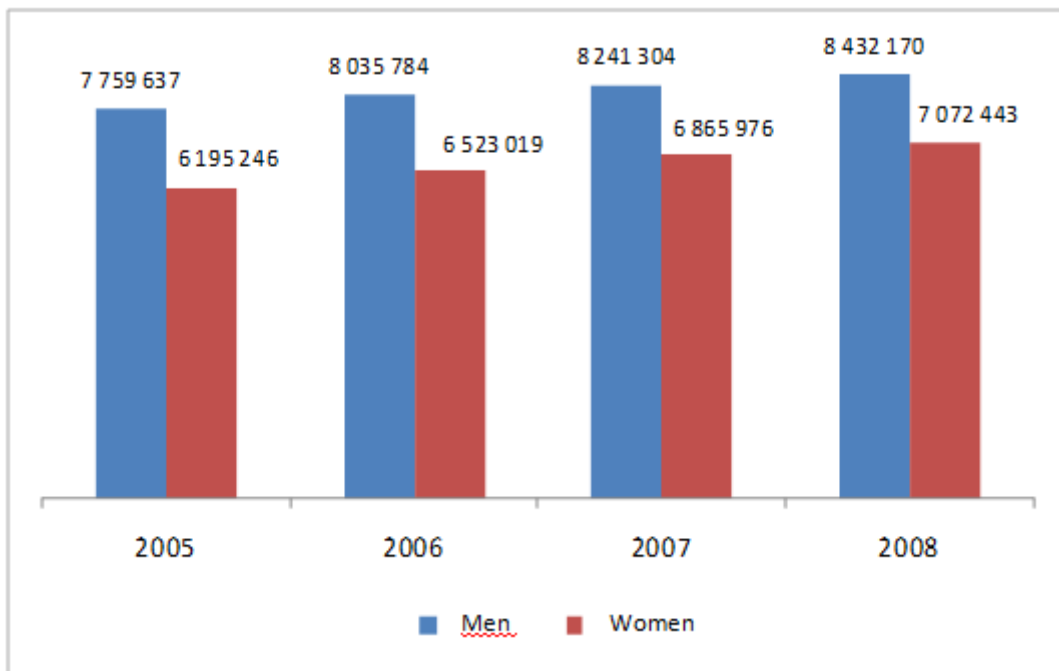
Data by educational level reveal that the highest unemployment rate is the one recorded for graduates from higher education, at 18,3% in 2009. The unemployment rate for graduates of medium level is somewhat lower, at 16,7 %. As for people without a degree, the unemployment rate is 4,4% in 2009.

The reduction in unemployment rates observed between 2000 and 2009 concerned all educational levels. The reduction is however particularly significant for graduates of higher and medium level (about minus 10 percentage points over the period) but is modest for those without any school degree (-2,6 points).

Also in **Peru**, the labour market is characterised mainly by an increase in the supply of labour during, for reasons similar to those of Morocco: the increase in women’s participation in the labour market (with the activity rates rising from 34,1% in 1970 to 65,0% in 2008), and the increasing migration flows from rural areas towards urban areas. The demographic boom that took place between 1960 and 1980 is, of course, another factor that contributed to the increase in the supply of labour that took place since the 90s.

During the three-year period 2005-2008, the active population increased at an average annual rate of 2,7% (in absolute terms, around 1,6 million people over the three years).

Peru: active population (absolute values)



Source: Instituto Nacional de Estadística e Informática (INEI)

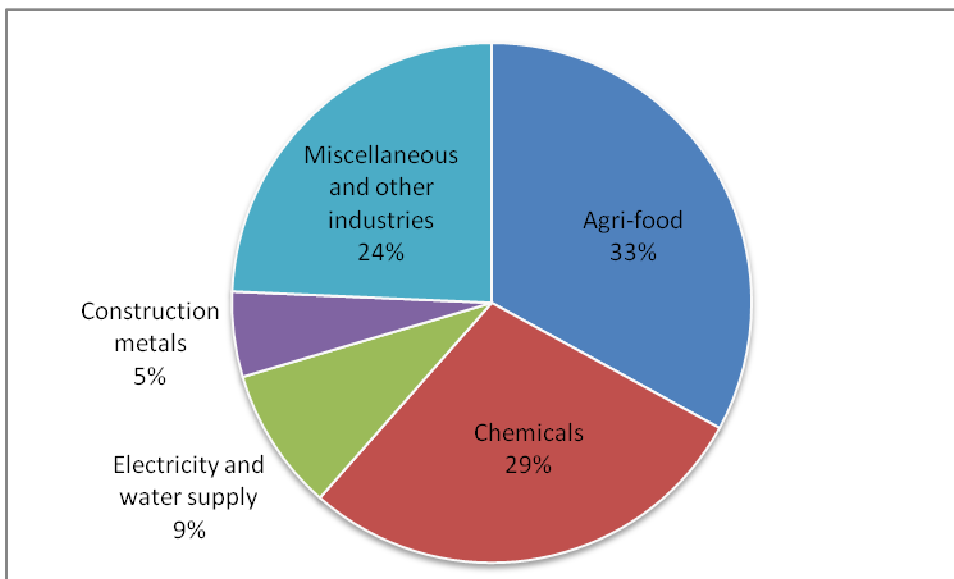
4. THE ENTERPRISE SYSTEM AND EMPLOYMENT

4.1 Enterprises

In the **Ivory Coast**, the development of the private sector accelerated in the 90s, thanks to a progressive disengagement of the Government in the productive activities. During more recent years, the private sector generated nearly 2/3 of the country's GDP, and contributed significantly to the creation of modern jobs.

Industrial activities represent the core of the private sector in the Ivory Coast, and in 2008 comprised 24 branches of activity. The most important are the agri-food and the chemical industries, which accounted respectively for 33% and 28,5% of the Ivory Coast's industry. These two large sectors are followed by electricity and water supply industries (8,9% of the national total), miscellaneous industries (8,0%), and construction metals (5,3%). Other industrial branches comprise woodworking, textiles, mechanical industries, vehicles, electrical products, and mining.

Ivory Coast: industrial enterprises by sector (absolute values)



Source: National report provided by the Ivory Coast

On the whole, in 2008 there were 2 402 industrial enterprises with more than 10 employees, of which 1 296 (more than half!) operated in agri-food and fishery.

As for the handicraft sector, it has an enormous potential in terms of employment creation and promotion of the local productions that represent sources of income. It also offers possibilities of self-employment. It however has to face several difficulties deriving from the weakness of the institutional and regulatory framework, from the lack of financing, and from an insufficient qualification of the labour force.

In all industrial sectors, together with some large enterprises, there is large number of small- and medium-sized enterprises (SMEs), which account for 98% of the private sector. In 2002 there were around 5 000 SMEs operating in the Ivory Coast; the number however declined during recent years due to the crisis.

Besides this modern private sector, there is an informal sector that is dominated by tertiary activities and that – despite the informality - plays an important role in the country's economy.

Generally speaking, the difficulties faced by the private sector can be summarised as follows :

- lack of real policies aimed at promoting industry and the private sector ;
- an environment that is not favourable for the development of businesses ;
- weak competitiveness of industrial enterprises ;
- insufficient financing of activities ;
- low technical and financial capacity of institutional structures.

Morocco has implemented specific policies aimed at favouring business creation and development, with particular attention to industrial establishments. Some of these refer to investments, to the planning of industrial areas, to the creation of financing modalities specific for industrial enterprises and SMEs, the launching of important national programmes for modernisation and development.

In 2009 the number of enterprises declared to the Business Register was estimated at around 250 000, corresponding to 8 businesses every 1 000 inhabitants. Considering the level of Morocco's economic development, the density of enterprises is in line with the average for the emerging countries. It is equal to that of Tunisia, but lower than that of most developed emerging countries, such as Turkey, Chile and Poland⁸.

In the same year, the number of enterprises registered with the Social Security exceeded 220 000, of which 116 000 (more than half) declared to have employees.

In terms of evolution, business creation (of all sectors) experience a favourable trend during the 2000s, with an average of almost 11 400 new enterprises every year (during the 90s an average of 6 500 new enterprises per year was recorded).

Between 2000 and 2009 the number of enterprises with employees grew at an annual average rate of 4,6%, which is lower than the growth rate recorded for all enterprises (7,2% per year).

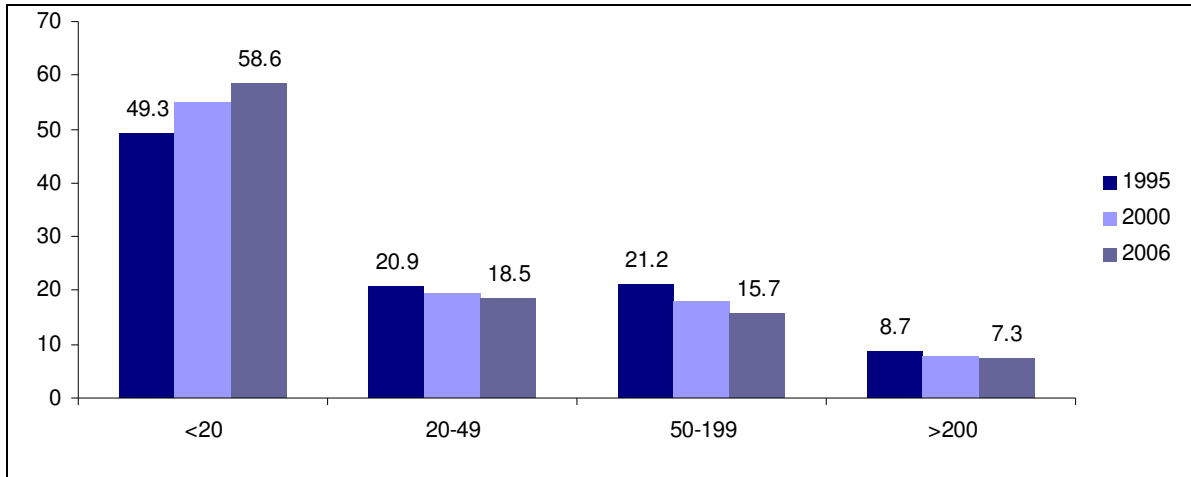
With particular regard to the industry sector, the number of firms with at least 10 employees recorded a positive trend until 2004, when it started to slowly decline.

The Moroccan industry is dominated by micro-enterprises, and the proportion of enterprises with less than 20 employees has increased from 49% in 1995 to 59% in 2006. In comparison with other emerging countries, Morocco is characterised by relatively few enterprises with between 20 and 50 employees: their share in total enterprises is 44% in Morocco and 55% for the average of the emerging countries.

⁸ Report by the World Bank "Investment climate in Morocco", 2008, estimates updated.

The proportion of exporting enterprises in total businesses also declined over the 1995-2006 decade: the percentages were 27% in 1995 and 21% in 2006.

Morocco: manufacturing industries by size (%)



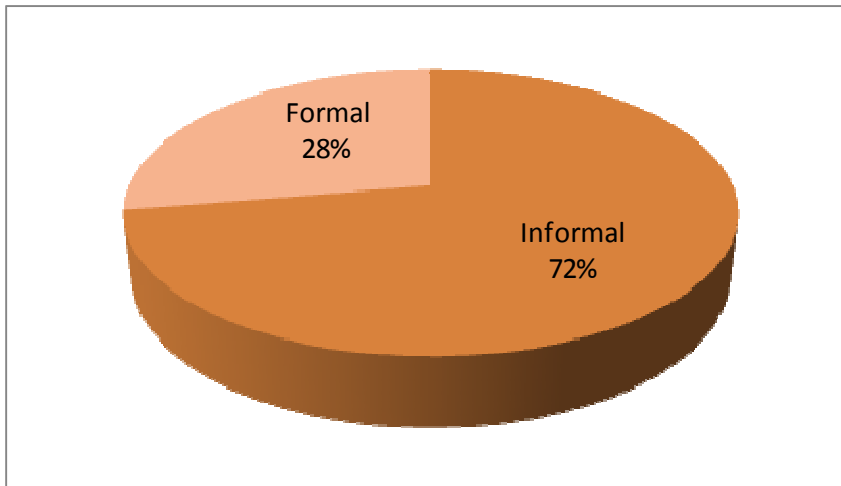
Source: Database of the Ministry of Industry of Morocco

Also **Peru**'s economy is dominated by small-sized businesses (SMEs): micro and small enterprises account for 98% of total businesses. They contribute to more than half of the country's GDP, and are the main generators of employment. However, around three out of four operate in an informal way (in other words, only one out four is a "formal" enterprise).

A study carried out in 2006 estimated the number of formal SMEs at nearly 890 000 units, and that of informal ones at around 2 336 000⁹

⁹ In Peru there are also data derived from other sources, which show different results. According to MTPE - Ministerio del Trabajo y Promoción del Empleo, as of May 2009 the number of registered formal enterprises is 190 000.

Peru: small- and medium-sized enterprises (SMEs) by type, 2006



Source: National report provided by Peru

4.2 Employment characteristics

In the **Ivory Coast** self-employed workers took the highest proportion in total jobs, with a share of 49%. Unpaid workers accounted for 32% and paid employees for 19% (2006 data).

Underemployment represented nearly 24% of total employment (broken down into 19% for men and 31% for women).

The data available indicate that permanent jobs (open ended contracts) accounted for only 14,8% of the total (16,8% for adults and 12,7% for the young).

The Ivory Coast's labour market is however dominated by employment without any type of contract, which accounted for 68,7% of total employment.

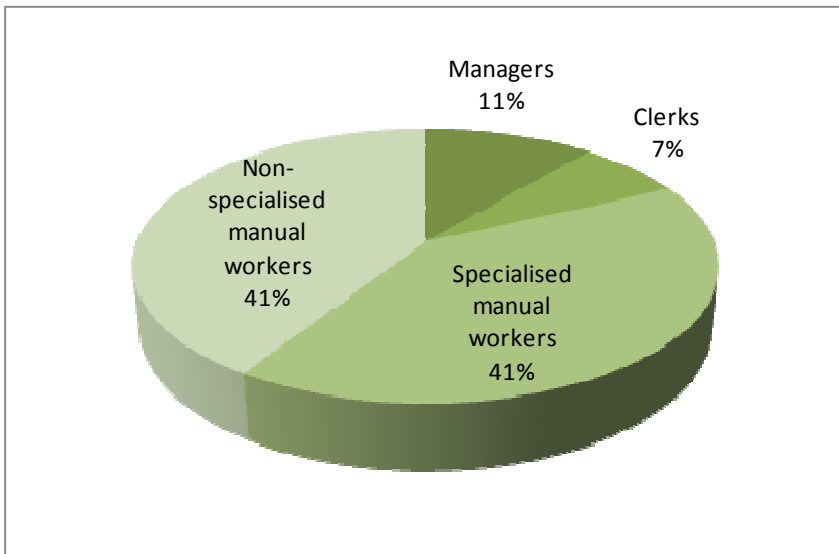
In **Morocco**, the structure of employment in the private sector has slightly changed during the last decade. As happened in various other countries, the contributions of the agricultural sector and of the industry sector to total employment declined (by 2 percentage points) while those of construction and services increased (by 2 and 2,5 point respectively). Given that the Moroccan economy is dominated by SMEs, it does not surprise that most of the workforce (80% in 2008) is employed in these enterprises.

It should be underlined that, in Morocco, employment in the private sector is intended as the number of paid employees that enterprises registered with the Social Security (Caisse Nationale de Sécurité Sociale – CNSS) declared to have. In 2008 it totalled around 1 800 000 employees, compared to 1 153 000 in 1999 (corresponding to an annual average growth rate of 4,5%).

The manufacturing industry provided work – in 2007 – for 507 000 employees (322 000 in 1999). In the long run, i.e. the 20-year period 1987-2007, employment in industry increased at an average annual rate of 2,5%.

A breakdown of employment by socio-professional category shows that in 2007 managers (middle and high) accounted for 11% of total employment in the manufacturing industry, clerks for 7%, skilled (specialised) manual workers for 41% and non-specialised manual workers for 41%.

Morocco: employment by professional group, 2007



Source: Haut Commissariat au Plan

Manual workers (skilled and non-specialised) employed in the manufacturing industry worked in the following sectors:

- textiles and leather: 48%
- chemicals and para-chemicals: 17%
- agri-food industry: 15%
- mechanics and metalworking: 10%
- electrical and electronic equipment: 10%

Also in **Peru** the level of employment the private sector recorded a growth during recent years up to 2008, at least in enterprises with 10 or more employees¹⁰. In October 2008 – as a consequence of the credit crunch – employment started to decline slightly, both in enterprises with 10 to 49 employees and in enterprises with 50 or more employees.

¹⁰ Data on employment in smaller enterprises are not available in the country's report.

It is underlined that this decade saw the “recovery” of formal employment in Peru, which started in 2005 for enterprises with 10-49 employees, and in 2002 for the larger ones.

According to MTPE - Ministerio del Trabajo y Promoción del Empleo (2009), one of the problems of Peru’s labour market would be the low qualification of the labour force, which would be related to the lack of a system for promotion and incentives for the professional qualification of workers. There would also be qualitative mismatches between the supply of education and training and the needs expressed by the labour market, due to lack of information on the labour market trends and to the low quality of the education system.

Another characteristic of Peru’s labour market is the predominance of persons working in an informal situation (as a consequence of the high number of informal enterprises). Besides, due to their low productivity and competitiveness, Peruvian SMEs cannot face the costs of shifting to “formality”. The informal sector is characterised by the presence of independent workers, who do not have any qualification and who cannot access social security: a situation that prevents from increasing the productivity.

The situation in Lima Metropolitana

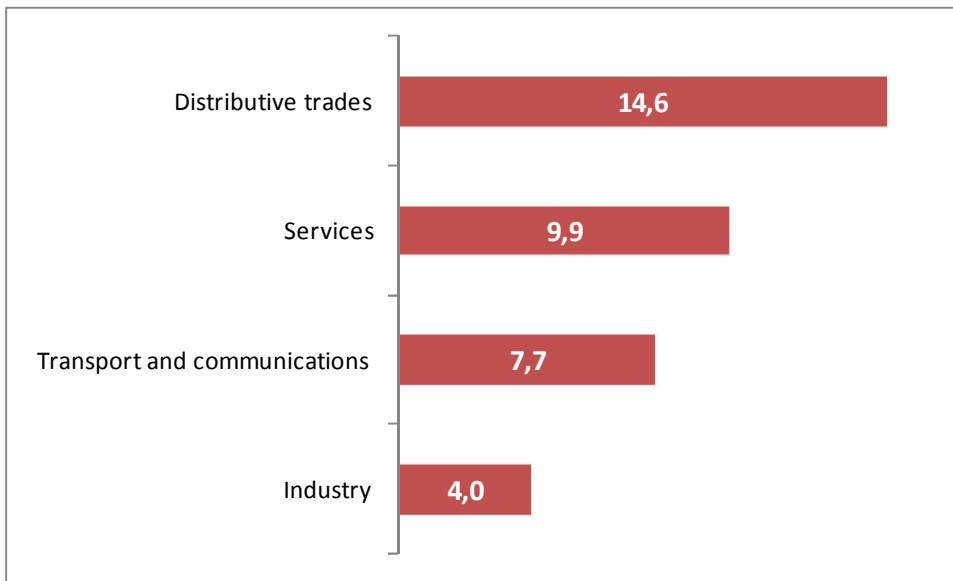
One of the areas of Peru with the highest concentration of enterprises is Lima. According to INEI, Lima¹¹ alone generates 52,6% of Peru’s value added and provides work for over 4 million people (out of a national total of around 15,5 million).

As happened all over Peru, also in Lima enterprises with 10 or more employees have recorded, since 2002, an increase in their demand for labour.

The economic activities that recorded the highest employment growth in 2008 are: services (9,9%), distributive trade (14,6%), industry (4,0%), transport and communications (7,7%). The increase in the service activities is due mainly to the growth of financial services, education services, and social services. The growth of employment in the distributive trade sector is explained mainly by the development of large-scale distribution outlets (hypermarkets, supermarkets and department stores), although some types of specialised trade also experienced a positive trend (construction materials, fuel, lubricants).

¹¹ Includes all provinces in the “Departamento de Lima” except the “Provincia Constitucional del Callao”, which is considered as a department.

Peru: growth of employment in the best performing sectors, 2007-2008 (%)



Source: National report provided by Peru

Employment in the industry sector grew thanks to an increase in the labour demand expressed by plastic industries and textiles-clothing industries.

As for transport and communications, employment increased in logistic operators, in freight transportation, and in passenger transportation by air and road.

In absolute terms, in 2008 employment in Lima Metropolitana totalled 4 290 941 people, concentrated in the private sector. Of these, 57% worked as paid employees (50% in the private sector and 7% in the public sector).

With respect to 2003, the share of the number of paid employees in total employment increased substantially in the private sector (from 43,3% to 50%) but declined slightly in the public one (minus 0,3% percentage points).

5. EDUCATION AND TRAINING SYSTEMS

This chapter aims at providing an overview on the main characteristics of the educational and training systems in three countries observed.

Different countries can of course have different educational and training systems and may also adopt different terminologies. In order to facilitate the reading of this chapter and cross-country comparisons, the broad structure of the national systems is summarised in the table below.

In the writing of this chapter, a common nomenclature for the different educational levels has been adopted. It is also summarised in the table here below.

| Common nomenclature adopted | Ivory Coast | Morocco | Peru |
|-----------------------------|-----------------------------|------------------------------------|------------|
| primary | primaire | primaire | primaria |
| lower secondary school | secondaire – premier cycle | enseignement secondaire collégial | secundaria |
| upper secondary school | secondaire – deuxième cycle | enseignement secondaire qualifiant | secundaria |
| higher education | supérieur | supérieur | superior |

The information of the educational systems of the three countries presented in this synthesis report is focussed on upper secondary school, on university education, and on vocational and educational training.

In the **Ivory Coast**, upper secondary school lasts three years, at the end of which students who pass the final exam and obtain the Baccalauréat are entitled to go to university. Private schools account for around 35% of the students in secondary school.

Vocational and technical education (VET) also stands at the level of secondary school. Vocational education is provided in different establishments (namely « Centres de formation professionnelle – CFP » and « Lycées professionnels – LP »), while technical education is provided in « Collèges d’enseignement technique (CET) » and « Lycées d’enseignement technique (LET) ». More than half of the students of vocational and technical schools are concentrated in private establishments.

Public university education takes place in three Universities (Cocody, Bouaké et Abobo Adjamé) and in four « Grandes Ecoles » (Ecole Nationale Supérieure de Statistique et d'Economie Appliquée; Institut National Polytechnique; l'Ecole Normale supérieure; Institut Pédagogique National d'Enseignement Technique et Professionnel).

University education was almost exclusively public until 1992. In that year, the opening of private universities changed significantly the national panorama. However, there is not yet a system of evaluation and accreditation of the private universities, which total 38 establishments. Around ¾ of university students are enrolled in public universities, while ¼ in private ones. However, around half of the students enrolled in private universities are supported by the state.

In all educational levels, school enrolment is still low. This is due to an insufficient capacity of the school system and to a bad state of school structures.

The enrolment rate in **secondary school** was 26,6% in 2008 (30,3% for males and 22,6% for females). This is a much lower rate than that of primary school, which in 2008 exceeded 56%.

The number of classrooms in secondary school was 15 850 in 2005/2006 (of which 8 288 in private schools). The number of students enrolled doubled in ten years, increasing from 333 709 in 1989/1990 to 682 461 in 2001/2002.

Despite the country crisis, the number of students continued to increase (albeit slowly) during subsequent years, and in 2005/2006, was estimated at 762 151.

The positive trend of the number of students however did not affect the number of staff employed in secondary schools, which declined from 22 536 in 2001/2002 to 21 241 in 2005/2006. Following the withdrawal of the administrations in the CNO zones due to the socio-political crisis, part of the teaching was provided by volunteers.

Notwithstanding the low enrolment rate, in the Ivory Coast several students who obtained the upper secondary school certificate (baccalauréat or equivalent) do not have access to a high-quality university education or to employment. This situation is due to a variety of factors, among which the low social mobility, the violence in the University environment, high university fees (for private universities), the concentration of teaching capabilities in Abidjan, and the qualitative mismatch between education and employment.

With regard to **vocational and technical education (VET)**, there are very few structures and there has been no increase in the number of public structures between 2001 and 2008. However, private establishments are seeing a continuous growth: from 153 in 2004 to 274 in 2007 (more than half in the d'Abidjan district).

The number of students in VET increased from 28 066 in 2002 to 48 624 in 2007 (of nearly half were females). In 2007 there were 3 324 teachers (of whom 582 with administrative functions).

Many people, either young or adults, do not have enough access to a vocational and technical education of good quality. Besides, as happens with graduates from upper secondary school, and for more or less the same reasons, many students leaving vocational schools do not find employment.

In the Ivory Coast there are also Muslim religious schools, which co-exist with the official educational system. However, the educational programs of the religious schools are not in the line with the official programs; this poses the problem of recognition of the diplomas and of the professional inclusion of people leaving these schools.

In **Morocco**, upper secondary school (which lasts three years) is dominated by public schools, which are completely free of charge. The number of private schools is however growing fast, presently it accounts for about 6% of students. Private schools are located exclusively in urban areas and recruit mainly students coming from private lower secondary schools. Private schools are profit-making enterprises. There are considerable disparities between the public and the private schools with regard to the quality of the education provided.

Graduates from upper secondary school can be awarded a diploma (baccalauréat) in one of the three following fields: original education, general education, vocational and technical education.

In 2009 the enrolment rate (age group 15-17) exceeded the threshold of 50%, with nearly 861 500 students (compared to 603 300 in 2004, corresponding to an increase of 43%). This increase was possible thanks to the development of the supply side, with the construction of more than 1 600 school establishments (22% since 2000) and the creation of 7 000 posts for teachers.

Higher education (public and private) comprises universities, management schools (*formation des cadres*) and “post upper secondary school vocational education” (*formation professionnelle post-bac*). It totals today nearly 370 000 students enrolled (10% more than in 2007). The highest growths are recorded in the fields of engineering (182%), medicine (42%), business management and trade (40%), sciences and technical subjects (31%), letters and humanities (30%).

During the same period (i.e. since 2007), the number of graduates in the scientific and technical fields increased by 23%, more than the double of the increases recorded in the field of letters and humanities (11%) and business management and trade (10%).

The supply of university education is dominated by the public sector, which accounts for 93% of total enrolment. Public university education is completely free of charge and is made up of courses in the “general field”, which have an open number of places, and courses in “selective” fields (Medicine, Engineering...), which accept a limited number of students

In order to bring the supply of university education more in line with the skill needs identified through the sectoral development programmes, the “Programme d’urgence” (Emergency plan) proposed an accelerated development of the technical and professional fields, the creation of professional licenses oriented towards sectors that were lacking in labour force, support in employment search, and the implementation of compulsory stages at the end of the courses.

In Morocco, **vocational education and training (VET)** is separated from the general education system.

The initial vocational education and training (IVET) is addressed to the young and provided in the form of full-time courses or, more recently, in the form of alterned training in enterprises or apprenticeship. It is structured into four certification levels, as follows:

Specialisation : is accessible to students who completed at least the 6th year of basic education; courses take one or two years; a professional training certificate (CFP) is provided; possibility to enter the labour market or to enrol in the subsequent level.

Qualification : is accessible to students who completed at least the 9th year of basic education or who obtained a professional training certificate (CFP); courses take two years; a professional qualification certificate (CQP) is provided; possibility to enter the labour market or to enrol in the subsequent level.

Technician : is accessible to students who completed at least the 3rd year of upper secondary education basic education or who obtained a professional qualification certificate (CQP); courses take two years; a technical diploma (DT) is provided; possibility to enter the labour market or to enrol in the subsequent level.

Specialising technician: is accessible to graduates from upper secondary school or to holders of a technical diploma; courses take two years; a specialist technical diploma (DTS) is provided; the only option at the conclusion of the courses is to enter the labour market.

During the 1999-2008 period the VET system (public schools) saw the creation of 118 new establishments and the expansion of 22 that already existed. In 2008/2009 the total number of VET establishments reached nearly 2 050 units (480 public and 1 570 private).

The majority of the new structures is intended to respond to an increasing demand coming from priority sectors such as tourism, clothing and textiles industries, ICT. Some other structures focus on handicrafts and social work. In terms of skill profiles, during recent years the VET providers enlarged the supply to advanced domains such as chemistry, agro-industry, ICT, and business management.

Notwithstanding this expansion, the system is not able to satisfy the demand expressed by the young generations.

The development of VET generated an increase in the number of trainees in enterprises: from 130 000 in 1998/1999 to around 280 000 in 2008/2009 (a growth of 115% over a ten-year period).

Morocco: number of trainees enrolled by type of VET

| Type of VET | 1998/1999 | 2007/2008 | 2008/2009 |
|-------------------------|-----------|-----------|-----------|
| Residential or alterned | 130.149 | 224.235 | 252.300 |
| Apprenticeship | - | 27.371 | 28.000 |
| Total | 130.149 | 251.606 | 280.300 |

Source: DFP

The education system in **Peru** comprises formal education (which is provided in schools and is structured into different levels) and informal education.

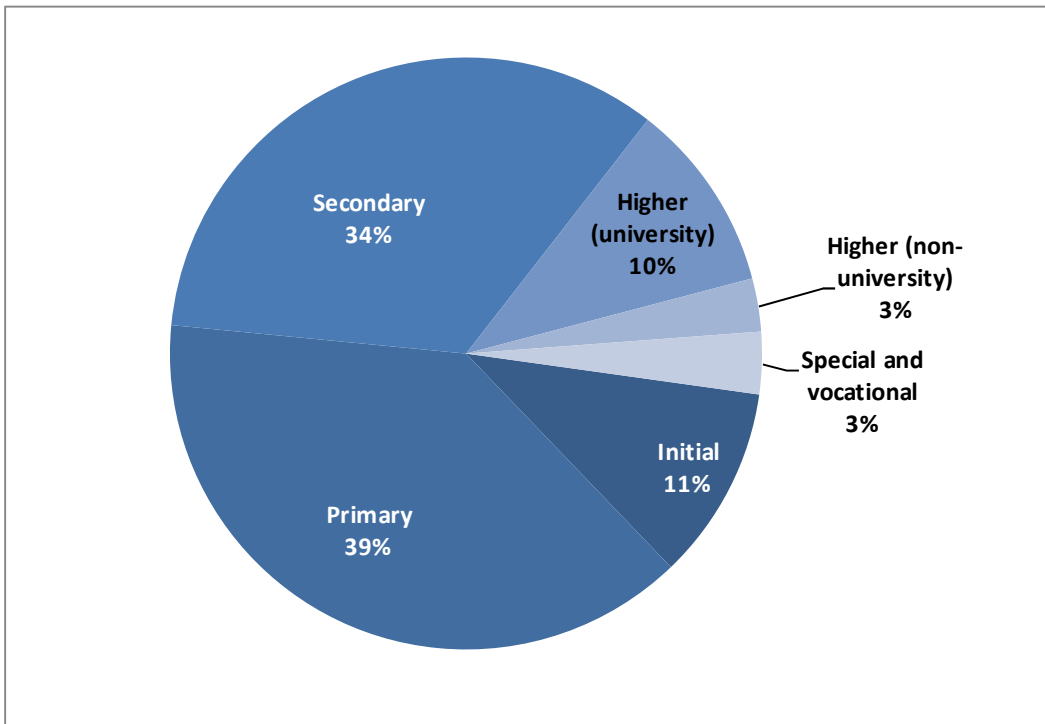
Basic education includes initial education (for children up to 5 years of age), primary education (lasts 6 years, children are aged 6-11), and secondary education (lasts 5 years, students are aged 12-16).

Secondary education is structured into 5 different levels. The first two are common to all branches, the last three address students to one of the following fields: agriculture, handicrafts, science, humanities, commerce, industry, communications, mining, health, tourism. Regardless of the field, all secondary education courses are equivalent and offer to the graduates the same possibilities to access higher education.

Higher education breaks down into university education and non-university higher education (in the fields of technology, teaching and arts).

In 2008 Peru’s education system employed 500 167 teachers, concentrated mainly in primary education (38,7% of total). Secondary education followed at 34,0%, 10,4% worked in Universities, 10,6% in initial education, and the rest specialised in non-university higher education and other programmes.

Peru: teachers in the national school system, by level, 2008



Source: *Ministerio de Educación - Unidad de Estadística Educativa*

Between 1993 and 2007 the population that concluded higher education increased by 112% (3 129 339 people in 2007), while the population with secondary education increased by nearly 50% (2 419 600 people).

According to the area of residence, the higher levels of educational attainment are recorded in urban areas: 37,9% of the cities' population attained a higher educational level (university and non-university) while in rural areas the proportion drops to 6,2%.

Around 40,7% of the urban population has a secondary education; in rural areas only 28,9% holds this level.

The population with no education at all is 19,5% of the total in rural areas and 4,1% in urban ones.

In 2005 there were, in Peru, 93 Universities (36 public and 57 private) and 1 062 higher education institutes. Data for 2008 indicate that in that year there were 98 universities (36 public and 63 private) and 1 116 higher education institutes (341 in the field of teachers' training, 656 in the field of technology, and 119 in the artistic field).

6. CHARACTERISTICS OF THE LABOUR MARKET

6.1 Labour demand

The demand for labour can be measured in terms of job vacancies or in terms of employment structure.

Job vacancies enable to measure the labour demand in terms of flows of workers in public or private enterprises. They correspond to the posts made available in public or private enterprises due to the increase in the workforce needed or to the replacement of workers leaving the company.

The employment structure enables to measure the labour demand in terms of stock of workers employed in public or private enterprises. The analysis of the changes in the employment structure over time enables to assess the changes in the labour demand.

In the **Ivory Coast**, in 2007 there had been 884 job vacancies published in the newspaper *Fraternité Matin*, recording an increase compared to previous years (there had been 797 vacancies published in 2004, 753 in 2005, and 629 in 2006).

A more detailed analysis of the data published enabled to obtain different types of information on the characteristics of the labour demand in the Ivory Coast, as described in the following paragraphs.

In the first place, most employers do not publish their vacancies directly; the majority of announcements (80,4% of the total) are made by recruitment agencies.

Employers are becoming more and more indifferent with regard to the gender of candidates: for only 8,7% of the vacancies the candidate's gender was specified (1,5% addressed to women and 7,5% addressed to men). Jobs reserved to women were mainly « intermediate occupations in administrative activities », while those reserved to men were mainly « technicians, architects, engineers and managers ».

For most vacancies a high educational level – university or upper secondary school - was required; only 10% of the jobs proposed did not require a specific education.

For 362 vacancies (41% of the total) employers did not require a previous experience. For jobs that required experience, two, three and five years of experience were the ones mentioned more often. However, for 6,2% of the vacancies a 10-year experience was required.

The groups of occupations required more often are listed in the following table :

Ivory Coast: job vacancies published by group of occupation (CITP classification), 2007

| Occupations | Number of observations | Frequency (%) |
|---|------------------------|---------------|
| Directors | 22 | 2,5 |
| Other managers | 118 | 13,3 |
| ICT specialists | 34 | 3,8 |
| Architects, engineers and similar occupations | 92 | 10,4 |
| Specialists in life sciences | 10 | 1,1 |
| Specialists in administrative and commercial functions in enterprises | 61 | 6,9 |
| Technicians in physics and technical sciences | 171 | 19,3 |
| Technicians in life sciences and in natural sciences | 151 | 17,1 |
| Intermediate occupations in finance and sales | 92 | 10,4 |
| Commercial agents | 12 | 1,4 |
| Intermediate occupations in administrative activities | 74 | 8,4 |
| Other occupations | 47 | 5,3 |
| Total | 884 | 100 |

Source: National report provided by the Ivory Coast

Within the groups with the highest frequencies, *Technicians in physics and technical sciences* comprise: technicians in electricity and technicians in mechanics, technicians in electronics, technicians in telecommunications and technicians in civil engineering.

The group *Technicians in life sciences and in natural sciences* comprises, amongst others, the occupations of technicians in agronomy and in forestry.

The group *Architects, engineers and similar occupations* includes several occupations; the most frequently required are engineers in the following fields: construction, electricity, electronics & telecommunications, mechanics, mining, metallurgy.

On the whole, the jobs available in the Ivory Coast's labour market broke down into 8,3% "modern jobs", 31,0% non agricultural "informal jobs", and 60,7% jobs in traditional agriculture. Moreover, paid employees represent only 18,7% of total employment, which highlights the limitations of the Ivory Coast's labour market.

A set of data comparing the number of persons seeking for a job registered with AGEPE with the vacancies posted by enterprises¹² confirmed the weakness of the market and the mismatch between supply and demand.

¹² Official vacancies registered with AGEPE.

Ivory Coast: mismatches between labour demand and supply

| Year | Persons seeking employment | Vacancies | Coverage rate |
|------|----------------------------|-----------|---------------|
| 2000 | 7.786 | 1.670 | 21,4% |
| 2001 | 7.416 | 1.357 | 18,3% |
| 2002 | 5.463 | 875 | 16,0% |
| 2003 | 3.531 | 358 | 10,1% |
| 2004 | 4.887 | 209 | 4,3% |

Source: National report provided by the Ivory Coast

A study on the professional inclusion of graduates from higher education enabled to know the main characteristics of the vacancies posted by enterprises on the newspapers.

Around 38% of enterprises declared to have difficulty in recruiting university graduates. The difficulties concerned mainly: candidates' low skills, lack of experience, lack of education, lack of dynamism, lack of *savoir-faire*, lack of enterprise culture, and high cost. Such difficulties make it clear that the education of graduates can be put "under discussion", and should provide an orientation for the actions to be implemented.

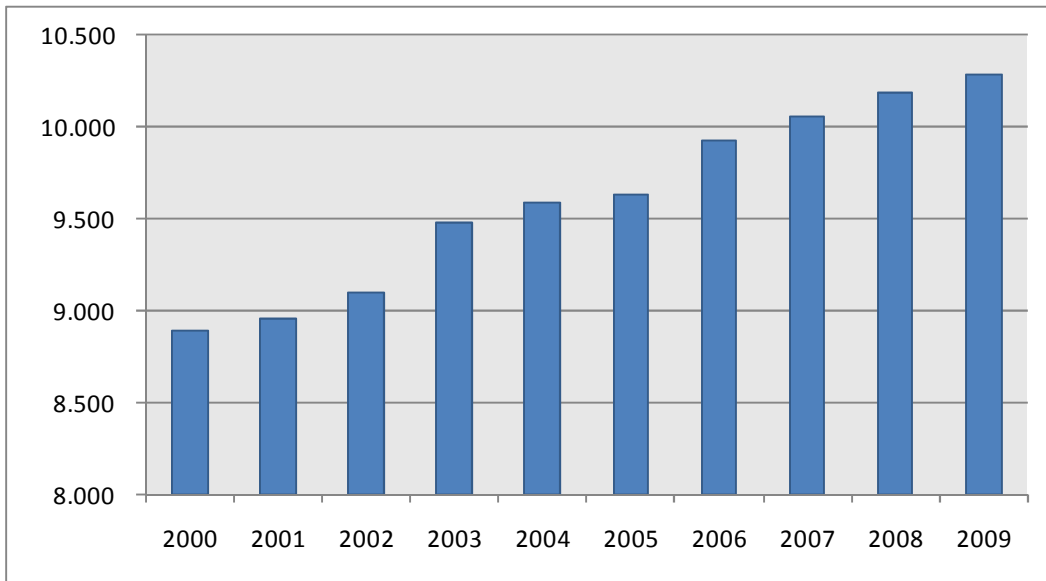
Additional skills often required by enterprises concerned mostly the knowledge of ICT technologies and of the English language.

As mentioned in the beginning of this chapter, the labour demand can be measured not only through the vacancies, but also through the analysis of the employment structure and its changes, which is the case of Morocco

In **Morocco**, in 2009 the number of persons in employment was estimated at 10,3 million people. It increased, on average, by 1,7% every year since 2000.

Between 2000 and 2009 the proportion of persons with a university degree in total employment increased from 8,1% to 10,8%. The positive evolution of the employment level over the period corresponds to the creation of 1,4 million jobs, of which more than 70% concentrated in cities.

Morocco: population in employment (1 000 units)

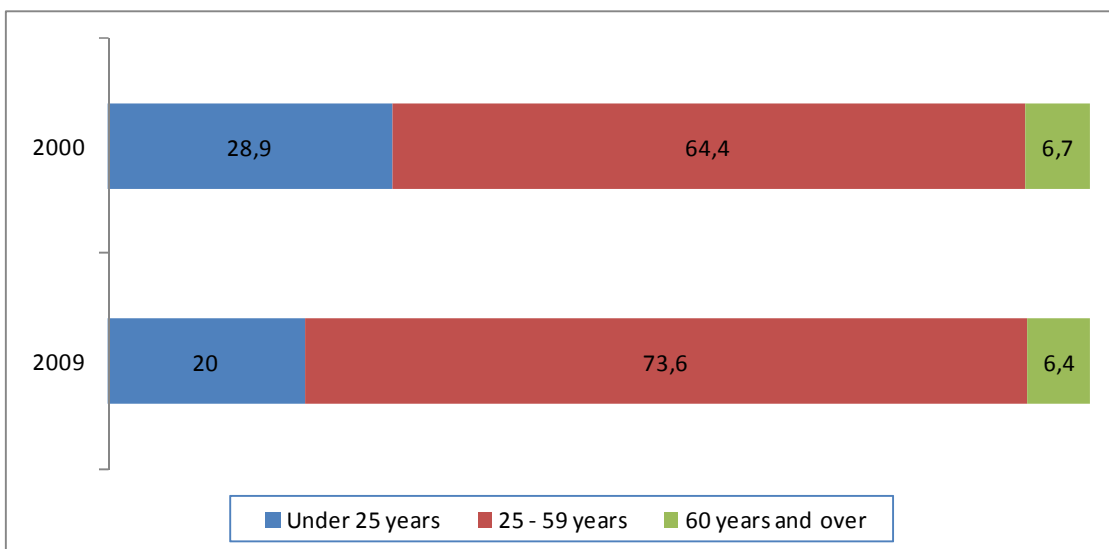


Source: Haut Commissariat au Plan

The employment structure in Morocco reflects the age pyramid of the population and is therefore characterised by a high proportion of young people. However, the share of young people aged under 25 in total employment fell by 9,1 percentage points between 2000 and 2009 (from 29,1% to 20%).

This reduction is due mainly to the increase in the level of educational attainment of the population, which implies that the young enter the labour market at an older age. In fact, the share in total employment held by persons aged 25 - 59 years increased, by 9,4 points (from 64,2% in 2000 to 73,6% in 2009). The proportion of persons aged 60 and over remained stable, at around 6%.

Morocco, changes in the employment structure by age group (%)

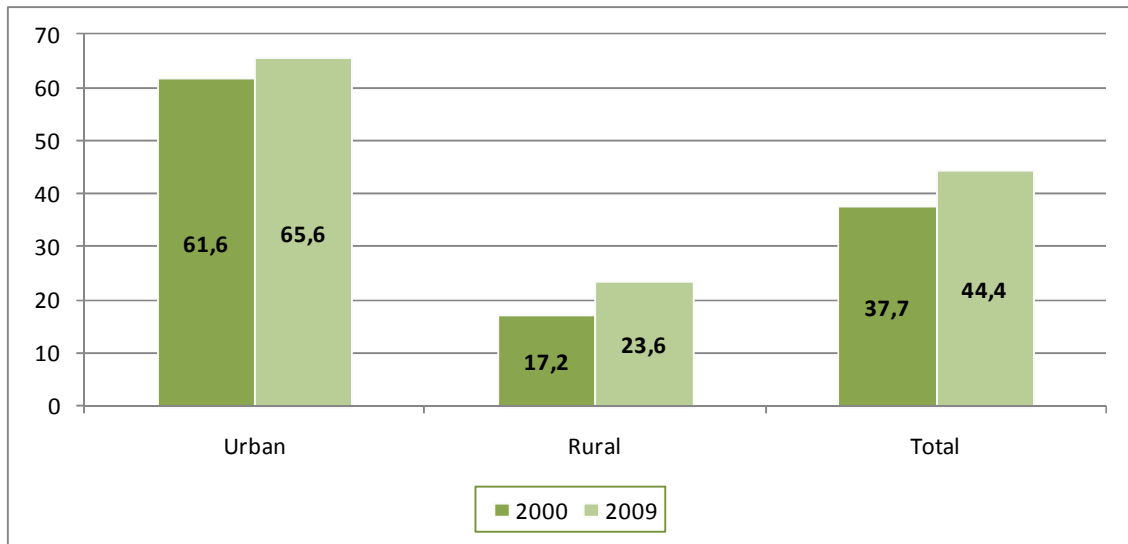


Source: Haut Commissariat au Plan

During recent years the Moroccan labour market also saw a remarkable increase in the number of paid employees, whose share in total employment grew by 6,3 percentage points between 2000 and 2009, increasing from 37,7% to 44,4%. This growth corresponds to an average of 137 000 “new” paid employees every year (91 000 in cities and 46 000 in rural areas).

Also the proportion of self employment is experiencing a continuous growth (from 25,6% in 2000 to 27,6% in 2009).

Morocco: proportion of paid employees in total employment (%)



Source: National report provided by Morocco

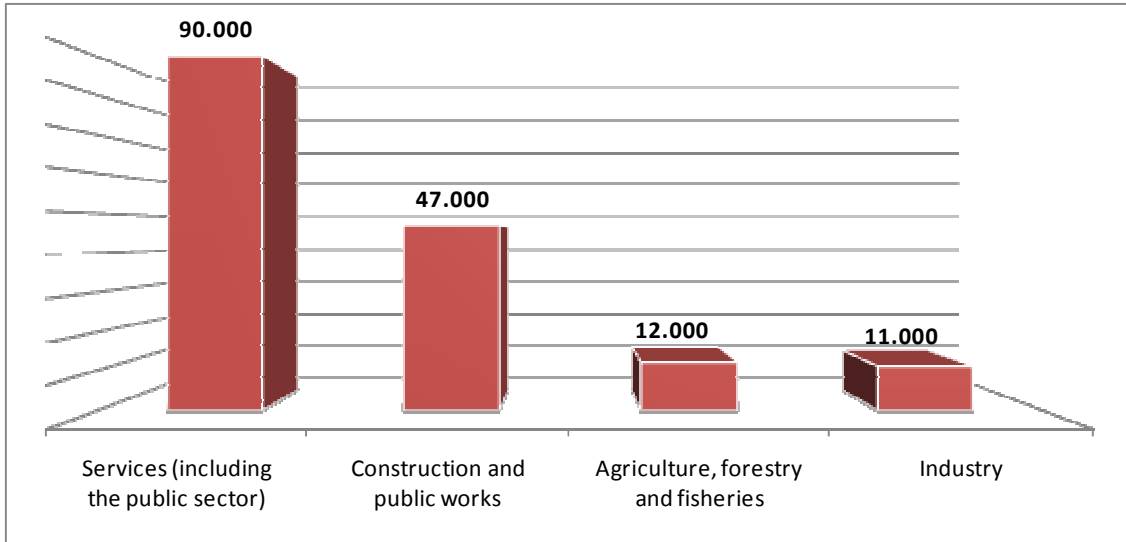
Conversely, the proportion of unpaid work in total employment declined by 9,5 percentage points during the period, and fell, at the national level, from 33,1% in 1999 to 23,6% in 2009. In cities the proportions changed from 8,2% to 4,7%, while in rural areas from 52,6% to 42,3%.

The analysis of the changes in the employment structure in Morocco also shows an important change in the importance of the private and public sectors: the share of the public sector in total employment dropped from 13% in 1994 to 9% in 1999, and to 8,3% in 2009. This reduction is the result of budget restrictions imposed by the public administration during the 90s. In urban areas, the reduction of employment in the public sector (-0,5% per year on average between 1999 and 2009) was more than compensated by the increase of the demand for labour expressed by private enterprises (+2,5% per year). However, this growth was not sufficient to absorb the flows of graduates from upper secondary school and universities who every year enter the labour market.

For what concerns the different economic sectors, all activities contributed to employment growth during the 2000-2009 period, but with different intensities. Service activities (which include the public sector) created an average of around 90 000 jobs every year (56,2% of total “new jobs”). Construction ranked second with 47 000

jobs created (29,1%). Agriculture, forestry and fisheries held the third position at 12 000 (7,6%) while industry activities created 11 000 jobs every year (7%).

*Morocco: new jobs created by sector
(annual averages over the period 2000-2009)*



Source: National report provided by Morocco

The breakdown by educational level required for the the new jobs created between 2000 and 2009 reveals that graduates from universities and upper secondary school did benefit from three new jobs out four (123 000 every year), while persons without a specific education were entitled to only one job out of four (37 000 every year).

In **Peru**, information on the labour demand is derived from the results of the *Encuesta Nacional de Variación Mensual del Empleo en empresas privadas de 10 y más trabajadores del Ministerio de Trabajo y Promoción del Empleo (MTPE)*, a survey on enterprises with 10 or more persons employed that is conducted in the main cities of the country¹³. The information provided is at city level because there are no regional indicators.

Between 2002 and 2008 the number of paid employees in private enterprises with 10 or over persons employed saw a constant increase. Since 2003 all economic activities (with the exception of trade in 2004) gave a positive contribution to the growth of employment, although services and industry accounted for over 70% of the development in 2007.

Across the various cities, however, different levels of employment growth were recorded. Cities like Arequipa, Piura, Sullana, Talara y Trujillo recorded a growth well

¹³ The cities are: Lima, Huancayo, Arequipa, Chimbote, Piura, Cusco, Trujillo, Ica, Iquitos, Chiclayo, Puno – Juliaca, Tarapoto, Tacna, Pucallpa, Cajamarca, Paita, Pisco, Chincha, Huaraz, Sullana, Talara, Ayacucho, Huánuco, Puerto Maldonado, Cerro de Pasco, Chachapoyas, Huancavelica, Moquegua, Tumbes y Abancay.

above the average (2-digit rates); other cities, like Chimbote, were instead less dynamic.

6.2 Part-time and temporary employment

In the **Ivory Coast**, part-time employment can be defined as the percentage of persons who work less than 8 hours per day (or 40 hour per week). According to the most recent data, it concerns nearly 24% of the total population in employment.

Employment is considered temporary if the contract lasts for less than twelve years and is considered permanent if the contract exceeds one year. According to this definition, in 2001 around 30% of total workers had a temporary job.

The economic sector with the highest proportions of workers with a permanent contract was the *production and supply of electivity, gas and water* (99,6% of permanent workers in 2001) while the one with the lowest proportion was mining (9,2%).

Ivory Coast: employment by sector and type of contract, 2001

| Sector | % share in total employment | % permanent contracts | % temporary contracts |
|--|-----------------------------|-----------------------|-----------------------|
| Agriculture | 12,6 | 70,8 | 29,2 |
| Mining | 0,5 | 9,2 | 90,8 |
| Food industry | 33,5 | 54,8 | 45,2 |
| Manufacturing industry | 11,2 | 73,1 | 26,9 |
| Petroleum industries | 3,4 | 89,9 | 10,1 |
| Mechanical industries | 1,1 | 92,7 | 7,4 |
| Furniture and miscellaneous industries | 0,6 | 87,4 | 12,6 |
| Production and supply of electricity, gas, water | 6,7 | 99,6 | 0,4 |
| Construction | 3,6 | 50,0 | 50,0 |
| Trade | 10,7 | 84,0 | 16,1 |
| Services | 13,1 | 67,9 | 32,1 |
| Administration and social work | 3,2 | 93,7 | 6,3 |
| Total | 100,0 | 69,3 | 30,7 |

Source: *Observatoire de l'Emploi, Enquête secteur moderne 2001*

In **Morocco**, part-time employment remains a minor form of employment: it concerns around 25% of the female labour force and is marginal for men (less than 1%).

This is the result of two complementary aspects that characterise Morocco's labour market:

- the female supply of labour still suffers the constraints of family obligations by women ;
- men are still the principal workers within the household.

The table below shows the structure of employment according to the gender and the type of employment

Morocco: persons in employment by gender and type of job, 2008 (absolute values)

| | Males | Females | Total |
|-------------------------|------------------|------------------|-------------------|
| Permanent – full time | 6.955.973 | 2.032.697 | 8.988.670 |
| Permanent – part time | 70.875 | 715.925 | 786.800 |
| Occasional and seasonal | 528.471 | 65.594 | 594.065 |
| Other | 7.050 | 3.040 | 10.090 |
| Not stated | 712 | 275 | 987 |
| Total | 7.563.081 | 2.817.531 | 10.380.612 |

Source: Haut Commissariat au Plan

Morocco: persons in employment by gender and type of job, 2008 (% distribution)

| | Males | Females | Total |
|-------------------------|--------------|--------------|--------------|
| Permanent – full time | 92,0 | 72,1 | 86,6 |
| Permanent – part time | 0,9 | 25,4 | 7,6 |
| Occasional and seasonal | 7,0 | 2,3 | 5,7 |
| Other | 0,1 | 0,1 | 0,1 |
| Not stated | 0,0 | 0,0 | 0,0 |
| Total | 100,0 | 100,0 | 100,0 |

Source: Haut Commissariat au Plan

In **Peru**, the use of fixed term contracts¹⁴ has become particularly important during the last decade. In 1991 the regulations concerning temporary work became less restrictive and from that year their use started to spread.

¹⁴ (Jaramillo, ss, págs. 7-8)

In 2001, around 270 000 workers in Lima Metropolitana (around 20% of the total of the private sector) were employed under fixed term contracts.

Although fixed term contracts foresee the same payment of social contributions as open ended contracts, they enable not to pay indemnity in the case of dismissal. The lower costs of dismissal could have caused a replacement of permanent employment by temporary employment.

There are other reasons for the use of fixed term contracts. For example they could be used as a deterrent against the affiliation with labour unions (enterprises may not renew the contracts of affiliated workers).

The use of fixed term contracts by enterprises increases worker's perception of lack of job security, discourages the improvement of skills and increases labour turnover: factors that have a negative impact on productivity.

6.3 Underemployment and informal work¹⁵

6.3.1 Underemployment

In **Morocco**, underemployment is related to two different situations that are not mutually exclusive. The first one concerns quantitative underemployment, measured in relation to a threshold of work duration. The second, which is more difficult to measure, refers to qualitative underemployment, i.e. the adequacy of the job performed to the skills and aspirations of the worker.

The information provided in the following paragraphs refers only to quantitative underemployment.

Underemployed workers are defined as all workers (aged 15 or more) who during the reference week of the survey on employment had worked less than 48 hours and declared to be available to work for additional hours.

In 2009, underemployed workers were estimated at 1,03 million people, compared to 1,3 million in 2000. This corresponds to an average reduction of around 29 000 every year (13 000 in cities and 16 000 in rural areas).

Underemployment concerns more often men than women, with underemployment rates of 11,6% and 5,7% respectively in 2009.

Nearly two thirds of the underemployed are young, aged 15 - 34 years in 2009. Underemployment tends to decrease with age: the highest underemployment rates are those recorded for the age group 15-24, at 15,1%, while the lowest are those recorded for workers aged 45 and over (4,1%).

Morocco: underemployment rates by age group

¹⁵ This section refers only to Morocco and Peru; information for the Ivory Coast is not available.

| | 2000 | | | 2008 | | | 2009 | | |
|--------------|-------------|------------|-------------|-------------|------------|------------|-------------|-------------|-------------|
| | Males | Females | Total | Males | Females | Total | Males | Females | Total |
| 15-24 | 22,2 | 9,2 | 18,4 | 17,0 | 5,6 | 13,8 | <i>n.a.</i> | <i>n.a.</i> | 15,1 |
| 25-34 | 21,9 | 10,3 | 18,8 | 15,5 | 7,1 | 13,3 | <i>n.a.</i> | <i>n.a.</i> | 13,7 |
| 35-44 | 16,2 | 8,3 | 14,1 | 10,8 | 5,3 | 9,4 | <i>n.a.</i> | <i>n.a.</i> | 9,5 |
| 45-59 | 9,6 | 4,9 | 8,3 | 4,9 | 2,3 | 4,2 | <i>n.a.</i> | <i>n.a.</i> | 4,1 |
| 60 and + | 3,4 | 4,2 | 3,6 | 1,0 | 0,5 | 0,9 | <i>n.a.</i> | <i>n.a.</i> | |
| Total | 17,0 | 8,2 | 14,6 | 11,3 | 4,9 | 9,6 | <i>n.a.</i> | <i>n.a.</i> | 10,1 |

Source: Haut Commissariat au Plan

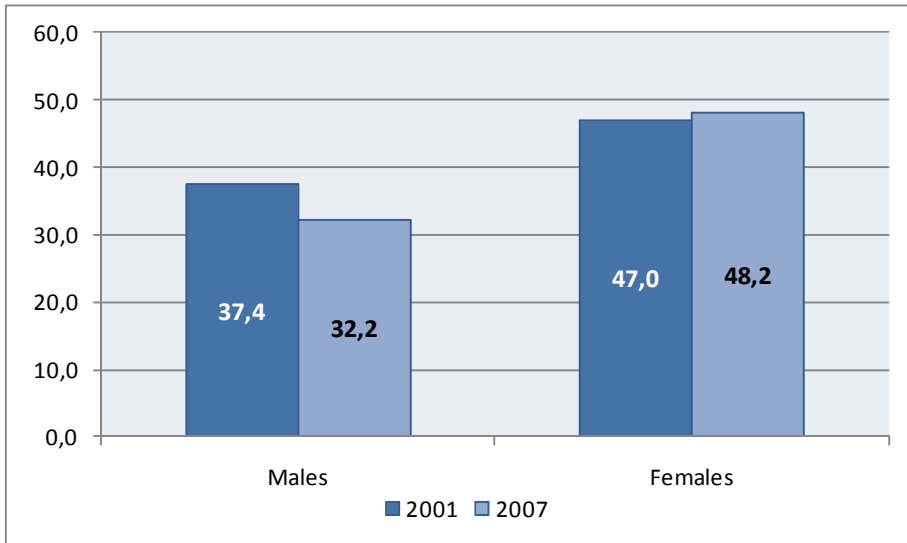
According to the sector of economic activity, underemployment affects in the first place workers of the construction sector, who in 2009 recorded an underemployment rate of 17,2% (in 2000 it was 26%). Agriculture, forestry and fisheries followed at 11,1% in 2009 (14,5% in 2000). The least affected sector is industry in the strict sense (including handicrafts), where the underemployment rate was 6,6% in 2009 compared to 13,4% in 2000.

In **Peru** underemployment is defined as the proportion of workers who work for less than 30 hours per week or who have an income lower than a minimum level (calculated in relation to the basic household basket of goods). Underemployment due to income is four times greater than underemployment due to a low number of hours.

In Lima Metropolitana, between 2001 and 2007 underemployment rates of male workers declined from 37,4% to 32,2%. Those of women experienced an opposite trend, and increased from 47,0% to 48,2%.

With regard to the age, young workers (aged 14-24, both males and females) are those who present the highest levels of underemployment.

Peru: underemployment rates by gender



Source: MTPE – DNEFP

6.3.2 Informal work

In **Morocco**, in order to estimate informal work in a direct way, several surveys were conducted¹⁶. According to the most recent results, in 2007 the informal sector¹⁷ generated 14,3% of Morocco’s GDP.

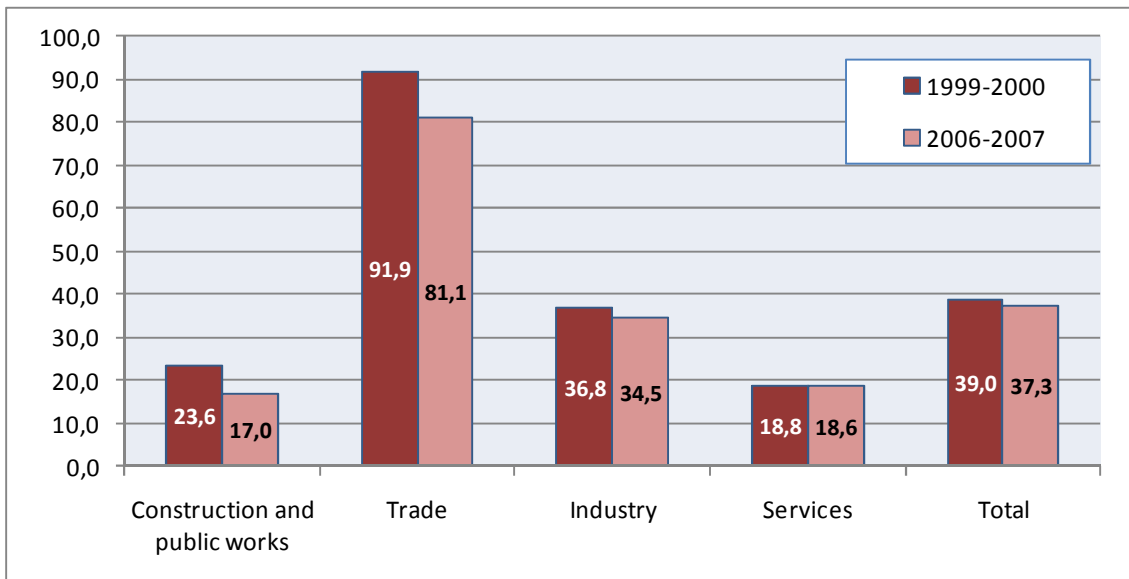
Employment in the informal sector increased from 1,9 million people in 1999 to 2,22 million in 2007, corresponding to the creation of 40 000 new jobs on average every year.

In 2007 informal employment accounted for 37,3% of total employment. This proportion however varies considerably across sectors: it was 81% in trade, 34,5% in industry, 18,6% in services, and 17% in construction activities.

¹⁶ by the *Haut Commissariat au Plan*

¹⁷ The informal sector is constituted by all non-agricultural production units that do not have an accounting system (according to the accounting regulations in Morocco).

Morocco: proportion of informal work in total employment by sector (%)



Source: Haut Commissariat au Plan

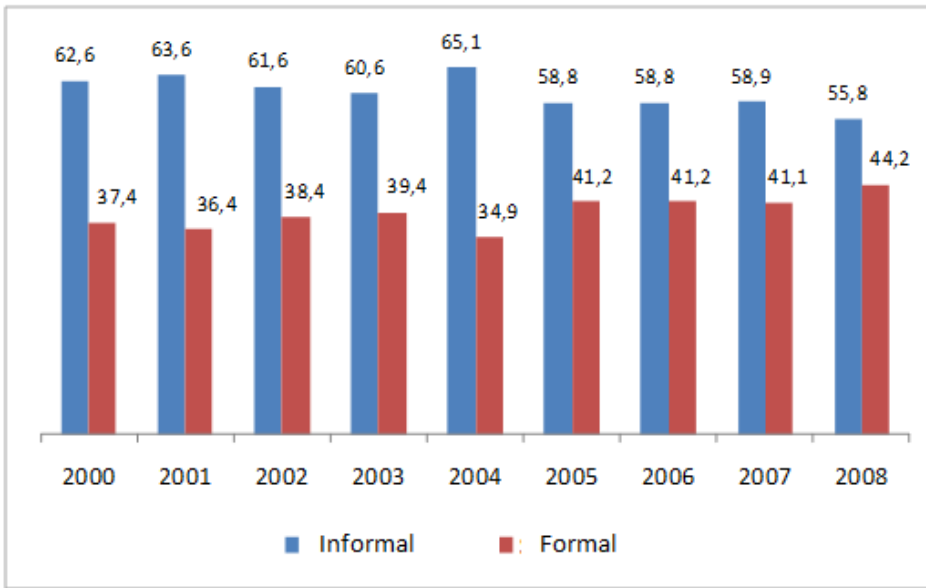
In **Peru**, 80% of the workers are “informal”, but the proportion declines when the enterprise size increases:

- In micro-enterprises, 98% of the workers are informal;
- In small enterprises, the proportion is 57%.
- In medium-sized enterprises informal workers are 25% of the total;
- In large enterprises the proportion is 14%.

With regard to the area of Lima Metropolitana, presently there are no sources of information that enable to measure precisely informal work.

It is however estimated, in 2008, at around 56% of total employment in the area (corresponding to about 2 million people). Informal work recorded a reduction since 2000, when it accounted for 62,6% of total employment, whereas formal work increased (from 37,4% in 2000 to 44,2% in 2008).

Peru, Lima Metropolitana: Informal and formal employment (%)



Source: MTPS - INEI

7. EMIGRATION AND IMMIGRATION

7.1 The Ivory Coast

The **Ivory Coast** is a country characterised by important flows of internal migration, generally from the north of the country towards the south, which is more favourable for agricultural cultivations. Migration flows increased during recent years due to the displacement of the population a consequence of the war. The war actually affected more than one million people, mostly women and children.

For what concerns emigration, it increased over recent years. Information from the consulates indicates that over 160 000 people from the Ivory Coast are currently living abroad. Their main destinations are France, the USA, Mali, and Italy.

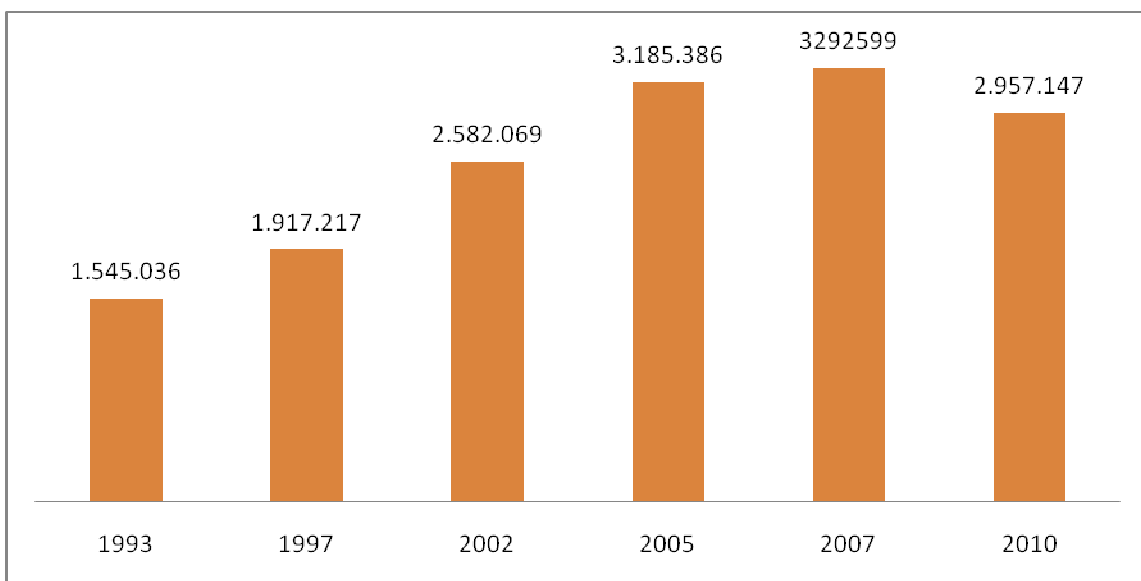
7.2 Morocco

7.2.1 Emigration from Morocco

In **Morocco** the measurement of migration flows lacks in precision, and sometimes there are discrepancies between information derived from different sources. This is the case, for example, of statistics released by Eurostat or by the OECD in comparison with those released from the Morocco’s Ministry of Foreign Affairs and Cooperation.

The **emigration** of the Moroccan population is structural in nature, and concerns cities and rural areas in all regions of the country. The stock of Moroccan migrants in foreign countries never stopped increasing during the last decades: in the 70s the number of Moroccan citizens living in Europe was 300 000 (De Haas, 2009), it rose to 1,55 millions in 1993 and to nearly 3 million in 2010.

Evolution of the stock of Moroccan migrants living in foreign countries



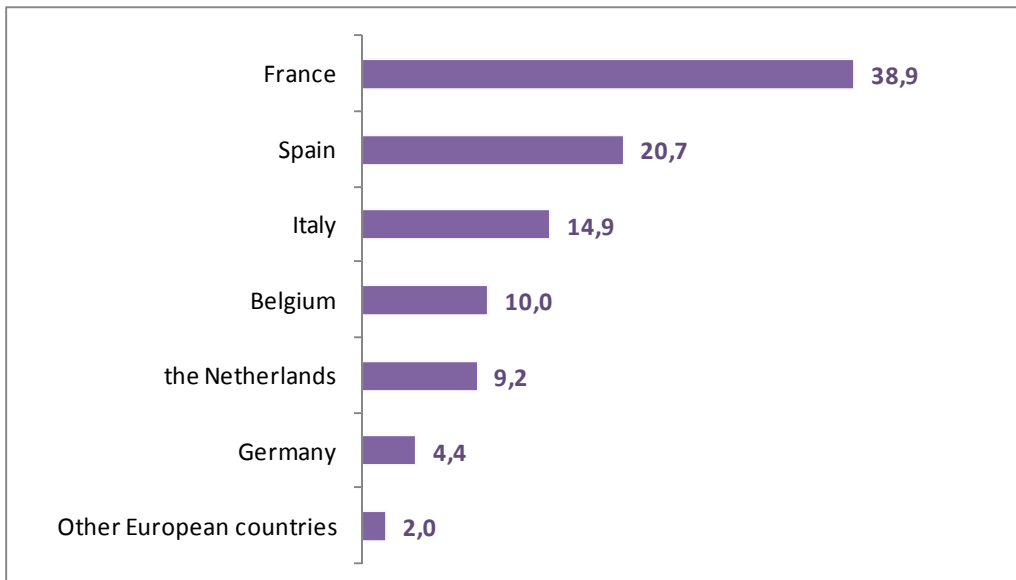
Source: Data recorded by the Consulates

In its first phases, the Moroccan emigration was mainly constituted by unmarried men. In subsequent years female emigration increased, in the first place for family reunions and afterwards thanks to a greater propensity of Moroccan women to emigrate.

The privileged destination of Moroccan migrants is the European Union. In 2010, more than 9 emigrants out of 10 live in a EU country (6,3% in Arab countries and less than 3% in North American countries).

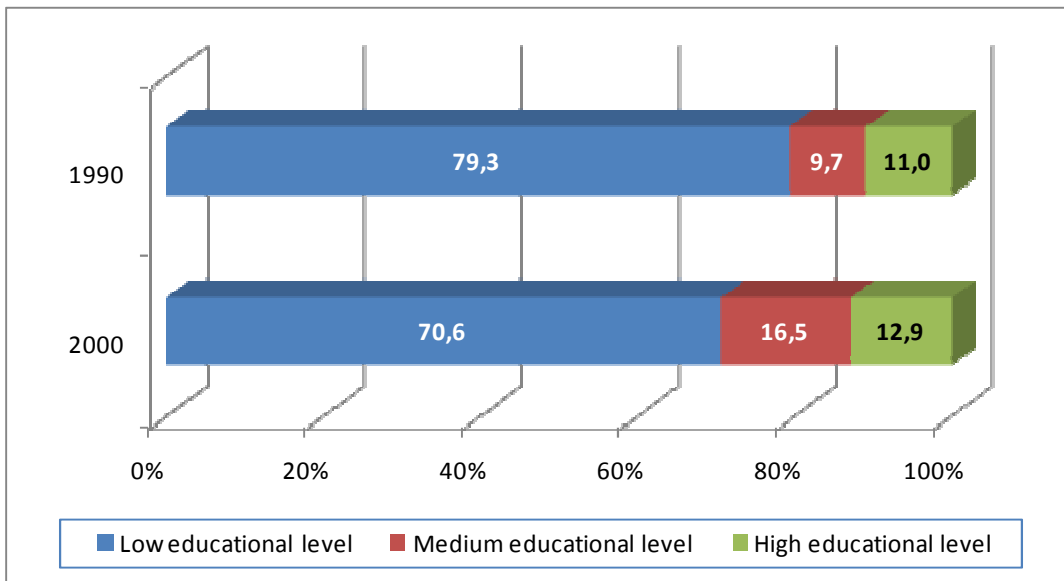
In Europe, Moroccan emigrants are concentrated in 5 countries: France (38,9%), Spain (20,7%), Italy (14,9%), Belgium (10%), and the Netherlands (9,2%). These five countries alone account for 93,5% of Moroccan emigration in Europe.

Moroccan emigrants resident in Europe: breakdown by country (%)



Source: Direction des Affaires Consulaires et Sociales, Ministère des Affaires étrangères et de la Coopération

Moroccan emigrants by educational level (%)

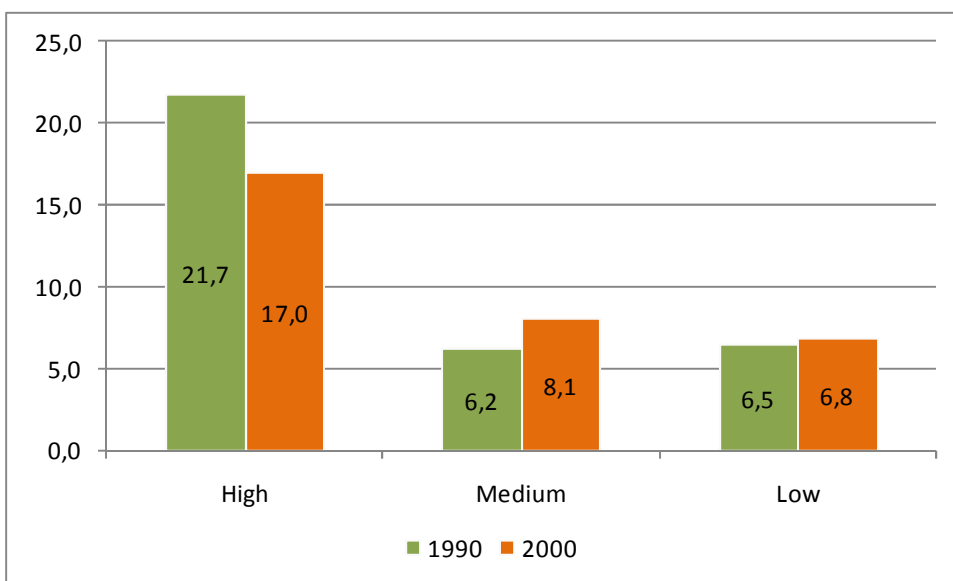


Source: database by Frédéric Docquier and Abdeslam Marfouk

The Moroccan emigration is, traditionally, an emigration of low-skilled labour force, but the level of educational attainment of emigrants increased during the last decade.

It should however be underlined that the emigration rate is higher for the population with a high educational level (albeit in reduction between 1990 and 2000). This can be explained by the high unemployment rates of Moroccan graduates and by the selectiveness of migration in Europe. Conversely, the emigration rates of the population with a medium or low educational level are 10% (but increasing during the decade observed).

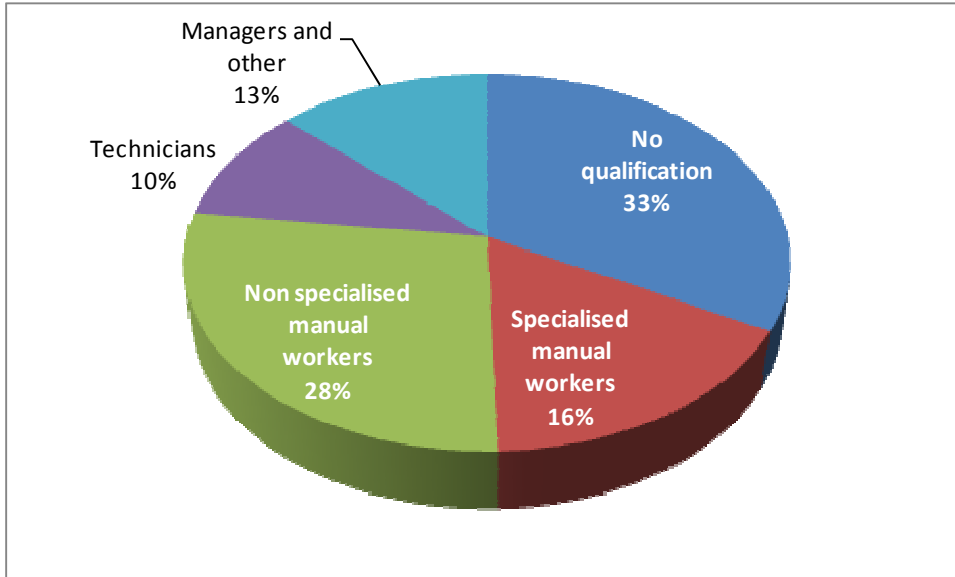
Morocco: emigration rates by educational level (%)



Source: database by Frédéric Docquier and Abdeslam Marfouk

A recent survey conducted by the CERED-HCP in 2005 shows a significant presence of unskilled workers among the Moroccan emigrants (32,9%), followed by qualified manual workers (27,6%) and by specialised manual workers (16,6%). Managers and technicians represent only 20% of Moroccan emigrants.

Moroccan emigrants by occupational level, 2005



Source: HCP-CERED

7.2.2 Immigration to Morocco

Unlikely the emigration flows, **immigration** to Morocco is not a particularly significant phenomenon. According to official statistics, the stock of immigrants in Morocco totalled 74 862 people in 2010. The French rank by far on top of the scale, with a share in total immigrants equal to 29,2%. They are followed by the Algerians (14,8%) and the Spanish (4,3%). Other nationalities are much less represented.

Morocco: foreign residents by country of nationality, 2010

| Nationality | Number | % | Nationality | Number | % |
|--------------|--------|------|----------------|---------------|--------------|
| France | 21.857 | 29,2 | Irak | 967 | 1,3 |
| Algeria | 11.066 | 14,8 | Egypt | 961 | 1,3 |
| Spain | 3.228 | 4,3 | Lebanon | 904 | 1,2 |
| Senegal | 2.054 | 2,7 | Turkey | 888 | 1,2 |
| Tinisia | 1.805 | 2,4 | Germany | 880 | 1,2 |
| Mauritanie | 1.765 | 2,4 | United Kingdom | 765 | 1,0 |
| Italy | 1.605 | 2,1 | Cameroon | 706 | 0,9 |
| Cina | 1.564 | 2,1 | Russia | 670 | 0,9 |
| Congo | 1.550 | 2,1 | India | 581 | 0,8 |
| USA | 1.503 | 2,0 | Niger | 546 | 0,7 |
| Syria | 1.344 | 1,8 | Philippines | 538 | 0,7 |
| Ivory Coast | 1.061 | 1,4 | Palestine | 538 | 0,7 |
| Mali | 1.056 | 1,4 | Jordan | 531 | 0,7 |
| Belgium | 1.018 | 1,4 | Switzerland | 520 | 0,7 |
| Guinea | 987 | 1,3 | Other | 11.404 | 15,2 |
| Total | | | | 74.862 | 100,0 |

Source: Direction Générale de la Sureté Nationale

More than one third of the immigrant population is made up by unemployed persons, and nearly 20% by students. On the other hand, 7,7% of immigrants work as managers, 4,3% are self-employed professionals, and 3,5% are engineers. There is also a relative high presence of manual workers (7,7%), which probably indicates a lack of workforce in some sectors or in some regions of the country.

Morocco: foreign residents by socio-professional category, 2008-2009

| Category | % |
|--------------------------|------|
| Unemployed | 35,1 |
| Students | 19,9 |
| Manual workers | 7,7 |
| Managers | 7,7 |
| Retired from work | 5,4 |
| Professionals | 4,3 |
| Other functions | 4,2 |
| Engineers | 3,5 |
| Traders | 2,8 |
| High-skilled specialists | 1,6 |
| Craftsmen | 1,4 |
| Entrepreneurs | 1,3 |
| Investors | 1,1 |
| Doctors and pharmacists | 1,0 |
| Agricultural holders | 1,0 |
| Other | 1,8 |
| Grand total | 100 |

Source: Direction Générale de la Sureté Nationale

The above data refer only to the foreign population legally living in Morocco, and do not into account “illegal” immigrants living or in transit in Morocco.

Illegal immigration concerns foreigners coming from all continents: Europeans, Asians, and Africans. This immigration is difficult to quantify, and there is the possibly of different estimations.

According to the Ministry of the Interior, illegal immigrants in Morocco are estimated to range between 10 000 and 15 000, while according to the International Organisation for Migration they would range between 10 000 and 20 000.

7.3 Peru

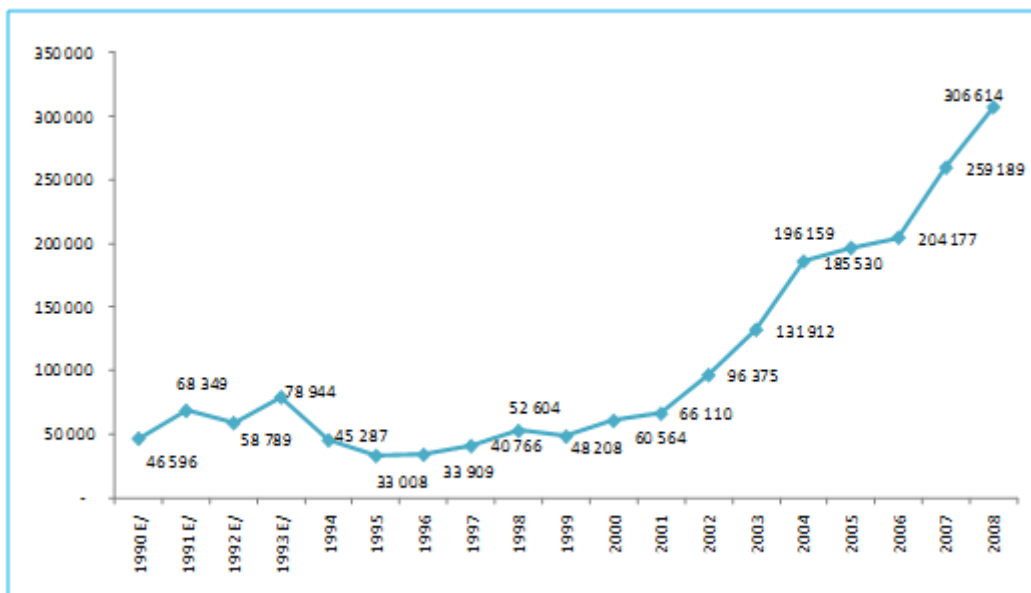
7.3.1 Emigration from Peru

Also in **Peru** the last decades were characterised by a significant increase of emigration flows of Peruvians towards foreign countries. Peruvians emigrate to a variety of areas: southern countries of Latin America, North America, Europe and Asia.

The analysis presented in this chapter is based on figures provided by the “migration register” of Peruvians who left or entered the country. For the purposes of this analysis migrants are intended as those persons who left the country between 1990 and 2008 (period available in the database) and who did not return for a minimum period of six months (until 30 June 2009).

According to this criterion, the number of Peruvians who emigrated between 1990 and 2008 is estimated at over 2 million.

Peru: emigration flows, 1990-2008



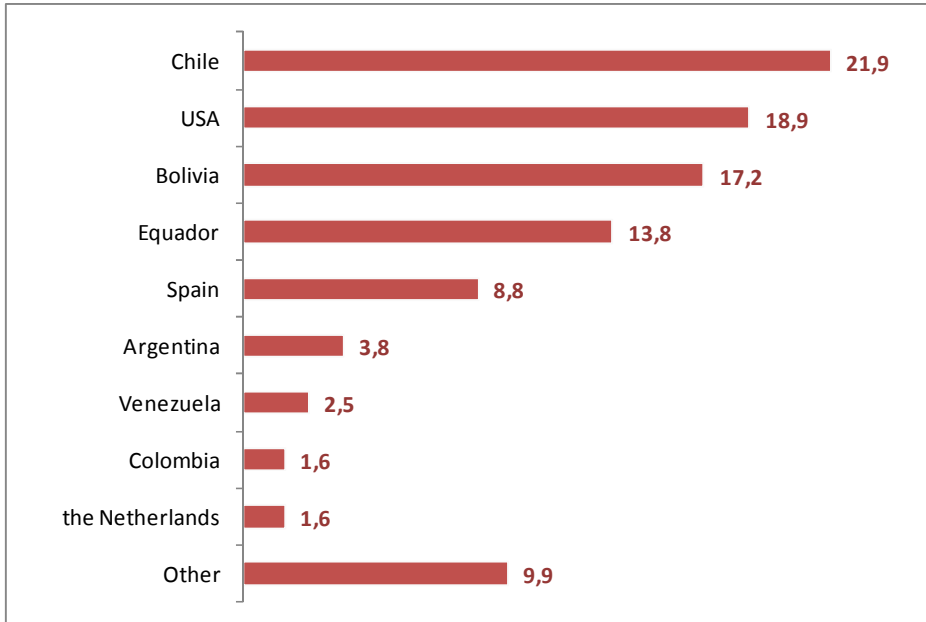
Source: Information derived from the database DIGEMIN on 22/10/2009

As mentioned above, emigration from Peru has been increasing. Between 1990 and 2008 the number of emigrants per year increased by around 6 times: from 46 596 in 1990 to 306 614 in 2008. It should be underlined that most emigrants were women. They accounted for 50,9% of total emigration, while men 49,1%.

For what concerns the countries of destination of migrants, the data available cover a 15-year period (1994 to 2008) during which emigration totalled about 1,76 million people leaving the country. The first country of destination was Chile, with 384 702 Peruvians (21,9%). In the second place in the scale ranked the USA with 332 587 (18,9%), followed by Bolivia (17,2%), Ecuador (13,8%), Spain (8,8%), Argentina (3,8%)

and Venezuela (2,5%), among the principal countries declared by Peruvians at the moment of leaving the country. It should be borne in mind, however, that the country declared is the first country of destination, which does not always correspond to the final destination.

Peru: emigration by main country of destination, 1004-2008 (%)



Source: Estadísticas de la migración internacional de peruanos, 1990-2008 Page 20

The structure by age of Peruvian emigration shows a large part of migrants was young: 44,7% of those leaving Peru had less than 30 years. A more detailed analysis by age groups reveals that 11,1% had less than 15 years and 2,6% had an age comprised between 65 and 74 years.

For what concerns the occupations, during the 1994-2008 period 28,9% of emigrants were students, 13,3% were manual workers in industrial establishments, 10,2% worked in services or as salesmen, 10,7% were housewives, and 9,9 had scientific and intellectual jobs (27% of the emigrants did not declare their occupation).

Of course the shares of each occupation vary considerably according to the gender. For example, the large majority (98,1%) of housewives were women, while 90,5% of operators of assembling machines and installations (which is a category of the group “manual workers in industrial establishments”) were men.

As for emigrants holding high-skill occupations (scientific and intellectual), during the 1994-2008 period they totalled 174 648 people. The most frequent occupations were:

- teachers: 37 260 emigrants (21,3% of total highly-skilled emigrants);
- engineers: 24 185 (13,8%);
- business managers: 15 715 (9,0%); and
- nurses: 13 208 (7,6%).

7.3.2 Immigration to Peru

Immigration in Peru is characterised mainly by flows of Andean workers. The information presented in this section are provided by RETMA and refer to Andean migrants who worked in Peru from 2006 until October 2009.

During this period, 4 405 Andean workers entered Peru, and the average growth rate of the immigration was around 80%.

An important information on Andean immigration is the branch of economic activity in which they worked: services and construction activities were the main sector of employment of these workers. Within services, the key activities that employ Andean workers are real estate and transportation.

The sectors of trade, industry and mining are attracting increasing numbers of immigrants, but the figures are still too low to enable an assessment of their impact on immigration flows.

8. EMPLOYMENT POLICIES

8.1 Employment policies in the Ivory Coast

8.1.1 Policies for the promotion of employment and for the fight against poverty

Since the early 90' the Government of the Ivory Coast has adopted action plans and measures aimed at promoting employment and the hiring of workers by enterprises. Between 1991 and 1999, three plans were implemented, alongside with some other specific programmes.

In chronological order, these are:

1. National Employment Plan (*Plan National de l'Emploi - PNE*), 1991
2. National Employment Plan (*Plan National de l'Emploi - PNE*), 1995
3. Programme for job retention and vocational retraining (*Programme de Maintien dans l'Emploi et de Reconversion Professionnelle - PMERP*)
4. Sectoral programmes for the fight against poverty (*Programmes sectoriels de lutte contre la pauvreté*)
5. Plan to boost employment (*Plan de relance de l'emploi*), 1999-2000
6. Plan Jobs for Africa and national action plan

National Employment Plan (Plan National de l'Emploi - PNE), 1991

It included nine programmes, of which eight started in 1992. However, the plan was not successful due to several gaps and the objectives were not achieved. It was revised and a second National Plan was adopted in 1995.

National Employment Plan (Plan National de l'Emploi - PNE), 1995

This plan comprised sectoral measures aimed at correcting the gaps of the previous one. However, most of the measures foreseen in the plan were not implemented, and the results of this plan were not positive.

Programme for job retention and vocational retraining (Programme de Maintien dans l'Emploi et de Reconversion Professionnelle - PMERP)

This program is undergoing several difficulties, such as the difficulty in the coordination across the various decision centres, the fact that some fiscal measures cannot be applied, and that certain measures lack of a legal basis.

Sectoral programmes for the fight against poverty (Programmes sectoriels de lutte contre la pauvreté)

Also for these programmes the expected results were not achieved. In order to solve the problems encountered, AGEPE decided to implement a mechanism to boost employment.

Plan to boost employment (Plan de relance de l'emploi), 1999-2000

This plan aims at creating new jobs, and is addressed to the most disadvantaged populations : young people in rural areas, women, persons seeking the first job, long-term unemployed, and disabled persons.

The plan also envisages fiscal and para-fiscal measures aimed at favouring the hiring of staff by enterprises and encourage the inclusion of young graduates.

At the rural level, the plan provides for the re-organisation of cooperatives, and a new law on this subject has been created (but has not been implemented)

At the municipal level, the plan envisages the promotion of private investments in labour-intensive projects.

Plan Jobs for Africa and National action plan

The objectives of the plan Jobs for Africa and of the National action plan are to contribute to the creation of new jobs and to the consolidation of already existing ones, by helping the unemployed to get organised in part of cooperatives or in enterprises.

More specifically, the main components of these plans are:

- Cooperative employment
- Development of SMEs
- Stimulation of female employment
- Labour-intensive infrastructures
- Employment in the informal sector
- Labour market information systems
- Training policies
- Micro-credit
- Strengthening of social partners' role with regard to employment creation

All the above components refer to the:

- Promotion of investments and fight against poverty
- Promotion and stimulation of employment of women and of vulnerable groups
- Strengthening of the institutional framework for the promotion of employment

8.1.2 Global objective and strategic intervention axes

The National action plan has the following global objective : to consolidate strategies in order to optimise employment and reduce poverty. As a result, it is expected that :

- The participation of women, young people, disabled persons in projects and programmes, as well as their benefits, is assessed ;
- The National capability of conceiving strategies that can generate productive jobs for the poorest segments of the population is enhanced ;
- Unemployment decreases by 50%;
- Around 24 000 jobs for self-employed workers are created through the development of cooperatives;
- Gender equality is encouraged;
- A specific programme for the support of policies addressed to SMEs is designed;
- The centres for the promotion and support of enterprises located in internal areas of the country are developed;
- In the framework of SMEs development, local NGO are supported;
- The development of the market through the promotion of commercial relations and subcontracting is supported;
- Training for self-employment and the development of entrepreneurship is introduced vocational training courses for young people;
- The capability of implementing labour-intensive programmes is created;
- The access of financial services by disadvantaged persons is improved;
- The sustainability of the main intermediaries of micro-credit is strengthened.

8.1.3 Difficulties concerning inclusion of the young in the labour market

The situation of the young in the Ivorian labour market remains a major problem : they do not have the professional experience required by enterprises, their educational level is not high enough, there are difficulties at the level of the structures for professional inclusion. All these factors contribute to their low employability.

More than half of the young never had a professional experience, and risk to become long-term unemployed persons. This increases their vulnerability.

The implementation of concrete policies targeted to the young is crucial for the development of the economy and for the reduction of tensions that rise from the feeling of worthlessness of the young.

The search for the first job has become a « calvary » for the newly graduated from universities and Grandes écoles. ; at the same time the enterprises have recruitment difficulties and consider that the quality of education becomes worse every year. The

education and training system does not meet the needs of the production system, and this partly explains the reduced employability of the young.

There are however difficulties for the implementation of the various programmes in support of employment. Such difficulties are mainly of two types : lack of financial resources and institutional obstacles (low quality and quantity of human resources).

There are various other elements that explain the problems related to employment. Some of them are :

- The fact that enterprises are not informed about tax incentives for hiring new staff ;
- The role played by education and training institutions (there is not an actual partnership between the education and training system and the enterprise system) ;
- The juridical framework of traineeships (non enough regulated);
- The fact that self-employment is seen as a solution against the difficulties in professional inclusion (the graduates do not have an entrepreneurial culture and they are actually more interested to work as employees) ;

8.2 Employment policies in Morocco

The employment policies in Morocco are characterised by two stages : the first stage, that started in the 80s, saw the implementation of active measures and of an autonomous labour market intermediation Agency (Agence Nationale de Promotion de l'emploi et des Compétences). The second stage, launched in 2006 following the « Initiatives emploi » held in 2005, is characterised by the strengthening of the employment measures

8.2.1 Active policies before 2006

Support for the professional inclusion of the young

The inclusion of the young in the work environment is, since the early 90s, a reason of concern. For this reason, a number of measures aimed at facilitating professional inclusion of the young were implemented during the 90s. Some of these are:

National training programme. Aimed at reducing the mismatch between the characteristics of graduates and the profiles required by enterprises. It was proposed to organise cycles of supplementary training that would complete the education of the young.

Traineeships. The aim was to allow the young to obtain a supplementary education in the workplace, and to have a first professional experience. This measure provided for advantages both for the enterprises and for the trainees.

Action-employment programme (1997). This measure had three main objectives : to enable enterprises to find the skills they need, facilitate the inclusion of young persons

seeking employment (25 000 trainees on average every year, over a period of four years) ; implement an intermediation system.

Re-training programme. This was essentially a pilot experience for the definition of a method to develop training activities for the candidates that enterprises wished to hire.

Training programmes (1999). Provided supplementary training to job seekers (graduated from university) who had difficulty in finding a job.

Specific types of employment contracts (based on the law that established the traineeships).

Programme for the inclusion of graduates from higher education in agriculture.

Support to entrepreneurship

Despite various efforts made during the 80s, some problems were recorded with regard to the promotion of SMEs, in particular micro-enterprises. Hence some new measures were launched, as follows :

Policies in favour of SMEs. In order to improve the competitiveness of SMEs, a set of measures aimed at directly helping enterprises were undertaken. The programmes aimed at creating areas for economic activity, industrial parks, enterprise incubators, and technological centres.

Measures encouraging graduates. The persons eligible to benefit from these measures are those holding a university degree of technological type or a VET certificate.

Information and aid programmes for the creation of enterprises. Such programmes were addressed to the young wishing to start their own business.

Loans in support of young entrepreneurs. This measure was undertaken in cooperation with the banking system.

Enterprise incubators. These programmes were addressed to persons aged between 20 and 45 years who had projects ready to be implemented. They received the right to a place and services adapted to the needs of the enterprises being created. Assistance was also supplied.

Programme in support of self-employment. Launched in 1999, was aimed at supporting the initiatives undertaken by young graduates wishing to create an economic activity. It was addressed to persons aged under 36 years, registered with ANAPEC, and holding an upper secondary school certificate (baccalauréat) plus two years of university education, or a certificate of vocational education and training.

Micro-credit. In the light of fighting poverty through the creation of employment, an institutional framework to govern micro-credit activities was created.

8.2.2 Active policies launched in 2006

The new employment policies defined by the Government in September 2005 and launched in 2006 saw the participation of social partners and of various players in the civilian society. These policies comprised two main axes of intervention:

- The first axis relates to the three “headlight” programmes on the labour market (Inclusion, Qualification, and “My Enterprise”);
- The second axis refers to the improvement of the labour market governance. It concerned directly the strengthening of ANAPEC (Agence Nationale de Promotion de l’Emploi et des Compétences) in its role of intermediary. The programme envisaged the development of private recruitment agencies, and the implementation of a National observatory on employment.

The first axis: the “headlight programmes”

Inclusion programme « Idmaj ». The objective of this programme is to encourage enterprises to offer a first professional experience to job seekers, by providing tax reductions for a two-year period. These reduction can be maintained for one additional year if the trainee is hired with a permanent contract. Between 2006 and 2009 the programme « Idmaj » allowed the inclusion of 172 000 young school graduates (of whom 56% were women). The objective for the 2010-2012 period is to include in enterprises 230.000 job seekers.

Qualification programme « Taehil ». This programme was designed to reduce the mismatch between education and employment. Its objective is to enable job seekers to acquire the additional skills that are required by employers (enterprises, NGO, or cooperatives). This programme is made up of two measures :

- A specific training for the job, so as to respond to specific needs of enterprises. This would: i) enable job seekers to increase their employability by acquiring new skills; ii) facilitate recruitment for enterprises with difficulties in finding the job profiles they need.
- A qualifying training or re-training that would increase job seekers’ employability.

The Taehil programme actually started in January 2007; as of the end of 2009 the number of young school graduates who had benefitted from the measures exceeded 35 000. According to the survey conducted by ANAPEC, the hiring rate exceeded 75%.

On the whole, the programme’s objective is, in addition to the over 15 000 beneficiaries in year 2009, to increase the employability of other 24 000 in 2010, 28 000 in 2011, and 30 000 in 2012 (i.e. nearly 100 000 beneficiaries during the 2009-2012 period).

The “My Enterprise” programme « Moukawalati ». This programme was designed to support the creation of enterprises. For persons with projects of micro and small enterprises it foresees a financial aid for the first establishment, a technical support, and a follow-up during the start-up process. Since 2007, 2 300 projects were financed, generating more than 8 000 jobs.

The second axis: governance of the labour market

Modernisation and development of ANAPEC. In order to better carry out the labour market intermediation activities, since 2006 ANAPEC has extended its network of agencies. The aim is to cover all Moroccan provinces. There are 74 agencies open to the public, of which 16 are regional agencies, covering all regions of the country. The objective set for the 2009-2012 is the opening of 20 agencies.

Opening to private intermediation. After the “Code du travail” entered into force, the public sector no longer has the monopoly for the placement of workers. The private sector has been authorised to participate in labour market intermediation. Law 65-99 defined private recruitment agencies (Agences de Recrutement Privées - ARP), as activities whose mission comprises the matching between labour demand and supply, the provision of services in support of job seekers, and the provisional hiring of employees.

Tools for the follow up of labour policies. The government established the regional and provincial councils for the promotion of employment. The objective is to encourage social partners to participate in the issues concerning employment, with particular regard to the policies addressed to the young.

National observatory on employment. The need to have reliable information of the labour market gave rise to the creation of a national observatory on employment, with the following missions:

- Collection, processing and dissemination of the information characterising the functioning of the labour market, at the national and regional levels as well as at the sectoral level;
- Assess the impact of the measures for the promotion of employment;
- Conduct studies of employment, productivity and labour costs;
- Calculate projections of labour demand and supply for the short, medium, and long run.

However, the development of an integrated information system on the labour market implies in the first place the consolidation of the system, through the integration of the various sources of statistical data and the production of supplementary statistics. This requires some upstream activities, in view of the implementation and harmonisation of the measurement tools, of the analyses, and, if necessary, of the classification and nomenclatures of qualifications and educational levels.

8.3 Employment policies in Peru

8.3.1 Active policies by the Ministry of labour and employment promotion (MTPE).

| Policy | Programme/Project |
|--|---|
| Facilitate the matching between labour supply and demand | Red CIL PROEmpleo |
| Increase occupational adjustment and reduce the low qualification of the labour force | PRO Joven Capacítate Perú: APROLAB Perú Emprendedor |
| Create and promote new jobs | A Trabajar Urbano PROFECE. Mujeres emprendedoras |
| Support the development of micro-enterprises and of self-employment | Perú emprendedor PROMPYME PRODAME (ahora MI Empresa) |
| Provide information to socio-economic operators so as to enable adequate decision-making | OSEL local OSEL Regional |
| Increase occupational adjustment by reducing the gap between supply and demand for skills in the labour market | Capacitación Laboral Juvenil: Projoven Intermediación de Jóvenes Orientación Vocacional e Información Ocupacional |
| SENEP Servicio Nacional de Empleo | |

8.3.2 Vocational and educational training (VET) policies

The vocational and educational training (VET) active policies in Peru pursue the following objectives:

- To encourage, institutionalise and strengthen the social dialogue amongst operators engaged in vocational training activities. This would increase the quality of the VET and hence the inclusion of the young in the labour market.
- To promote high-quality VET, since the basic levels up the higher education. High-quality VET should not only enable students to develop their skills and their entrepreneurial capabilities, but should also respond to skill demand at the local level.
- To ensure the production of reliable information, by implementing a system of information on the labour market and on education. This would facilitate decision making by VET operators.

- To ensure the political, regulatory, economic, social and environmental sustainability of the efforts made in the VET end employment promotion fields, so that they become an input for the National Development Plan.

8.3.3 The Economic Development Plan (Plan de Estímulo Económico - PEE)

The Economic Development Plan of Peru pursues the following objectives (May 2009):

- 1) The convergence of the economic growth rate in the long run;
- 2) A continuing employment creation through public investments (around 30% of the jobs created in 2009 should be due to the plan).

The Plan provides for the following measures concerning employment:

- Enhancement of formal employment;
- Special programme for the retraining of job losers;
- Direct implementation of the works foreseen in the programme **Construyendo Perú** (Building Peru), which would generate new jobs in the short term;
- Increase of workers' purchasing power.