



# The SINCE Programme Decent Work Case Study

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## ACRONYMS

BOLSA	Bureau of Labour and Social Affairs
CETU	Confederation of Ethiopian Trade Union
EIFCCOS	Ethio-International Footwear Cluster Cooperative Society
ELICO	Ethio-Leather Industry Plc
ERCA	Ethiopian Revenues & Customs Authorities
ETB	Ethiopian birr
EU	European Union
FGD	Focus Group Discussion
GTPII	Growth and Transformation Plan II
IPDC	Industrial Parks Development Corporation
ILO	International Labour Organisation
INWORK	Inclusive Labour Markets, Labour Relations and Working Conditions Branch
LABADMIN	Labour Administration
LSA	Labour and Social Affairs
MOLSA	Ministry of Labour and Social Affairs
MOU	Memorandum of Understanding
NGO	Non-Governmental Organisation
OSH	Occupational Safety and Health
OSHP	Occupational Safety and Health Policy
OSHMS	Occupational Safety and Health Management System
PES	Public Employment Services
PPP	Public Private Partnership
PRISM	Private Sector Reinforcement Initiative to Stem Migration
SCORE	Sustaining Competitive and Responsible Enterprises
SDGs	Sustainable Development Goals
SINCE	Stemming Irregular Migration in Northern and Central Ethiopia
SMEs	Small and Micro Enterprises
SNNPR	Southern Nations, Nationalities and Peoples' Region
TOT	Training of Trainers
TVET	Technical and Vocational Education and Training
UN	United Nations
UNIDO	United Nations Industrial Development Organization
YAW	Young Africa Works

## FOREWORD

The Decent Work Case Study, is one of 4 Case Study reports. Other Case Study Reports cover the three other pre-identified strategic topics: Public Private Partnerships, Public Employment Services and Apprenticeships.

The aim of these case studies is twofold: (i) to systematize what has been achieved by the grant intervention in terms of, the lessons learnt; and (ii) what recommendations can be made on policy development and for future interventions.

The Case Studies have been implemented by an independent consultancy firm contracted by the Italian Embassy in Addis Ababa, Ethiopia.

The findings as elucidated in the Case Study are the result of a literature review, data collection, stakeholder interviews, beneficiary interviews, focus group discussions, project site visits and workshops implemented between October 2019 and March 2020.

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We wish to thank the Embassy of Italy in Addis Ababa Ethiopia, SINCE Programme staff and specifically Mr. Pierpaolo Bergamini, SINCE Programme Coordinator for his continuous support throughout the assignment.

# 1. EXECUTIVE SUMMARY

The ultimate purpose of the SINCE Programme intervention for decent work is to create new decent job opportunities for unemployed potential migrants and enable a productive working environment for youth and women in conditions of freedom, equality, security and human dignity. In addition to promote and enable applicability of five decent work principles, the SINCE Programme has been endorsed in the most irregular migration prone areas of Ethiopia (Addis Ababa, Amhara, Oromia, SNNPR and Tigray).

Five decent work principles have been selected<sup>1</sup> through a participatory process coordinated by the Embassy of Italy in Addis Ababa Ethiopia with the support of UNIDO and the ILO in order to focus the attention when linking enterprises during the SINCE Programme implementation. The implementation of decent work under the SINCE Programme intervention covers a diversity of activities related to awareness creation (through public private partnership platforms and the TVETs curriculum and training programmes), Training of Trainers, training and implementation of the Occupational Safety and Health (OSH) Policy, and the overall promotion of decent work through events and promotional materials. The decent work promotion activities have been realised by a variety of implementing agencies that cooperated with national and international stakeholders in the most migration prone areas in Ethiopia.

From May 2018 to September 2019 the SINCE Programme has supported and implemented the decent work principles by training more than 4000 trainees, the facilitation of 233 agreements with the private sector and the formation of 147 job-creation oriented PPPs under the following SINCE projects:

- “Linking and Upscaling for Employment” in Kalu, Dessie, Rayakobo, and Kemissie woredas in Amhara Regional State;
- “Stemming Irregular Migration in Oromia Regional State by strengthening the tomato and durum wheat sectors in Sinana, Adaba, Sherka and Asella Woredas”;
- “Development of innovative Employment oriented schemes and Active Labour market measures to increase livelihoods and decent work opportunities for vulnerable youth and women at risk of irregular migration (DEAL)” in Tigray Regional State;
- ”Job creation for potential migrants in Addis Ababa” in Yeka, Kirkos, Arada and Addis Ketema sub-cities in Addis Ababa;
- “Private Sector Reinforcement Initiative to Stem Migration (PRISM)” in SNNP Regional State;
- “Addressing the Root Causes of Migration in Ethiopia” in Bahir Dar.

Chapter 2 of this document sets the principles of decent work in the international and national policy environment, as well as other decent work-related interventions in Ethiopia serving as the context in which the SINCE Programme is embedded. Chapters 3 and 4 describe the effectiveness of the SINCE Programme interventions. Identification is made of the existing gaps, and draws sector specific conclusions and lessons learned on each of the minimum five decent work principles to be reflected in any agreement involving enterprises of the five target sectors, namely (i) textiles and garments, (ii) leather, (iii) metal works, (iv) construction and (v) agribusiness sector. Chapter 5 makes recommendations for future actions. Chapter 6 makes policy recommendations at the Federal and Regional level.

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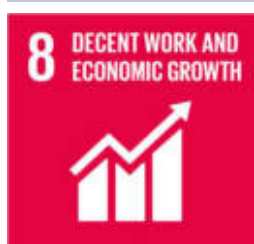
<sup>1</sup> Described in section 3: Adoption Strategies and Approaches for SINCE Decent Work Promotion

## 2. OVERVIEW OF DECENT WORK

### 2.1 Decent Work: The International Operating Environment

Decent Work principles are embedded in the international operating environment through the Sustainable Development Goals (SDGs). The SDGs were adopted by all United Nations Member States in 2015 and Leader's statements and action plans of the G20 , G7, EU, African Union and other multilateral and regional bodies also confirm the significance of decent work principles to crisis recovery and sustainable development. Decent work principles are specifically included in SDG no. 8. In addition, key aspects of decent work are embedded in the targets of a number of the other 16 goals of the UN's new development vision.

#### 2.1.1 Sustainable Development Goal No. 8



Sustainable Development Goal 8: Decent Work and Economic Growth: "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all". This goal, reinforced by specific targets on the provision of social protection, eradication of forced and child labour, increasing productivity, addressing youth employment, SMEs and skills development, is an indispensable response to economic and social needs of people and governments world-wide.

Putting job creation at the heart of economic policy-making and development plans will not only generate decent work opportunities but also more robust, inclusive and poverty-reducing growth. It is a virtuous circle that is as good for the economy as it is for people and one that drives sustainable development.

SDG No. 8 relates to pillars 3 and 8 of Ethiopia's Growth and Transformation Plan II:

- Pillar 3: Speed up and catalyse transformation of the domestic private sector and render them a capable development force;
- Pillar 8: Promote women and youth empowerment, ensure their participation in the development process and enable them equitably to benefit from the outcomes of development;

#### 2.1.2 ILO International Standards

Decent work<sup>2</sup> sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for women and men.

Employment creation, social protection, rights at work, and social dialogue – became integral elements of the new 2030 Agenda for Sustainable Development. Goal 8 of the 2030 Agenda calls for the promotion of sustained, inclusive and sustainable economic growth, full and productive employment and decent work, and will be a key area of engagement for the ILO and its constituents.

<sup>2</sup> <http://ilo.org/global/topics/decent-work/lang--en/index.htm>



The ILO has different departments and branches to carry out their mandate world-wide. The work of the Governance and Tripartism Department (GOVERNANCE) is closely related to the topics embedded in the SINCE Programme. This department provides technical support and capacity-building to **labour inspectorates and labour administrations** in general and assists in developing strategies to achieve compliance with labour laws and **occupational safety and health standards**. It advocates and helps constituents to build strong and functional institutions and processes for **social dialogue**, promotes and realises the **fundamental principles and rights at work**, which are:

- Freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation<sup>3</sup>.

### 2.1.3 The ILO activities in Sub-Saharan Africa

The ILO is active world-wide in supporting different actors to create an enabling environment for decent work. Below are examples, such as the SINCE Programme, that contribute to decent work as well as youth employment. These projects are based on the local context and target a variety of interventions, such as employment intensive investments, skills, entrepreneurship, sustainable development, fundamental rights, and the like.

The ILO in Somalia contributes to the Youth for change initiative, Phase II- Support to the improvement of security and the reduction of violence. The economic re-integration component of the programme is managed by the ILO. Participants learn the basics of entrepreneurship and commerce related to vocational skills and are supported to enable start work placements and labour-intensive works, which provides short-term employment for each beneficiary re-engaged in productive work benefiting the community.

In Sierra Leone the ILO implemented “Quick Impact Job Creation for Youth through Labour Based Public Works”. The project relates to employment intensive investments focusing on reducing the high level of unemployment among the youth through investments in employment creation.

Kenya has been supported by the ILO through “Youth employment for sustainable development”. The project intended to empower young women and men to participate in addressing the socio-economic challenges in their communities through providing them with marketable skills, decent jobs and business opportunities. Implementation of the project also focussed on steering the youth away from violence and conflict by providing them with alternative livelihoods.

## 2.2 The Ethiopian National Policy Environment for Decent Work

### 2.2.1 Relevant Legislation and the scope of the law.

Ethiopia’s most relevant labour legislation can be found in the constitution and proclamations below:

- The Constitution of the Federal Democratic Republic of Ethiopia (1995)
- Labour Proclamation No. 1156/2019 enforced as of 5<sup>th</sup> Sept. 2019 and replaces No.377/2003
- Federal Civil Servants Proclamation No. 515/2007
- Right to Employment of Persons with Disability Proclamation No.568/2008

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<sup>3</sup>Accessed at: <https://www.ilo.org/global/about-the-ilo/how-the-ilo-works/departments-and-offices/governance/lang-en/index.htm>

- Employment Exchange Services Proclamation No.632/2009 replaced by the new Ethiopia's Overseas Employment Proclamation No. 923/2016
- Public Servants' Pension Proclamation No. 714/2011
- Private Organizations Employees' Pension Proclamation No. 715/2011

The Ethiopian employment regime covers two broad categories of employment relationships; **private sector employment** and **employment in the public service**.

The **public service employment regime** is regulated by the Federal Civil Servants Proclamation No. 515/2007 at the federal level and by regional civil service administrative instruments in the respective regions. These federal and regional instruments regulate the conditions of recruitment, promotion, separation and other related issues for permanent employees of the state administration.

**Employment relations in the private sector** are regulated by the Labour Proclamation. Employees of state-owned business enterprises and employees of NGOs, charitable and religious institutions are within the ambit of the Labour Proclamation. Employees who undertake managerial functions in private enterprises and domestic workers are excluded from its scope. Nonetheless, managerial employees and domestic workers who are excluded from the Labour Proclamation are still covered by the provisions of the Civil Code of 1960. According to article 3(2) of the Labour Proclamation employment relations arising out of a contract concluded for the purpose of upbringing, treatment, care of rehabilitation, education and training (other than apprenticeship) are excluded from its scope of application. For the purpose of the Labour Proclamation, an employer is a person who employs one or more employees and an employee is a physical person who agrees to perform work for, and under the authority of, the employer for a definite or indefinite period, or piece work in return for wages (article 2(1) and 4(1), Labour Proclamation).

## 2.2.2 The Ethiopian Ministry of Labour and Social Affairs Vision & Mission

**Vision:** To see an Ethiopia that created enough productive employment, settled decent work situations and secured developmental social welfare of the citizen<sup>4</sup>.

**Mission:** Aims to settle industrial peace, maintain employee's health and safety at work place, improve working condition and environment, and promote efficient and equitable employment services; maintain developmental social welfare of the citizens' in particular:

- Ensure the benefit of PWD's resulting from equal opportunities and full participation;
- Provide care and support to the elderly and encourage their participation in relevant activities;
- Prevent social problems and provide rehabilitation services to the affected members of society, by conducting studies and creating conducive conditions in cooperation with relevant stakeholders.

### Values

- Readiness to change;
- Transparency;
- Accountability;
- Working with knowledge and endurance;
- Justice and Humanitarianism;
- Effective and efficient services;
- Gender equality;

<sup>4</sup> <http://www.molsa.gov.et/web/guest/vision-mission-objective>

## 2.3 Decent Work in the National Framework

The directive of the Ministry of Labour and Social Affairs provides information that relates to the decent work principles. The information provides insights into the Ethiopian Framework in which the SINCE Programme has been implementing these principles. The work implemented by the SINCE Programme has been based upon the Labour Proclamation 377/2003 which has been replaced in September 2019 by the new Labour Proclamation 1156/2019<sup>5</sup>, which has mainstreamed the ILO decent work principles and gender as a separate component in its proclamation as well as in the directives that are driven from this document.

### 2.3.1 Collective Agreements (Memorandum of Understanding)

A collective agreement<sup>6</sup> is executed through mutual discussion, understanding and negotiation of workers representatives and employers of an undertaking. According to the (previous) Labour Proclamation No. 377/2003, collective agreement means an agreement concluded in writing between one or more representatives of trade unions and one or more employers or agents or representatives of employer's organisations. Upon executing collective agreements, the two parties should transmit sufficient copies to the Bureaus of Labour and Social Affairs for legal registration. The new Labour Proclamation 1156/2019 has further elaborated the definitions, conditions and applications in Part Eight, Chapter 2 and Chapter 3, articles 125 to 136.

### 2.3.2 Labour protection and decent working conditions (Contracts)

Most wage jobs<sup>7</sup> are insecure and temporary and self-employment is not always remunerative. There is a need for government intervention in the labour market to protect workers from unfair treatment and provide safeguards to protect the basic rights and interests of workers. It is also recognised that too much protection can discourage labour demand by increasing the costs of hiring and imposing unnecessary restrictions on temporary contracts.

Policies and regulations that promote pro-poor growth are more likely to be successful if they are developed and implemented through broad-based dialogue and participation involving the different parts of society, including the working poor. The labour market will be protected whilst ensuring labour market flexibility and employment security.

Strategic areas to ensure labour protection and decent working conditions are:

- Institute a system for a periodic review of minimum wage rates and upgrade the rates in line with inflation rates and market wage rates.
- Develop institutional arrangements that will ensure wider coverage and better implementation and compliance with the minimum wage
- Build the capacity of the MoLSA and the BoLSA's to inspect working conditions in different industries and to enforce safety and acceptable standards.
- Institute an affirmative action approach in order to ensure that a specified proportion of beneficiaries of formal sector employment (particularly public sector) are women.

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<sup>5</sup> Accessible at the SINCE Programme website:

[https://ambaddisabeba.esteri.it/ambasciata\\_addisabeba/it/sinceprogramme/technical-documents](https://ambaddisabeba.esteri.it/ambasciata_addisabeba/it/sinceprogramme/technical-documents)

<sup>6</sup> <http://www.molsa.gov.et/web/guest/-/collective-agreement?inheritRedirect=true>

<sup>7</sup> <http://www.molsa.gov.et/web/guest/-/labor-protection-and-decent-working-conditions?inheritRedirect=true>

The new Labour Proclamation 1156/2019 has devoted Part Two to Employment Relations and Part Three to Wages. Minimum wage is not included within the new Proclamation or its directives.

### **2.3.3 The Concept of Occupational Safety and Health**

With the pace of rapid change in industrial and information technology, the number of occupational hazards and health hazards has been increasing world-wide. According to an annual report of The World Trade Organization (released in 2003) 250 million work-related accidents occur around the world every year, and 160 million work-related illnesses occur in workers, most of them in sub-Saharan Africa.

According to the report, the economic cost of work-related accidents and health-related injuries is about 4% of world total revenues, and the report suggests that countries should address ways for tackling and mitigating this serious work problem in a coordinated manner. (Occupational Safety and Health Management System – OSHMS – 2001).

While there are limited official statistics and reports on the number and prevalence of occupational hazards in Ethiopia, studies show that the number of workplace accidents annually is enormous, and the economic, social and human harm caused by the accidents is huge.

In addressing this negative aspect, the importance of implementing regular practice in all institutions is emphasized as a key management function of organizations. The new Labour Proclamation 1156/2019 devoted Part Seven to Occupational Safety and Health and Working Environment, article 92 to 112.

To this end, a practical guide has been designed to enable organizations to implement the Occupational Safety and Health Management System to make their production and operating systems safer, more efficient and quality focused.

Recognizing that employers have a legal responsibility to protect the occupational health and safety of their workplace, the Code of Practice recommends that the Code of Practice be primarily a systematic tool in the management of occupational safety and health, including employees, associations, occupational safety and health committees.

### **2.3.4 Workplace Cooperation and Social Dialogue (Grievance Mechanisms)**

Social dialogue has become a key tool in ensuring a complete and universal development for peace and stability in every country and society. In Ethiopia, in recent times, social dialogue has been serving as a solution to some of the socio-political problems of the country. It is an important diplomatic process for resolving conflicts based on a process whereby public employment agencies or parties of three parties create a dialogue around their mutual interests and interests on economic and social issues.

Social dialogue is not only informative, it is a way of engaging in serious discussions. Although it is not possible to reach a decision through consultation, consultation has the potential to be part of a process for making decisions.

Collaboration in policy dialogue and decision-making is one of the main features of social dialogue. Collective bargaining is an agreement between an employer or multiple employers and workers' representatives regarding employment conditions. If collective bargaining is successful, it will lead to a collective agreement.

### 2.3.5 Major Conditions to Achieve Social Dialogue<sup>8</sup>

The Ministry of Labour and Social Affairs aims to promote harmonious industrial relations. In order to achieve these, social dialogue is essential. The new Labour Proclamation 1156/2019 has devoted Part Eight to Collective Relations and Part Nine to Labour Dispute article 113-162. The major conditions to achieve social dialogue (Part Nine, Chapter Three, article 141) are outlined on the MoLSA's website and covers;

- Rights of Association
- Democratic foundations
- Representation legitimacy, transparent labour organisation
- Political intent and credibility to be a participant in social dialogue
- Institutional support
- Technical competence
- Implementation of an agreement

### 2.3.6 Work Accidents (Grievance Mechanisms)

Work accidents<sup>9</sup> may occur in the process of production as a result of unsafe working conditions, unsafe acts, personal failure and a lack of awareness on the side of both the employers and workers. The failure on the part of the management in realising and applying properly guarded machines, proper illumination and ventilation, non-defective tools, etc. could be considered causes for work accidents. Work accidents may result in loss of life, physical impairment, material damage and termination of work that might lead to a claim resulting in a large financial loss.

In the period 2008/2009, among the reported work accidents, the highest percentage (56.05%) occurred in the manufacturing industries and the reported work accidents for construction; and agricultural, hunting, forestry and the fishing industry accounted for 22.25% and 20.58% respectively. Industries which are affiliated to mining and the quarrying sector are accident prone sectors for workers, however during the reporting period only one work accident was reported by these industries.

From the total work accidents reported, 18.50% were caused by machines. Falling & slipping; and using hand tools were the next highest causes of work accidents which accounted for 16.67% and 13.21%, respectively. The highest number of work accidents occurred in the age bracket 19-24 which accounted for 21.29%. The next highest number of accidents was experienced by workers in the age group 25-29 and 40-44 in which, 18.04% and 15.09 % cases have been reported respectively. A worker injured while at work is entitled to sick leave with pay, the duration of which is determined by the nature and extent of injury that he/she suffers.

From the above, the importance of occupational health and safety policies, procedures and training become clear. Also evident is the fact that the younger workers have a higher risk of work accidents.

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<sup>8</sup> <http://www.molsa.gov.et/web/guest/--9?inheritRedirect=true>

<sup>9</sup> <http://www.molsa.gov.et/web/guest/-/work-accident?inheritRedirect=true>

## 2.4 Other interventions in Ethiopia related to Decent Work

The Mastercard Foundation initiative Young Africa Works (YAW) in Ethiopia focuses on sectors that offer a strong potential for the creation of work for youth. The goal of YAW in Ethiopia is to enable 10 million young people to **access dignified and fulfilling work** by 2030. The YAW approach was designed in partnership with the government, the private sector, academic institutions, and young people, the Foundation will work with the newly created Jobs Creation Commission to spur economic growth. It builds upon the momentum of the government's recent efforts while also finding creative ways to strengthen relevant government institutions. The Foundation work will focus on the following priority sectors: agriculture, manufacturing, tourism and digital technology.

In Ethiopia, the ILO in collaboration with the tripartite partners; Ministry of Labour and Social Affairs, Confederation of Ethiopian Trade Unions, Ethiopian Employers' Confederation and Ethiopian Industry Employers' Confederation officially launched the programme 'Advancing Decent Work and Inclusive Industrialization in Ethiopia' on July 3, 2019.

With an initial focus on the garment and textile industries, the ILO has launched a comprehensive and coordinated programme involving ILO's key components (BetterWork, Vision Zero Fund, SCORE, LABADMIN and INWORK) to promote decent work and inclusive industrialisation in Ethiopia. For the textile and garment industries one of the priorities of the Ethiopian Government under the Growth and Transformation Plan (GTPII) is for lifting Ethiopia to become a middle-income country by 2025. However, poor working conditions resulting in low productivity, high turnover and absenteeism as well as weak regulatory institutions, coupled with the limited capacity of the workers' and employers' organisations, creates a poorly functioning labour market and uncompetitive businesses.

## 3. THE SINCE PROGRAMME INTERVENTION ON DECENT WORK

The ultimate purpose of the SINCE Programme intervention on decent work is to create new decent job opportunities for unemployed potential migrants and enable a productive working environment for youth and women in conditions of freedom, equality, security and human dignity.

### Adoption Strategies and Approaches for SINCE Decent Work Promotion

To promote and enable applicability of a minimum of five decent work principles, the SINCE Programme has been endorsed in the most irregular migration prone areas of Ethiopia (Addis Ababa, Amhara, Oromia, SNNPR and Tigray). The SINCE Programme has adopted the decent work principles from those promoted by the Ministry of Labour and Social Affairs (MoLSA) in Ethiopia. Five decent work principles to focus on the MoU with private enterprises have been selected through a participatory process coordinated by the Client (the Embassy of Italy in Addis Ababa Ethiopia) with the support of UNIDO and the ILO. Consequently, the following five minimum decent work principles have been agreed by the SINCE Consortia being the most appropriate to apply them within implemented projects:

- Written Employment Contracts (including timing of salary payment);
- Occupational Safety and Health Policy (OSH);
- Leave Regulation according to Labour Law (sick, annual, maternity, morning, etc.);
- Career advancement possibility and incentives policies;
- Employees participation and complaint response mechanisms.



The decent work awareness of the SINCE Programme has been implemented through public private partnership organized platforms. Accordingly, Training of Trainers (ToT) have been conducted by the SINCE Programme for different stakeholders of these platforms such as, Technical Vocational Education & Training providers (TVET's), the Bureau of Labour and Social Affairs (BoLSA) and selected private companies).

The SINCE Programme consortia operating in Amhara Regional State and in Tigray Regional State have assigned responsible implementing partners for the promotion and awareness creation of decent work principles in cooperation with local TVET's and the BoLSA. The Confederation of Ethiopian Trade Union (CETU) and Oxfam are therefore responsible for the decent work promotion in the SINCE Amhara and the SINCE Tigray areas, respectively.



The CETU has provided ToT training for TVET teachers which has been focused on labour laws, gender perspectives in the workplace and occupation health related issues. Oxfam has been creating awareness for beneficiaries using the decent work principles and the duties and responsibilities as well as the benefits expecting to be accrued from the potential companies participating to SINCE in Tigray Regional State. In SNNPR and Oromia Regional States, the TVETs and the BoLSA at local levels are the responsible stakeholders for promoting decent work. In Addis Ababa, in addition to the TVETs and the BoLSA, decent work awareness creation training has been provided to Micro and Small Enterprises on the selected minimum five principles of decent work and gender mainstreaming in collaboration with the Addis Ababa Bureau of Job Creation and Enterprise Development.

In all Ethiopian regions, TVET institutions are responsible, through their curricula and training programmes, for creating awareness on decent work requirements. While BoLSA is responsible for verifying the implementation of the decent work principles in companies. BoLSA is also responsible for promoting an environment of peace in order to create employment opportunities for target beneficiaries and to support the industrial environment.

With the SINCE Programme the decent work awareness worked well through the introduction of elements of decent work principles in the short-term training curricula as well as through the distribution of the Occupational Safety & Health (OSH) material for SINCE Programme beneficiaries. Private enterprises engaged by the Programme are made aware on their responsibility to implement the five selected decent work minimum requirements. And, the BoLSA created decent work awareness through the SINCE established sectoral platforms, where members are able to discuss different labour issues.

One key informant of the BoLSA in the Tigray Regional State, working as Regional Operations and Industrialisation Director, has confirmed that the BoLSA is working closely and actively with the SINCE implementing partners and private companies to create a better decent work environment.

### Key Achievements in the development of Decent Work Promotion

As of September 30, 2019, more than 4000 trainees have completed the SINCE supported short-term trainings including decent work promotion through partner TVET institutions.

A total of 233 agreements have been reached with private sector players that include obligations to adhere to decent work principles in the same period. Consequently, a total of 147 job creation-oriented PPPs have been supported and created by the SINCE actions in accordance with decent work principles. Table 1 Depicts key performed activities to promote and implement the minimum decent work principles.

Table 1: Key Achievements disaggregated by region

Indicators	Addis Ababa	Amhara	Oromia	SNNPR	Tigray	Total
Number of agreements made with private sector organisations that include obligations to adhere to decent work principles	90	25	33	23	62	<b>233</b>
Number of job creation oriented PPP's supported and created by the SINCE actions	8	25	35	23	56	<b>147</b>
Number of trainees who completed the SINCE supported TVET's trainings with decent work promotion	294	1079	636	913	1090	<b>4012</b>

Source: SINCE Programme Consortia third quarter report, 2019

More specifically, the following activities<sup>10</sup> have been performed by the SINCE Programme Consortia to promote the five minimum decent work principles with the engaged enterprises.

- In the Amhara Regional State, through the project entitled: “Linking and Upscaling for Employment” (in Kalu, Dessie, Rayakobo, and Kemissie woredas), a total of 25 companies have signed job creation PPP agreements with the inclusion of the obligations to adhere to decent work principles.

The Kombolcha branch Confederation of the Ethiopian Trade Union (CETU) in collaboration with the BoLSA experts has provided ToT training for 38 TVET trainers. ToT has focused on labour laws, gender perspectives in the work place and occupation health related issues. ToT trained TVET teachers have also created awareness for targeted trainees. Ultimately, the SINCE direct beneficiaries have also completed life skills and OHS principle trainings in accordance with the CETU's ToT training course on Occupational Health and Safety (OHS), including labour law, decent work and gender at work place.

As of 30 September 2019, 1079 SINCE direct beneficiaries have completed the SINCE supported TVET's trainings along with awareness creation on decent work. Moreover, 32 SME's have received relevant training including the decent work concept.

<sup>10</sup> SINCE Programme third quarter 2019 consortia reports



- In the Oromia Regional State, the project “Stemming Irregular Migration in Oromia Regional State aimed at strengthening the tomato and durum wheat sectors in Sinana, Adaba, Sherka and Asella Woredas” has been implemented to enable a decent work environment.

As of 30 September 2019, a total of 35 job creation-oriented PPP’s were supported and created by this project. In line with this, 33 agreements have been signed with private sector players that include obligations to adhere to the decent work principles. For instance, Chilalo food complex, Meklit food complex, Senate Flour Factory, Yetebaberut Flour Factory and the DINDA Food Complex have signed agreements from durum wheat stakeholders. 37 SME’s have been supported and 28 sub-contracting arrangements have been made with SME’s and large enterprises to create additional job opportunities with a special focus on the promotion of decent work.

The SME’s who signed the PPP agreement have also signed three separate agreements that include the minimum five decent work principles (written employment contract, occupational safety and health policy, leave regulation according to labour law, career advancement possibility and incentive policy) as well as the employee’s participation and complaints response mechanism. Further, one charter document has been developed and distributed to the tomato and durum wheat stakeholders to promote decent work principles for a conducive work environment. At the end of September 2019, a total of 636 SINCE grant beneficiaries have completed the SINCE supported TVET’s trainings along with an awareness creation component on decent work.

- In Tigray Regional State, a project entitled “Development of innovative Employment oriented schemes and Active Labour market measures to increase livelihood and decent work opportunities for vulnerable youth and women at risk of irregular migration (DEAL)” has been implemented.

Accordingly, as of September 2019, a total of 56 companies have signed PPP agreements which incorporates basic principles of decent work such as; gender equality, working time limits, contract agreements, insurance coverage, gender equity, working in a safe environment, respect for fundamental principles at work.

An awareness raising training workshop for signatory partners on decent work was conducted in Wukro on 27th September 2019 with a total of 28 participants from the Labour and Social Affairs, Micro and Small Enterprise Office, Small and the Manufacturing Industrial Department, Women Affairs, Youth and Sport Affairs, the Justice Office, the Transport and Trade Office, the TVET Office and Colleges attended the training programme. The training workshop has been facilitated by the experts of the Public Employment Service inside the Labour and Social Affairs institution. Accordingly, by the end of September 2019, 1090 SINCE grant beneficiaries have completed the SINCE supported TVET’s trainings along with awareness creation on decent work. In addition to short-term trainings provided, occupational safety equipment was provided to the SINCE beneficiaries during the training through TVETs. Furthermore, 30 SMEs have been supported creative additional job opportunities with a special focus on the promotion of decent work largely in the metal and the construction sectors.

- In Addis Ababa, the “Job creation for potential migrants” project has been implemented in Yeka, Kirkos, Arada and Addis Ketema sub-cities.

Decent work issues are linked to the TVET trainings, cooperative trainings and the PES system. As of September 30, 2019, eight job creation PPP agreements have been signed involving MOU's including the obligation to adhere to decent work principles.

Awareness raising on decent work has contributed to an increased relevance of the multi-stakeholder platform in order to improve the total situation of sectors at different levels (TVET curricula, connection to private sector, awareness on the decent work package, etc). In this regard, 90 agreements have been established with the private sector that include obligations to adhere to decent work principles by the end of September 2019. Furthermore, a total of 92 SMEs have been supported to create additional job opportunities with a special focus on the promotion of decent work.

At the same date, a total of 294 SINCE grant beneficiaries have completed the SINCE supported TVET's trainings along with awareness creation on decent work. Moreover, PPP platforms have been instrumental in promotion of decent work among potential employing companies coupled with intensive dissemination of brochures on the same. In this regard, the key informants mentioned the immense contribution of the SINCE project that pertains to pushing forward the decent work principles, facilitation of the promotion and overall material support to the implementation of the decent work principles.

About 2000 decent work communication materials have been distributed for promotion of decent work among companies and clusters using the ILO agenda. Furthermore, the need for day care has been created through awareness campaigns implemented through partnerships with private companies and the SINCE Programme beneficiaries in Addis Ababa.

- In the SNNPR<sup>11</sup>, the project entitled “Private Sector Reinforcement Initiative to Stem Migration (PRISM)” has been implemented and, as of 30 September 2019, a total of 23 PPP agreements have been signed with private sector organisations that include obligations to adhere to the decent work principles. In this region, one training workshop has been conducted with hotel and restaurant officials to create awareness on decent work principles. All signatory bodies in the private sectors have held discussions relating to the importance of a decent work environment in the training workshop. Additionally, 48 SMEs have been supported in the creation of additional job opportunities with a special focus on the promotion of decent work. Moreover, one promotional event has been organised on decent work principles in the SNNPR.

In the following sub-sections, the qualitative assessment results of the SINCE Programme interventions on decent work are presented as case studies. The case studies were selected to explore the effectiveness of the SINCE Programme interventions and to identify the existing gaps in the promoted decent work principles per engaged economical sector/value chain.

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<sup>11</sup> This section is only based on data extracted from secondary data source particularly from SINCE SNNPR (Lot 4) 2019 third quarter report.

### 3.1 Case Study 1: Promotion of Employment Contracts

In general, employment contracts are defined as employment agreements recognised under national law or practice that may be written, verbal, or implicit (i.e., when all the characteristics of employment are present but without a written or witnessed verbal contract).

For this case study, only written agreements signed by both parties declaring a mutual intention to abide by what is contained in the documents are considered as employment contracts. These include, permanent, fixed term and temporary employment contracts. For the sake of understanding, these employment contracts are defined as follows:

- A permanent contract of employment is a contract with an employee for full-time or part-time work for an indeterminate period.
- A fixed term contract is a contract of employment as defined above that ends when a specific time period expires, or when a specific task that has a time estimate attached, is completed.
- A temporary contract of employment is of limited duration and terminated by a specific event, including the end of a project or work phase, return of replaced personnel, etc.

#### 3.1.1 General qualitative results on the SINCE Employment contract promotion

Having an employment contract is one of the five minimum decent work principles promoted through sectoral platforms and short-term training for the betterment of working conditions at company level within all sectors. Thus, private companies engaged by the Programme and the SINCE beneficiaries are aware of decent work in general and employment contracts in particular.

The SINCE beneficiaries are employed with written employment contracts signed by both parties, except for SINCE Programme employments linked with Small and Micro Enterprises (SME's). However, some of the SINCE grant beneficiaries are normally not in possession of their contracts but have seen them and can recite what is in that contract.

In general, the existing wage gap is a key challenge for wage employment contract promotions and resulted in dropouts of beneficiaries as reported by field implementers and the SINCE beneficiaries during the field data collection phase. Low wage is common in the textile and garment sectors as compared to others.

Wage gaps between national and migrant workers remain significant across all regions and most sectors and warrant specific attention. These gaps can only partly be explained by objective differences in experience, education, occupation and other labour market characteristics.

Through the SINCE Programme it became clear



that employment contracts are used differently depending on the sector as well as on the length of the work period. The Textile and Garment sectors as well as the leather sectors are much better organised in offering signed employment contracts, while for metal and construction sectors it is not very common to use employment contracts unless people are hired permanently.

### **3.1.2 Employment contract promotion and results in the textile and garment sector.**

In general, the practice of having written employment contracts is universal for employees hired within the textile and garment sector and was in place before the SINCE Programme promotion. This has made the applicability of employment contracts for the SINCE Programme intervention easier. The SINCE Programme was able to improve the existing signed contracts in content related to decent work.

For the SINCE beneficiaries (returnees and potential irregular migrants) contracts have been discussed relating to the package of salary, transport, lunch facilities and paid or medical leave, to specify these in the employment contracts. Accordingly, the SINCE beneficiaries have been employed in the textile and garment sector and have signed written contract.

### **3.1.3 Employment contract promotion and results in the leather sector.**

In Addis Ababa, for the leather sector, employment contract promotion has been conducted through sector-specific PPP signed MoU's with private sectors organisations. Accordingly, as of end of September 2019, six agreements have been signed with leather sector companies for the implementation of decent work principles, including the signing of written employment contracts. SINCE beneficiary research participants who are linked with three monitored leather sector enterprises confirmed the availability of signed written employment contracts. SINCE beneficiaries are employed on basis of temporary contracts or on a permanent contract agreement in accordance with the market demand and enterprise's interest. For instance:

- With Enterprise 3 the SINCE beneficiaries have signed written permanent employment contracts.
- With Enterprise 2, SINCE beneficiaries have signed written employment contracts that would be renewed for a fixed period. For temporary employees, employment contracts are renewed monthly for some and every three months for others, depending on the market demand. Some of the SINCE beneficiaries are considered as permanent employees after the completion of a 45 days' probation period, based on market demand during their employment period.
- With Enterprise 1, the SINCE beneficiaries are employed for three months on a fixed contractual agreement.

### **3.1.4 Employment contract promotion and results in the metal works sector**

In the metal sector, sector-specific PPP MoU agreements have been signed with metal works companies for better adherence of decent work principles to be included in the employment contracts. Despite the fact that the SINCE Programme has promoted written employment contract through signed agreements, the implementation is random. The provision of a written employment contract is not uniformly undertaken by the different companies. Some companies did provide written contracts before the SINCE Programme. Other companies have been made aware of the relevance of written contracts through implemented projects in the Tigray Regional State, the Amhara Regional State and in Addis Ababa. Still not all companies are providing written contracts for their employees.

In the metal sector, particularly SME's don not use written employment contracts because of their limited market capacity. Moreover, for SME's, the raw material expenses were reported by key informants as a key challenge for their promotion and use.

In the Amhara Regional State, one SME owner mentioned that he fears the commitment to provide employment contracts will result in having too many employees should there be a downturn in business. Another example, as seen in the Amhara Regional State, one SME engineering enterprise in Dessie/ Kombolcha also does not offer written employment contracts to its staff due to the lack of regular assignments. This gives the SME a limited financial capacity to carry the responsibilities on the expansion of staff in waged employment. As a result of the SINCE Programme awareness and promotion of the decent work principles, this engineering SME has planned to provide written employment contracts along with other decent work principles in the near future for the existing and new employees who will be hired at a branch in Dessie town when it is opened.

In Tigray Regional State, the owner of a manufacturing SME confirmed that his company has not yet provided a written contract for the employees because of the company's irregular work that is impacting on the financial capacity to hire permanent staff. As result this the manufacturing SME has hired its employees on a daily basis with a daily payment rate of 100 Ethiopian Birr, confirmed by the enterprise owner. All employees pay income tax over this amount and sign on receiving their daily income.

On the other hand, in Amhara, a Paint and Pipes factory in Kombolcha town has practiced the provision of written employment contracts before the SINCE Programme promotion activities. This factory has a transportation service, low cost cafeteria services and overtime work payment arrangements. This is all undertaken through employment contracts.

### **3.1.5 Employment contract promotion and results in the construction sector**

In general, the promotion of employment contracts is a major part of the decent work principles that have been addressed through different SINCE Programme platforms. For instance, as of 30 September 2019, in SINCE Addis Ababa, 52 agreements (i.e., two with large companies and 50 with SMEs) have been signed with the construction sector companies to promote decent work principles, including employment contracts. Due to seasonality and the complexity of the nature of the sector the implementation of employment contracts is inconsistent in this sector.

As good practice, a semi-government construction company and a private construction enterprise in Addis Ababa have practiced the provision of an instant employment letter followed by an employment contract. The employment contract contains elements of decent work and is in most cases signed but the copy of the signed contract is not provided to the employees. As a result, employees are not aware of the detail elements of the employment contract or service and incentives to be provided since the contact is not held by them.

### **3.1.6 Employment contract promotion and results in the agribusiness sector**

In the Oromia Regional State, key informants from the Labour and Social Affairs Offices (Tiyu and Sinana woredas) and TVET colleges (Kenenisa and Robe Polytechnic) indicated that awareness creation efforts regarding employment contract has been in place starting from the implementation of short-term training programme for the SINCE beneficiaries.

At the end of September 2019 more than 30 agreements have been signed with agribusiness sector companies with obligations to adhere to decent work principles, including employment contracts. Potential employers are made aware of the employment contract through awareness creation programmes and distributed brochures that promote the decent work principles in the local language. As part of the promotion strategy, at every organisation visited for this case study, the brochures that promote the decent work principles are posted and made visible on relevant notice boards. This is an indicator in terms of reaching the key stakeholders.

The provision of written employment letters and contracts is not uniform across companies. Signing the employment contract and the provision of employment letters upon employment is well practiced. For example, the employment letter is provided upon employment to the employee, but the employment contract detail is not being provided to the employee.

## **3.2 Case Study 2: Promotion of Occupational Safety & Health Policy**

### **3.2.1 General qualitative results on the SINCE promotion of OSHP**

In general, it is known that industry workers in Ethiopia are disproportionately exposed to hazardous working conditions which are key determinants of health and wellbeing. Absence of occupational safety and health equipment, can consequently increase industry workers' exposure to occupational-related accidents and disease. This often results in serious and permanent injury or death. With this understanding the SINCE Programme has promoted Occupational Safety & Health Policy standards through sector-specific platforms and the provision of safety equipment for the SINCE beneficiaries.

For example, SINCE beneficiaries have been oriented to the safety procedures and how to use occupational safety and health equipment during the short skill trainings. The SINCE Programme implementers have also provided a set of occupational safety and health equipment for the SINCE beneficiaries during short-term trainings. Provision of occupational safety and health equipment has been used as an instrument for promotion during cooperative trainings and apprenticeships.

### **3.2.2 OSHP promotion and results in the textile and garment sectors**

In the textile and garment sectors, provision of occupational safety and health equipment has been undertaken during cooperative trainings and apprenticeships by the SINCE Programme. The SINCE Programme implementation has provided safety equipment for target beneficiaries. In general, the private companies have practiced some of the OSH policies before the SINCE Programme started as reported by research participants in Tigray and Amhara Regional States.

### **3.2.3 OSHP promotion and results in the leather sector**

Provision of occupational safety and health equipment during short-term trainings has been acknowledged by the leather sector enterprises linked with the SINCE Programme and confirmed as best practice for promoting the OSHP. A woman owned company in Addis Ababa has implemented some of the occupational safety and health policy standards, encouraged by the SINCE Programme. This company has provided uniform t-shirts for the SINCE beneficiaries who are working in a well ventilated smart workshop which was observed during field data collection. In addition to this, one of the two SINCE beneficiaries who participated in the key interview has also confirmed the presence of health care insurance for work-based accident cases in this firm.



On the other hand, cooperative based-establishment of a leather work enterprise in Addis Ababa, could not provide OSH for its employees due to its limited financial capacity. Because of this the SINCE beneficiaries used overcoat uniforms donated by UNIDO. Sewing machines have been donated by the



SINCE Programme and overcoats provided by UNIDO. The SINCE beneficiaries reported the availability of mouth masks but the absence of gloves and separate toilet facilities for male and female employees in the compound.



### 3.2.4 OSHP promotion and results in the metal works sector

Similar to other sectors, in the metal works sector, OSH equipment awareness creation and provision had been used as a means of promotion during cooperative trainings and apprenticeships. However, practical implementation of the OSHP with private sector companies linked with the SINCE Programme in this sector is apparently not similar. For example, the Paints and Pipe factory has an internal policy to provide its own overcoat and shoes as well as health insurance that was implemented before the SINCE Programme as noted by key informant, the production manager of the firm. The field assessment is summarised in order to highlight other company practices is as follows:

- In the Tigray Regional State, the SINCE beneficiary trainees who were practicing as apprentices at metal manufacturing enterprises have been working in the workshop using glass face masks, working uniforms and gloves that were provided by the SINCE Programme implementers.
- In the Amhara Regional State, the provision of occupational safety and health equipment for the SINCE beneficiaries during short-term training has been taken as a good lesson and the Hope Enterprise TVET trainees have developed vision in the metal works sectors and considered it as a practice for private companies in the locality. This has motivated employers linked with the SINCE Programme. For instance, working uniforms are provided by engineering SME's for the SINCE beneficiary employees as reported by the firm's owner.
- In Addis Ababa, the existing situation of the occupational safety and health policy differs per metal works sector company. For instance, the SINCE beneficiaries linked with some companies were equipped with their own safety equipment. From this it is clear there is no standardised norm or inspection organised pertaining to the health & safety environment.

### 3.2.5 OSHP promotion and results in the construction sector



In the Amhara and Tigray Regional States, the OSH issues promotion and provision of a full set of uniforms to all construction sector trainees could be used as an important inducement to enable applicability of occupational safety and health equipment. For instance, Mekele Polytechnic College 2<sup>nd</sup> round construction sanitation SINCE trainees were able to practice with a full set of occupational safety materials provided through the SINCE implementers. This demonstrates the importance to companies in the construction sector on the relevance of

investing in this equipment for their staff. The picture demonstrates a full set of occupational safety clothing dressed by Mekele Polytechnic College 2<sup>nd</sup> round construction sanitation trainees during focus group discussion.

The SINCE Programme promotion and provision of occupational safety and health materials have motivated private companies in the construction sector within the different Regional States and Addis Ababa. In Addis Ababa, some construction companies linked with the SINCE Programme started creating awareness for their employees on occupational safety and health. For example, the semi-government enterprise at its Torhailoch site and private sector construction companies at various construction sites provided trainings in relation to occupational safety and health issues. Due to the SINCE Programme awareness campaign, these construction companies engaged seriously in the safety agenda and started to provide regularly safety equipment for staff members. The overall field assessment shows that the construction sector is providing safety equipment for employees in Addis Ababa. In the Amhara Regional State, the absence of the provision of safety equipment in construction sectors around Dessie was a key challenge in illustrating occupational safety and health policies practice as reported by Hope Enterprise TVET trainees in metal works sectors.

### 3.2.6 OSHP promotion and results in the agribusiness sector

Despite the fact that the promotion and provision of occupational safety and health issues and equipment, the practice at company level is not well implemented. For example, the consulting team has observed that some of the SINCE beneficiaries who are employed in food processing companies are still using the safety materials that they had been using while they were in the SINCE cooperative training programmes. Even though this observation could be a good starting point that shows the understanding of the OSH importance from the employee side this is deemed not fit for purpose on the employer side.

## 3.3 Case Study 3: Promotion of Leave Regulations

### 3.3.1 General qualitative results on the SINCE promotion of leave regulations

Due to the SINCE Programme, beneficiaries have been oriented during short-term training on their rights when it comes to leave for annual, sick, holiday and maternity leaves. Promotion and awareness on leave regulations has also been created for private company employers through sector-specific



platforms established by the SINCE Programme. Moreover, private companies linked to the SINCE Programme have been trained on the leave regulations, not all of them are implementing this, but some initiated the leave regulations after the training received from the SINCE Programme (e.g. metal works sector in Amhara, agribusiness in Oromia).

### **3.3.2 Leave regulation promotion and the results in textile and garment sectors**

In Amhara Regional State, the SINCE beneficiaries are aware of their leave rights but are reporting that not all companies are adhering to the new labour law.

For instance, Focus Group Discussion (FGD) respondents of the SINCE beneficiaries employed at the garment company reported the practice of leave regulation in accordance with the old labour law; however, the annual leave is given after the 15<sup>th</sup> month of the employment contract and only four days' leave would be provided if the employee wished to take annual leave.

In the Tigray Regional State, SINCE beneficiary respondents employed at the different garment companies reported on the practice of leave regulation in accordance with the labour law requirements. The three companies have included leave regulations within written employment contracts. Moreover, for the two local garment companies, leave regulations are clearly implemented for their employees in accordance with new labour law; whereas, in the international garment companies, leave regulation is implemented in accordance with the old labour law; but there is a possibility to take additional days of leave during the year depending on the employee's situation. In this regard, one of the beneficiaries in the Tigray Regional State mentioned that they are allowed to take leave for around one week, but that the travelling to their family takes a lot of time which is part of their leave period.

We recognized that the impact of the SINCE Programme was more in the awareness raising towards the employees on their labour rights, rather than convincing the companies to start implementing leave regulation as this was already in place, according to the Ethiopian Labour Proclamation.

### **3.3.3 Leave regulation promotion and the results in the metal work sector**

In general, annual leave and other leave categories of leave are included in the written employment contracts with medium and large companies in the metal works and related sectors. For example, in Amhara Regional State, the Paint and Pipes factory has provided leave regulation for SINCE grant beneficiaries in accordance with the new Ethiopian labour law.

For SME's the employees are informally organised impacting on leave practice. Some of the employees are allowed to leave early in order to attend evening classes. Leave regulations within SME's are not clearly communicated to employees. This is related to the absence of a written employment contract. For instance, an owner of one metal engineering SME in Dessie linked with the SINCE Programme in the Amhara Regional State has confirmed the absence of leave regulations, except for sick leave. Similarly, in the Tigray Regional State, the local metal manufacturing SME owner has also confirmed the absence of leave regulations, except for early school time leave at 5:00pm for employees that are following evening classes. This indicates that leave regulations within SMEs is based on the owners initiative, but not regulated in general as employees right in the metal works sector.

In Addis Ababa in the metal sectors, leave regulations are apparently included when they make use of written contractual employment agreements.

### **3.3.4 Leave regulation promotion and the results in the leather sector**

The three leather sector firms based in Addis Ababa have practiced leave regulation practice before the SINCE Programme. For example, the leather enterprise owned by women and the large leather factory have been using leave regulation in accordance with the old Ethiopian labour law; whereas, in the leather association leave regulation is practiced according to the new labour law.

### **3.3.5 Leave regulation promotion and the results in the construction sector**

In the construction sectors, issues related to leave regulations are apparently included when contractual employment agreements are present.

### **3.3.6 Leave regulation promotion and the results in agri-business sector**

In the agribusiness sector, annual leave and other leave categories are included in the written employment contracts, when present, in accordance with the contract agreement, which is framed based on the labour law.

## **3.4 Case Study 4: Promotion of Career advancement opportunities**

### **3.4.1 General qualitative results on the SINCE promotion of career advancement**

SINCE Programme implementers have created awareness for SINCE beneficiaries on career advancement possibilities. Promotion has been created concerning employees' career advancement related issues such as:

- Upgrading with salary increments based on the SINCE beneficiaries' performance;
- Inclusion of transport and other incentives in accordance with private company's capability.

Private companies that are potential SINCE beneficiaries' employers have been sensitised through a number of sector-specific platforms established by the SINCE Programme. The SINCE implementing partners explained the advantages of having a career advancement process in place. Not all enterprises are applying the career advancement concept, for instance, some companies did implement career advancement and incentive policies in the textile, garment, leather and metal sectors following the SINCE Programme promotion.

### **3.4.2 Career advancement promotion and results in textile & garment sectors**

In the textile and garment sector, the practice of employees' career advancement opportunities is common and was implemented before the SINCE Programme activities. The advancement opportunities are based upon employee's performance and a pre-designed career structure. SINCE beneficiaries are usually employed as permanent employees once they complete the 45 days' probation period in the textile and garment sector.

In the Tigray Regional State, the SINCE beneficiaries linked with the two local garment manufacturers confirmed the availability of a clearly described career advancement opportunity based on work performance. More specifically, focus group participants from one of the garment manufacturers described the availability of career development structures starting from Helper to Operator III as they are well oriented at the beginning of their employment. The international garment manufacturer employees are clear about the opportunities to advance their career to the next level. They mentioned that they are not sure about the criteria on which they will be assessed in order to obtain promotion.

The other local garment manufacturer also has career development and a promotion system based on performance-based assessment.

As a practical example, Mekele Garment College Dean, Mr. Getahun has explained the best practice of Career advancement practiced as follows:

*“...Azeb, one of the first-round textile trained SINCE female beneficiaries, is a role-model for career advancement opportunities in Tigray SINCE Programme within textile and garment sector. She passed through a lot of career advancement opportunities within a year because of her strong personal motivation and performance. She begun as starter then promoted to production line leader and then to supervisor. Due to her strong performance she also promoted from supervisor position to chief trainers in the company after receiving ToT. Accordingly, her salary was increased from ETB 1000 to the upper limit of the company’s salary scale ETB 2500 in one year. Finally, with support of private company, the Garment College and other stakeholder, she has now started her own business in the textile sector”*

As a result of the SINCE Programme, job-seeker returnees and potential irregular migrants who are selected as SINCE beneficiaries have been linked to private companies in the textile and garment sector with a basic entrance monthly salary that ranges from ETB 1050 to 1397 (Figure 1).

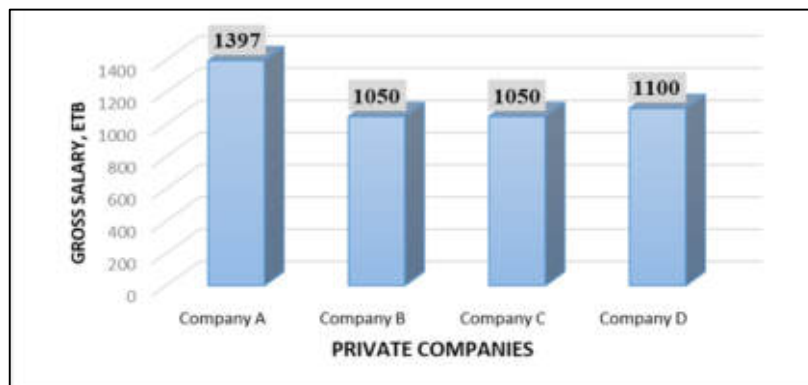


Figure 1: Gross salary in textile and garment sector  
Source: Field data, December 2019

The low wage rate as a starting rate, but even after promotion is a key challenge in the textile and garment sectors. It is one of the main reasons for the high turnover of staff. Furthermore, companies linked with the SINCE Programme are offering arrangements for transport and lunch and incentives based upon performance. Due to the orientation of the SINCE Programme, the trained beneficiaries who also participated in this case study interview were very much aware of their rights and reported that they are subsidised with a portion of transport and lunch allowance. Below are summaries of practices based on our field assessment:

- Company A provides a low cost lunch service for employees with the cost for ETB 5 for “Injera with shiro” and ETB 2,50 for a cup of coffee or tea. This company also provide 100% free medical services within their premise. When employees are referred, this will be fully covered by the company. Sick leave will only be accepted when the employee has obtained confirmation from a government health centre.

- Company B provides a free lunch service for employees where meat or 'Siga wot' is provided once a week. The medical treatment is fully covered in agreement with government health facilities.
- Company C provides a food allowance of ETB 250 per month and housing allowance of ETB 350 per month. Transport is organised by the company within a limited radius from the factory. Before the transport was organised, permanent employees were covered for their transport expenses with an allowance as well. This company covers medical expenses and has agreements with local medical facilities in order to support the health situation of their workers.
- Company D provides ETB 500 for food and transportation per month. As result, this company did not organise a service bus that is driving from the Industrial Park to the town.

During the research practices with regard to decent work were identified, that have been strengthened by the SINCE Programme. Within the textile and garment industry a bonus incentive mechanism has been in place where employees are awarded a bonus for their excellent attendance at work. The bonus exists out of a ETB 200 – 300 payment on top of their salary, which is received monthly on top of their regular payment. The system still needs improvement. In the current situation, besides the bonuses, penalties are enforced on workers, where no opportunity is provided to make up for lost time. Financial penalties are not as high as ETB 350 and deducted from the salary payment. In general, this occurs when employees are late or don't show up without a justifiable reason.

### 3.4.3 Career advancement promotion and the results in the leather sector

In the leather sector, issues of career advancement opportunities promotion have been included in short term training courses and signed PPP MoU agreements but not yet well implemented by the private sector enterprises. We identified one exceptional case with the women owned SME that has implemented salary increments and a career development scheme based on work performance and educational certification of the SINCE beneficiaries. For instance, one female SINCE beneficiary has been promoted from starter to a quality control position within three months due to her work performance. The company has educational benefits for those who are interested in acquiring additional knowledge through education, the enterprise will cover education costs for employees who intend to continue their education through evening programmes after work.

In the leather sector, the basic salary paid for starters varies with the enterprises capacity (**Figure 2**).

- Enterprise 1 pays a monthly gross salary of ETB 1608 and ETB 2050 for pre-partition worker and tailor 1, respectively. With Enterprise 1, there is a competency-based career advancement structure for its employees starting from pre-partition workers (starters) to senior experts with a monthly salary range of ETB 1608 to 2750.
- Enterprise 2 has been paying a monthly gross salary of about ETB 2100 (inclusive of a transport allowance of ETB 300). Due to the firm's financial capacity, there is no transport nor day care allowance for the employees.
- Enterprise 3 pays a basic salary of ETB 2,500 for starters. After the probation period the monthly wage is ETB 4,000 for all SINCE Programme and non-SINCE Programme employees. This wage mechanism is regardless of the position within the company. It depends on the employee personal situation and can include additional child support coverage for under-five years of age children (ETB 450), transport (ETB 500) and lunch provision. The management team in Enterprise 3, provides day care in accordance with the SINCE Programme strategy in Addis Ababa. In this regard, Enterprise 3 has paid ETB 450 per child for one SINCE Programme

beneficiary who had two under-five children in addition to the ETB 2500 basic salary at starter level along with flexible working time during the morning.

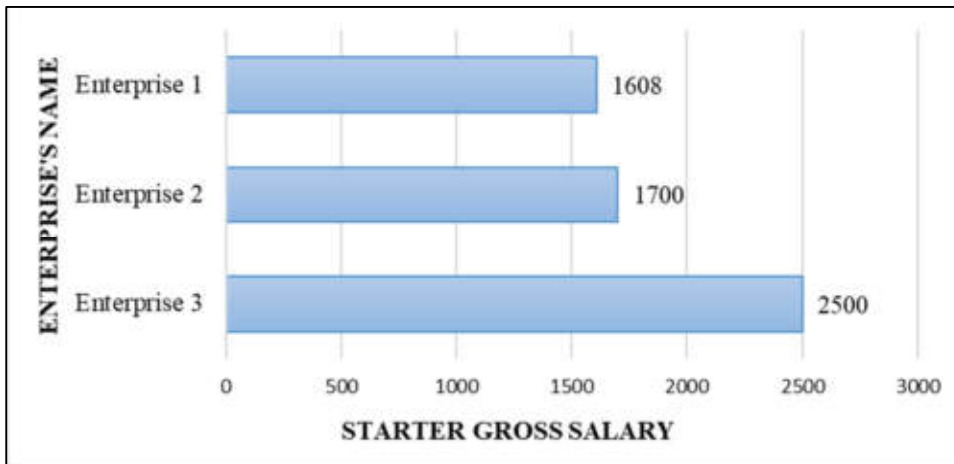


Figure 2: Gross salary for starter in the leather sector  
Source: Field data, December 2019

#### 3.4.4 Career advancement promotion and the results in the metal works sector

In this sector, there are fragmentally implemented career advancement practices as a result of the SINCE Programme interventions. For instance, in the Amhara Regional State the owner of the metal engineering SME mentioned the practice of salary increments in a short period of time for the SINCE beneficiaries. In this regard, the SME owner shared his practical experience in upgrading one female SINCE beneficiary with a monthly gross salary from ETB 1600 to ETB 1900 after three months of employment. However, it is worth to note that at this company fixed rules or documents on career advancement and the incentive policy were absent. The owner confirmed that he has implemented salary increments based on the employee's willingness to work and performance of the SINCE beneficiary. In addition, the SINCE beneficiaries had better salaries compared to non-SINCE employees hired at the SME with about ETB 500 difference despite equal educational backgrounds. The difference is caused by their skills and attitude to work, which is a result of vision development and life skills trainings received by the SINCE beneficiaries during their short-term trainings.

In the Tigray Regional State, the metal SME manufacturer has started promoting SINCE apprentices to permanent workers by paying an ETB 50 monthly motivation bonus for two motivated and active apprentices through his own assessment.

#### 3.4.5 Career advancement promotion and the results in the construction sector

Career advancement has been promoted through the SINCE Programme as part of decent work. Due to the seasonal nature of the construction sector and the early stage of the implementation of the SINCE Programme there is no documented best practice. In the construction sector, each company is following its own salary scale. Other incentive packages are absent (such as day care for lactating mothers and uniform provision). For instance, in Addis Ababa, a semi-government construction enterprise pays ETB 300 for lactating women in addition to a monthly salary of ETB 1700 on commencing employment.

#### 3.4.6 Career advancement promotion and results in the agribusiness sector

Promotion of career advancement possibilities and incentive policies have been encouraged with signed agreements in the agribusiness sector in the Oromia Regional State. Based upon the signed

agreements, the SINCE beneficiaries have been linked with enterprises in the agribusiness sector and paid a gross monthly salary ranging from ETB 1200 to 1350. In the agribusiness sector, it has been observed that the SINCE Programme was able to lobby for better salaries for their beneficiaries after they finalised their apprenticeship as a result of the SINCE Programme training interventions.

### 3.5. Case Study 5: Promotion of Grievance Mechanisms

The practice of grievance mechanisms is a crucial component for decent work in retaining staff and obtaining improved working conditions and wages. The opportunity for employees to have a platform where they can share ideas and concerns with their employer or to the sector in general is crucial to alleviate the situation of employees. For the sector development and for individual companies by retaining employees does save expenses as there is less loss of productivity and in training new employees. It is known that when employees are provided a platform, the health and safety situation improves and supports the reduction of (fatal) accidents in some sectors. It also improves the working environment. Resentment will manifest itself earlier and satisfaction amongst workers will increase.

Industrial workers—particularly women and those in lower level positions are often not permitted to form or join trade unions, to have space for a trade union office, or to enjoy protection against discrimination on the grounds of their trade union activities. It is crucial to promote and enable effective anti-discrimination policies, in accordance with international human rights law and the Ethiopian labour law standards. The SINCE Programme has initiated inclusion for the employees' participation and a complaints response mechanism related to the five target decent work principles that are promoted through sector-specific PPP platforms.

Apart from promotion through PPP platforms, the SINCE beneficiaries are aware of their labour rights through partner TVET's short term trainings. The Confederation of Ethiopian Trade Union (CETU) in collaboration with Zonal and Woreda office level Labour and Social Affairs (LSA) experts have created awareness to labour law for the SINCE beneficiaries and private companies in Amhara Regional State. Targeted communication has been applied to create jobs for the SINCE beneficiaries with effective communications on beneficiary's benefits. As a result, the SINCE beneficiaries had a better understanding of their labour rights, better salary payment and increments as compared to non-SINCE beneficiary's employees.

Due to the factor time the SINCE Programme did not yet have an impact on grievance mechanisms as it is still at an early stage of implementation. The impact on grievance mechanisms will come after employing the beneficiaries and more awareness on the relevance of having trade union representation from the employees' side with companies in which the beneficiaries are working.

The roles of different stakeholders with regards to grievance mechanisms also will still need to be activated. During the research conducted in December 2019, in Amhara Regional State, during discussions with the BoLSA and the CETU, it became clear that the BoLSA did not perceive itself as a mediator in labour conflicts within Kombolcha IPDC companies in the textile and garment sector to address issues of employees in relation to compensation for transport expenses and other issues.

These gaps where government workers from the BoLSA did not perceive their role as problem solvers or mediators within grievance mechanisms became painfully visible. BoLSA had put their main focus

on job-matching with the support of the SINCE Programme implementers while the grievance mechanisms related to decent work principles had less specific relevance.

Some SINCE beneficiaries had mentioned their reasons for resigning from the work at the Industrial Park in Kombolcha. They mentioned that they did not like the work nor the working environment and the salary. The beneficiaries mentioned that their travel expenses would not be covered by the company nor transport services or housing was provided close to the Industrial Park. Because of that they had to spend a large part of their salary on travelling expenses. Related to this specific situation we requested the BoLSA officer to explain us why the SINCE beneficiaries resigned. He explained that the dropout of workers was due to the reluctance to work long days.

The general observation from the field assessment on grievance mechanisms is presented as follows:

- The SINCE Programme did not yet evolve itself towards the issue of grievance mechanisms, as the first and second batch of trained beneficiary's priority was to obtain a permanent job. In all the SINCE consortia, initial discussions have been undertaken in relation to grievance mechanisms and activities in order to move forward. Interventions are planned.
- In the leather sector, particularly within the female owned SME, two female SINCE beneficiaries' key respondents reported that issues related to grievances are communicated through internally assigned employees for collective bargaining within the company prior to the SINCE Programme intervention. The assigned employees are representatives of the employees to discuss issues or complaints with the management team.
- In the textile sector, FGD respondents explained the absence of grievance mechanisms at the textile factory at the Industrial Park Development Corporation - IPDC in Amhara Regional State. This has been reflected on by one of the FGD participants as follows:

*"...There is no freedom to speak even during meetings. Speaking will lead to being fired from the job." She illustrated that a female colleague was fired from her job without warning because she mentioned the low salary and problems related to the working environment issues in a meeting...*

- In the construction, metal works and agribusiness sectors, the existing approach to grievance mechanisms are informal in nature and handled on a case to case base. There is no procedural approach or standard procedures within the companies. The discussions related to grievance mechanisms by the SINCE implementing partners are taking place at the multi-stakeholder platform that has been initiated to promote the PPP mechanism and with that the grievance mechanisms as part of the decent work targets.

## 3.6 Conclusions

### 3.6.1 General conclusions for the SINCE Programme

Promotion and awareness creation of the five minimum decent work principles in the MoU involving enterprises has been practiced through the mainstreaming of the SINCE new designed or improved short-term TVET curricula and established sector-specific PPP platforms as well as ToT trainings provided by the SINCE Programme stakeholders. Although the SINCE Programme is at an early implementation stage in assessing the sustainable impacts of decent work, the first contributions of the



SINCE Programme has provided opportunities to ensure sustainability in the longer term, which is understood by the different stakeholders and partners.

In general, the absence of a minimum wage rate policy among identified production sectors and within the sector has led the private companies to implement different salary scales. These differences can partly be explained by objective differences in experience, education, occupation and other labour market characteristics.

The overall implementation and adoption process of the promoted five decent work principles is different among and within production sectors. Detailed sector-specific conclusions are discussed below.

### **3.6.2 Sector specific conclusions for the SINCE Programme**

The following conclusions are summarised by SINCE engaged production sectors based on the field qualitative data assessment:

#### **The Leather sector**

- Five minimum decent work principles are part and parcel of SINCE promoted MoU's in the leather sector. The three assessed leather sector firms have provided a written contract and leave regulations on a well organised basis. With regards to the occupational safety and health policy, career development and day care facility provision, employees' collective bargaining power and other related issues of decent work there is a difference between the companies, where one company is doing much better than the other companies.
- The overall field assessment in the leather sector reveals that Kabana Designs plc could be taken as a model for decent work practices in accordance with the five minimum principles promoted by the SINCE Programme in Addis Ababa. The practice of grievance mechanisms is not yet addressed, except for a simple sign indicated at Kabana Designs plc.

#### **The Textile and Garment sectors**

- The practice of the five SINCE promoted minimum decent work principles is relatively good in textile and garment sector, except for grievance mechanisms. For instance, employment contracts were universally implemented before the SINCE Programme; however, the low wage is a key challenge for wage employment, as SINCE implementers and beneficiaries repeatedly reported during field data collection in this sector. Surprisingly, the international firms are paying lower salaries compared to national firms in this sector. This is a key indicator for the investment policy not being strongly linked with international labour law to address decent work in general and at the industrial park level in particular.
- Regarding leave regulation, it is well practiced based on labour law, expect for a lower practice implementation of the new labour law. For instance, the new labour law is not well practiced by international textile and garment firms. To assess such cases, capacity building and enhancing commitments were mentioned as key enabling factors by Dessie City Administration Labour and Social Affairs office key respondents in order to inspect the labour law.
- The practice of employee's career advancement opportunities is common and was implemented before the SINCE Programme based on the employee's performance and pre-designed career structure.



### The Metal Works sector

- The overall practice of decent work in the metal works sector is apparently at an early stage. But occupational safety materials are better provided to employees across companies in the metal sector owing to that fact that the materials are critical for performing most activities in the metal works sector.
- SMEs linked with the SINCE Programme didn't practice the promoted five minimum decent work principles. This indicates that decent work practices in SME's is based on the owners own initiative, but not regulated in general as employees right in the metal works sector. Internal capacity is a key challenge for implementation of decent work principles within metal SMEs.

### The Construction sector

Understanding the working environment of the construction sector is noteworthy for the implementation of decent work principles. Like enhancing the capacity of the SMEs in metal sector, it is also crucial for betterment and the implementation of decent work principles in the construction sector.

- In general, due to the seasonal nature of the sector the implementation of decent work principles is inconsistent. For instance, employees are not aware of the detailed elements of the employment contract, and incentives as well as leave regulations to be provided since the contract is not in their possession.
- The SINCE Programme promotion and provision of occupational safety and health materials has motivated private companies in construction sector to provide equipment. The overall field assessment shows that the construction sector is good at providing safety materials for employees in Addis Ababa.
- Career advancement lacks clearly documented procedures and incentive packages are absent. This is except for the assessed semi-government construction enterprise that pays ETB 300 for lactating women besides a monthly salary of ETB 1700 for those employed in Addis Ababa.

### The Agribusiness sector

Five minimum decent work principles have been promoted by SINCE implementing partners through established sector-specific platforms as well as awareness creation programs and brochures distributed to agribusiness sector organisations.

- The provision of written employment letters and contracts is not uniform across companies. Apparently, annual leave and other leave categories are included in the written employment contracts in accordance with the labour law.
- Despite the fact that the promotion and provision of occupational safety and health issues and equipment, practice at company level is not well covered; some of the SINCE beneficiaries, who are employed in food processing companies, are still using the safety materials that were provided for the cooperative training programs. These should be upgraded.
- The practice of career advancement possibilities and incentive policies in the agribusiness sector is still at early stage.

## 4. THE SINCE LESSON LEARNED ON DECENT WORK PRINCIPLES

### 4.1 General lessons learned from Decent Work principles promotion

In general, a lack of a well-defined mechanism for monitoring the implementation of the decent work principles has hindered the efficient practice of the private companies linked with the SINCE Programme into actions. The local BoLSA did not create such a mechanism for monitoring the implementation of

the decent work principles, nor were TVET's mandated to play such a role. Moreover, investment laws of the country give little attention to decent work principles along with investment policies. The assumption is that labour abundance is seen as a source of "cheap labour". Another missing factor for the better implementation of decent work and waged employment is the lack of minimum wage rates and a framework on salary increments. As a result, group-based self-employment is proposed as an option for the SINCE beneficiaries in the textile sector in Amhara SINCE Programme as well as in Addis Ababa within one of leather enterprises and in the construction sector. It is noteworthy that the minimum wage rate issue is under the mandate of the Ministry of Labour and Social Affairs where they are working on developing a wage scale for all different sectors.

The TVET partners linked with the SINCE Programme have provided awareness creation trainings for beneficiaries on labour rights and work discipline related to the decent work principles. As a result, the SINCE beneficiaries have been favoured by private companies for waged employment due to the provision of soft skills, or life skills, as well as vision development trainings along with SINCE organized short-term TVET courses inclusive of decent work principles awareness.

From the overall promotion process of the decent work principles through SINCE Programme interventions, the following lessons could be drawn:

- The practice of signing MoU agreements with private companies that obligates them to adhere to the decent work principles specified in the signed agreements.
- The inclusion of agreed five minimum decent work principles in specific PPP tripartite (Private companies, TVETs and Local BoLSA) agreements. Every signatory body has stated its own specific responsibility, which is mentioned specifically as follows:
  - TVET institutions are responsible for the creation of awareness on decent work through their curricula and training programmes;
  - BoLSA local offices are responsible for verifying the implementation of the agreed minimum required decent work principles.
  - Private enterprises are responsible for implementing decent work agreed principles, as described in the signed PPP.
- The assigning of the mandate to a responsible implementing partner to support the promotion and awareness creation of decent work principles to the stakeholders. These activities were conducted in collaboration with local TVET institutions and the BoLSA. CETU and Oxfam were assigned implementers in Amhara and Tigray Regional States, respectively.
- Awareness creation targeted at SMEs on the selected five minimum decent work principles and gender mainstreaming. Among others, the Addis Ababa SINCE project implementers, in collaboration with the Addis Ababa Bureau of Job Creation and Enterprise Development, provided awareness creation training for 50 SMEs on decent work and other related technical aspects to enable the provision of quality services in the Construction sector.
- The provision of OSH equipment for the SINCE beneficiaries during short-term training has been taken as a best lesson learned. This practice has provided a lesson for private companies and TVETs. The next step is that employers or TVET institutions are able to provide this type of equipment during trainings and apprenticeships.

The following sections present challenges that have been overcome and the lessons learned as part of the promotion of the SINCE selected five minimum decent work principles.

## 4.2 Lessons learned from employment contracts promotion intervention

The general challenge at the initial stage of the SINCE Programme was that in some sectors it was not common and transparent in terms of the content of employment contracts except for the salaries. For unemployed people in general, it is not on their mind to ask for the content of the employment contract, or to negotiate the terms and conditions. Unemployed people in general do not focus on their own rights the moment they accept waged employment, as they just want to earn income and might believe that asking about the employment contract as a risk to being offered a job.

Although the SINCE beneficiaries employed by large companies signed a written employment contract most SINCE beneficiaries were not provided with a copy of the contract document, particularly in metal works, construction and the agribusiness sectors. This might be due to a sense of fear and to lack of strong awareness-raising and monitoring strategies.

The SINCE beneficiaries have developed a vision and skill related to waged employment. They received detailed information on what should be in a contract, what are their rights and what to look for during the process of accepting work. The SINCE beneficiaries considered the skills training as a strong foundation for their future career in waged employment or possible self-employment. The textile and garment as well as leather sectors are well organised in offering signed employment contracts, while for metal and construction sectors it is not common to provide written employment contracts.

### 4.2.1 The Textile and Garment sector

In the textile and garment sector, where there are large investments, employment of staff by written contract was practiced prior to the SINCE Programme intervention. The large private companies linked with the SINCE Programme have practiced employment contracts that have clear annexes dealing with leave regulations, career advancement opportunities and occupational safety and health policies.

### 4.2.2 The Construction sector

In the construction sector, seasonality and the complexity of the working situation related to wage employment is a key challenge for waged employment. The employment contract guarantee is intermittent, seasonal and project based. Employees are not sure if their employment will continue in the same company once the project in a certain construction site is completed. This is regardless of having a signed contract or not. As a good lesson, a semi-government construction company and a private construction enterprise have practiced the provision of an instant employment letter followed by an employment contract in Addis Ababa.

### 4.2.3 The Metal Works sector

In the metal works sector, the practice of a written employment contract is not universal. Some large companies practiced the provision of employment contracts before the SINCE Programme, other employers have been made aware through implemented projects in Tigray, Amhara and Addis Ababa. SME's are hesitant to practice employment with written contracts due to their limited capacity.

### 4.2.4 The Leather sector

In the leather sector, the SINCE beneficiaries linked with cluster associations had inconsistent use employment contracts. For instance, some temporary employees had employment contracts that would be renewed on a monthly basis and others had employment contracts renewed every three months.

Moreover, some of FGD participants also mentioned that they didn't sign an employment contract during the past 2-3 months due to a lack of clarity related to the contract situation.

In general, the leather sector enterprises that are linked with the SINCE Programme have practiced the signing of written employment contracts along with leave regulations. Moreover, one female owned enterprise has designed an internal policy for the minimum wage payment of ETB 4000 which could be taken as best practice related to the minimum wage in Addis Ababa.

#### **4.2.5 The Agribusiness sector**

In the agribusiness sector, the provision of written employment contracts is not uniform across companies. For instance, in the assessed companies, only the employment letter is provided upon the commencement of employment to the employee and the employment contract detail is not provided to the employee. Potential employers linked with the SINCE Programme are aware of the employment contract through the SINCE awareness creation platforms and distributed brochures that promote the decent work principles.

### **4.3 Lessons learned from OSHP promotion**

There is a practical difference in implementing occupation safety and health policies among sectors and between companies linked with the SINCE Programme. Provision of the occupational safety equipment and having the beneficiaries trained in the use of the safety equipment during their short-term training in TVET could be taken as a key lesson for occupation safety and health promotion.

The SINCE beneficiaries were provided with occupational safety equipment, without having a guarantee that it would be used in their waged-employment position. This has been considered as an advantage for the SINCE beneficiaries and the companies that hired them. The SINCE Programme implementation has drawn an important lesson in terms of the way that the safety & health standards are clearly identified per sector and specifically defined where labour inspection can intervene.

Below are reported lessons drawn from the practice of occupation safety and health policies by sector.

#### **4.3.1 The Textile and Garment sectors**

In the textile sector, private companies participating in the SINCE Programme have practiced some of occupational and health policies before the SINCE Programme. In line with this, the textile and garment sector is observed to have better occupation safety and health facilities as compared to other SINCE involved productive sectors. This could be explained due to the fact that most textile / garment companies are foreign investors, with clients abroad that have to fulfil international minimum criteria and requirements.

#### **4.3.2 The Metal Works sector**

In the metal works sector, the existing situation of occupation safety and health policy varies with different companies. In some companies, the SINCE beneficiaries are provided with safety equipment, but with some other companies the SINCE beneficiaries are using a full set of equipment that was provided by the Programme implementing partners.

### 4.3.3 The Leather sector

In the leather sector, limited internal capacity of enterprises is a key challenge to provide a full set of occupational safety and health equipment. For instance, cooperative based establishments operating in leather sector in Addis Ababa, could not provide occupational safety and health materials for its employees; as result, the SINCE beneficiaries used overcoat uniforms donated by UNIDO. Except for this cooperative, other assessed private companies have partially implemented occupation safety and health policies. One enterprise provided work uniforms as a result of the SINCE Programme promotion.

### 4.3.4 The Construction sector

Absence of construction sectors in and around some of the Programme implementation areas was a key challenge to illustrate occupational safety and health policies practice in the Amhara region. In general, the practice of occupation safety and health policy varies between companies. In some companies, the SINCE beneficiaries are provided with safety equipment, but with other companies the SINCE beneficiaries are using a full set of equipment that was provided by the SINCE Programme implementing partners during the training period. One semi-government enterprise and one private construction company, which were assessed, provide training in relation to OSH issues. These construction companies also started to provide safety equipment for non-SINCE staff after the Programme intervention.

### 4.3.5 The Agribusiness sector

In the agribusiness sector, the existing situation of the occupation safety and health policy varies between different companies. In some companies, the SINCE beneficiaries are provided with safety equipment, but within some of the other companies the SINCE beneficiaries are using a full set of equipment that was provided by the SINCE Programme partners during the training period.

## 4.4 Lessons learned on leave regulation promotion according to labour laws

In general, convincing companies to implement already existing leave regulations in accordance with the Ethiopian labour law is missed because the SINCE Programme focused on the awareness raising towards the employees' labour rights. Moreover, the new updated labour law is not well introduced to all companies linked to the SINCE Programme. There is also a missed opportunity with monitoring and a follow up approach towards assessing the practice of leave regulations. This could be explained by the existing inconsistent practice of leave regulations within large companies and SMEs linked to the SINCE Programme. However, the SINCE Programme awareness creation training provided to private companies on the leave regulation has initiated some of SMEs to implement these regulations.

The short-term soft skills and vision development training component has been used in providing detailed information on wage-based employment to the SINCE beneficiaries in accordance with labour law employee rights. Below are lessons drawn from the field assessments:

- In large companies, leave regulation is included with employment contracts; however, there is an inconsistency in terms of the practice of the regulation in accordance with the updated labour law;
- Leave regulation practice by SMEs is primarily based on the employer's willingness, but not yet considered as part of the employees' rights;

- With cooperatives in the leather and agribusiness sectors, annual leave and other leave categories are included in the written employment contracts in accordance with the contract agreement based on the labour law.

#### **4.4.1 The Textile and Garment sector**

Also due to the SINCE intervention, in this sector, some local companies started the practice of including leave regulations in accordance with the new labour law; whereas, the international companies are implementing leave regulation policies according to the old labour law. The SINCE intervention did support a larger awareness creation on the rights of employees, which should be included within the signed agreements. As employees are more aware of their rights, with regards to the leave regulations it was observed that there were more organised arrangements with larger companies. The sick leave regulations were already organised according to the Labour Proclamation.

#### **4.4.2 The Leather sector**

The three assessed leather enterprises practiced leave regulations before the SINCE Programme; however, two enterprises are practicing leave regulation in accordance with the old Ethiopian labour law while one has implemented leave regulation policies according to the new labour law.

#### **4.4.3 The Metal Works and Construction sectors**

In these sectors, annual leave and other leave categories are included in the written employment contracts with medium and large companies; however, SMEs are often not considering leave regulation policies as employees' right.

#### **4.4.4 The Agribusiness sector**

In this sector, leave regulations are included in employment contracts; however, most employees are not familiar with the details of leave issues because they did not receive copy of their contract.

### **4.5 Lessons learned from career advancement opportunities and incentive policy promotion**

The SINCE Programme created awareness on career advancement possibilities; however, not all private companies linked to the SINCE Programme are practicing career advancement. Only a few companies have implemented career advancement and incentive policies in the textile, leather and metal works sectors. In the construction and agribusiness sector, no fixed rules or signed agreements for career advancement possibilities were found. More specifically, the below are described lessons drawn by SINCE involved sectors.

#### **4.5.1 The Textile and Garment sectors**

In general, career advancement opportunities are based upon employee's performance and pre-designed career structures. The SINCE beneficiaries are also employed as permanent employees after completion of a 45 days' probation period in the textile and garment sector. In particular, Azeb's career advancement opportunity and the shifting to self-employment is practical and a lesson for the textile and garment sector in Tigray regional state (section 3.4.2)

### 4.5.2 The Leather sector

In the leather sector, implementation of day care incentives in Addis Ababa with one of the enterprises linked with the SINCE Programme is a lesson to be replicated in other companies in order to enhance women's (who had under-five years of age children) participation in the industry. Moreover, in this enterprise, one female SINCE beneficiary has been promoted from starter to quality control position within three months due to work performance (as described in section 3.4.3).

### 4.5.3 The Metal Works and Construction sectors

Seasonality and the complexity of these sectors is a key challenge for practicing career advancement opportunities in these sectors. In the metal works sector, SME's have shared a lesson in upgrading employees and apprentices. For instance, salary increments have been provided for a female SINCE beneficiary within three months of her employment commencement in Amhara regional state (section 3.4.4). In Tigray regional state, the promotion of apprentices to permanent worker status by paying them a monthly ETB 50 motivation bonus to active apprentices based on the owner's assessment during their apprenticeship period is a lesson learned (section 3.4.4). In the construction sector, there is a practice of providing incentives for lactating women in addition to their monthly salary in Addis Ababa (section 3.4.5).

### 4.5.4 The Agribusiness sector

It was not possible to find detailed and clear information to draw lessons regarding career advancement possibilities in the agribusiness sector.

## 4.6 Lessons learned on grievance mechanisms promotion

Because the SINCE Programme focus towards job-creation, the promotion of grievance mechanisms provided no lessons for replication; however, the CETU, in collaboration with the BoLSA experts, has created awareness of the labour law for SINCE beneficiaries and private companies in Amhara regional state. In general, the SINCE beneficiaries are also made aware of their labour rights during their attendance at the TVETs' short term trainings.

## 4.7. Conclusions drawn on SINCE Decent Work promotion

### 4.7.1 General conclusions on decent work promotion

The following are general conclusions drawn from SINCE decent work promotion lesson learned:

- Despite the SINCE Programme efforts made to raise awareness on decent work, more time is needed to visualize the impact on the decent work principles promotion.
- TVET institutions have played a key role in developing and implementing short-term curricula and training programmes (including soft skills and vision development trainings), in creating awareness of waged employment along with decent work minimum requirements. Such training has created a strong foundation for the SINCE beneficiaries' future careers.
- The practice of signing agreements with the inclusion of five minimum decent work principles promoted in sector specific multi-stakeholder platforms are crucial to mainstream decent work. However, the absence of well-defined mechanisms for monitoring the implementation of the decent work principles has masked the efficient practice into concrete actions, and hence a



robust monitoring and accountability mechanism is required to ensure that the practice of decent work principles is concretely followed up.

- An absence of a standardised minimum wage rate and a framework on salary increment is still a pending issue for betterment of decent work and waged employment.

#### **4.7.2 Conclusions on employment contracts promotion**

- The SINCE beneficiaries employed by large companies have signed written employment contracts prior to the SINCE Programme; however, most SINCE beneficiaries did not have a copy of the contract document provided to them, particularly in the metal works, construction and agribusiness sectors. There is a need for setting different strategies as basic requirement to ensure a common understanding amongst private companies to provide written employment contracts for their employees in accordance with the labour law.
- The SINCE beneficiaries who are linked with Small and Micro Enterprises (SMEs) were not provided with written employment contracts. Therefore, it is critical to understand the employment situation within SMEs
- Cooperative based enterprises are different from large and SMEs, and hence, it noteworthy to create a common understanding on written employment contracts.

#### **4.7.3 Conclusions on Occupational Safety & Health Policy promotion**

The SINCE Programme implementation has drawn an important lesson through the provision of OSH equipment that are clearly identified per sector; however, there is a practical gap in implementing OSH policies among sectors and between companies. The following are conclusions summarised on the occupation safety and health policies per sector:

- In the textile and garment sector, the practice of occupation safety and health facilities is relatively well established compared to the other sectors linked to the SINCE Programme; however, existing differences between international and locally owned companies is an indicator for the remaining activities to be addressed in the awareness creation on such issues.
- In the metal works, construction and agribusiness sectors, the practical situation of occupation safety and health policy varies with the different working environments of companies. This is also an indicator for the remaining promotional activities to be undertaken in implementing occupational safety and health policies.
- Partial implementation has been observed in private enterprises in the leather sector; however, there is wide gap between cooperative-based enterprises.

#### **4.7.4 Conclusions on leave regulations according to the labour law**

In general, monitoring and a follow up approach towards assessing the practice of leave regulations is crucial and was a missed opportunity that could be explained by the existing differences in the practice of leave regulations in large companies and SMEs linked with the SINCE Programme.

From key respondents it was learned that annual leave and other leave categories are included in the written employment contracts with medium and large companies.

The following are conclusions summarised from lessons learned on leave regulation promotion:

- Leave regulations within large companies and cooperatives are addressed, and included in employment contracts, but some companies are practicing leave regulation policies in accordance with the updated new labour law while others are still working under the old law.



- Employees rights towards leave regulations are omitted by SMEs. This is because leave regulation practices within SME's is primarily based on the employer's willingness.

#### 4.7.5 Conclusions on career advancement opportunities & incentive policy promotion

- In general, it could be concluded that the practice of career advancement opportunities is established upon the employee's performance and pre-designed career structure in the textile and garment sector, except for day care incentives.
- For day care incentives it seen as important to involve women who have under-five years of age children in the industry sector. However, the practice of day care incentives was observed only in two companies - one leather and another in the construction sector in Addis Ababa.
- It is clear that the SINCE Programme implementation has drawn lessons from the textile and garment sector in the Tigray Regional State and the leather sector in Addis Ababa where women's experiences could be a reference point for other SINCE beneficiaries in particular and for other projects in general.

#### 4.7.6 Conclusion on the Grievance mechanisms promotion

In general, the practice of grievance mechanisms is a crucial component for decent work in retaining staff and obtaining improved working conditions and wages for them; however, it can be concluded that the promotion of grievance mechanisms is almost missing in the SINCE decent work promotion.

## 5. RECOMMENDATIONS FOR NEW INTERVENTIONS ON DECENT WORK

### 5.1 Recommendations for future actions

The MoLSA and its decentralised offices at the regional and district levels should give due focus and commitment to implementing decent work principles in accordance with the new labour law. The following recommendation are formulated based on the overall assessment of decent work promotion:

- **The time given to the SINCE Programme implementation on Decent Work:** The implementation period of the SINCE Programme is too short to create impacts on all the selected principles of decent work.  
Through the initial implementations it became clear that some of the selected principles, like the grievance mechanisms, can only be addressed after beneficiaries have been employed for at least 6 months or a full year. Additional time to secure the results of the SINCE Programme is needed in order to have solid impacts on the five selected minimum decent work principles.
- **Promoting waged employment through short-term trainings:** Implemented SINCE Programme short-term trainings have played a key role in mainstreaming and promoting wage employment with enabling decent work principles applications. This Programme result is well expressed by the SINCE beneficiaries work oriented attitudes. Therefore, soft skills and life skills and vision development trainings should be strengthened and practiced with all TVET institutions along with short-term courses in order to enhance attitudes of vulnerable returnees and potential irregular migrants towards wage employment and to enable the applicability of decent work principles. In this regard, the 7-steps training methodology implemented by EduKans Consortium should be replicated by all partner government TVET's.

- **The mainstreaming of Decent Work in PPP's:** To mainstream decent work, the SINCE Programme implementers have selected five minimum decent work principles to be included in specific public-private partnership tripartite (Private companies, TVET's and the local BoLSA) MoU agreements. The methodology and agreements should be used as a template for other project implementations in the country. Moreover, designing a clearly defined monitoring and reporting system with accountability is required in order to follow up the implementation of the decent work principles. Therefore, monitoring and accountability mechanism should be designed to assess the practice of and accountability of the private companies.  
In this regard,
  - Inspectors of the BoLSA should have their capacity built as a basis for the empowerment to set up a mechanism for monitoring the implementation of the decent work principles in consultation with partners and the local CETUs;
  - Additional trainings on the effective implementation and accountable reporting approach of decent work principles should be provided for private companies;
  - Experience sharing and working environment observation schemes on best and bad practice of decent work principles should be included as part of the MoUs.
- **Introducing the minimum wage:** The existing minimum wage rate in general, and in the textile and garment sector in particular, needs to be addressed by a regulatory body. And hence, policy makers should set a minimum wage rate for private companies to adhere to.  
One enterprise in the leather sector has set an internal policy for minimum wage payments that could be taken as a reference for the standardisation of the minimum wage in Addis Ababa.

## 5.2 Recommendations on employment contracts promotion

In general, the SINCE beneficiaries have been linked with large companies, SMEs and cooperative based enterprises where the beneficiaries are employed and provided with a written employment contract signed by both parties except for those employed by SMEs. However, most of the SINCE beneficiaries did not have a copy of the contract document, particularly in the metal works, construction and agribusiness sectors. This is an indicator of the absence of monitoring strategies at the BoLSA/PES and the CETU level and strong awareness raising at large companies, Cooperative based-enterprises and SMEs level. In particular, the following are the recommendations on employment contract promotion:

- **At Office Labor and Social Affairs (LSA) or the PES level,** it is recommended that the existing LSA/PES should give due attention to:
  - the distribution of regular promotion material on decent work with special focus on employment to employers and jobseekers;
  - the provision of regular training on decent work principles and how to implement them in contracts;
  - conduct inspections to verify the existence of signed agreements with employees in companies.
- **At Large companies' level**  
The provision of employment contract is a key indicator for the practice of employment agreements recognised under the national law or practice. Therefore, large companies should:
  - provide copies of the signed employment contract to the employees where all provisions are specified;

- verify employment contracts with the labour inspector in order to confirm if contracts are updated using the amended version of the Labour Proclamation;
- replace employment letters with an employment contract within a specified period of time and followed up by the LSA labor inspector.
- **At SMEs level**  
The absence of a written contract could be justified because of the limited capacity of the enterprises. Although SMEs have limited capacity to conduct permanent contracts, SMEs should focus on their level of capacity to undertake employment based on time limited employment contracts with clearly defined written contracts.
- **At Cooperative based enterprises level**  
Cooperatives should create awareness of employment contracts for members and employees.

### 5.3 Recommendations on OHSP promotion

The SINCE Programme implementation has drawn an important lesson on the provision of OHS equipment that are clearly identified per sector. However, there are differences in implementing OHSP among sectors and between companies. Therefore, companies have to invest in OHS equipment to protect workers at work.

Based upon the cases shown in Chapter 3 and Chapter 4, the following recommendations are made to improve occupation safety and health policies per sector:

- The visibility of safety measures on the workshop and the overall working environment of the textile and garment sector companies would be used as reference for other sectors.
- The difference between international companies and locally owned companies regarding the OHSP implementation could be minimised through awareness creation in accordance with international labour law. It is recommended that standard rules & regulations per sector and degrees of implementation based upon the investment capacity of a company be established.
- Labour inspectors should provide accreditation for the level to which companies are implementing the OHS standards.
- In the metal works, construction and agribusiness sectors, the implementation of OHSP is partly dependable on the working environment of sectoral enterprises; therefore, inspection is recommended to assess the existing gaps in accordance with the new Ethiopian labour law.
- In the leather sector, private companies have partially implemented OHSP. Thus, there should be supportive measures for cooperative enterprises and obligatory measure for larger enterprises in the leather sector.

### 5.4 Recommendations on how to promote leave regulations according to the new labour law

Field assessments identified that the leave regulations are clearly described in the written employment contracts of medium and large companies linked with the SINCE Programme.

Below are some of recommendations summarised from field assessments and verification workshops on leave regulations:

- Large companies and cooperative based enterprises have included leave regulations within written employment contracts; however, there is inconsistency in the practice of leave regulations using the new labour law. Thus, along with the BoLSA and its decentralised offices at the zonal/sub-city and woreda levels should give due attention to the implementation of the updated Labour proclamation.
- At the SMEs level, leave regulations are based on the owners' own initiative, but not regulated as an employee right. Therefore, capacity building and financial capacity enhancement is needed.

## 5.5 Recommendations on career advancement opportunities and incentive policy promotion

In general, a few companies have implemented career advancement and incentive policies in selected sectors. The following are recommendations summarised from lessons learned in accordance with the SINCE Programme decent work promotion:

- In the textile and garment sector, the existing practice of career advancement opportunity could be improved by providing clarity on what the assessment criteria are for promotion.
- The textile and garment sector best practice should be replicated for other sectors to retain employees and provide a basis for future developments. More specifically:
  - The provision of transport and food allowances should be applied also in other sectors;
  - Arrangements on health insurance and/or medication services should be implemented also in other sectors;
  - Agreements related to bonus incentives for work attendance and starting work on time should be replicated by other sector companies.
- The Azeb's case career advancement and starting of self-business (described in section 3.4.2) could be replicated as model for all other projects for direct support to beneficiaries.
- Day care incentive practices for mothers who have under-five year old children is shown to be an important and a productive means to minimise the employee turnover of female workers in industry sectors (section 3.4.3 Enterprise 3). Therefore, private companies should initiate day care facilities or support working mothers in taking care of their children whilst the mothers are working.
- In the Leather sector one female SINCE beneficiary was promoted from being a starter to a quality control position within three months based on her work performance (section 3.4.3 Enterprise 2). Thus, such practice should be promoted with other enterprises to encourage best performing employees.

## 5.6 Recommendations on Grievance mechanisms promotion

The practice of grievance mechanisms is a crucial component for decent work in retaining staff and obtaining improved working conditions and wages. However, it can be said that due to the SINCE Programme primary focus on job-matching, the promotion of grievance mechanisms is not yet practiced. Recommendations are:

- Promote and enable effective grievance mechanisms in accordance with the guidelines of the Ministry of Labour and Social Affairs - in accordance with the amendment of the Ethiopian Labour Proclamation No. 1156/2019<sup>12</sup>.
- Discuss with relevant mandated stakeholders how businesses should implement the grievance mechanisms in an organised manner and how to establish a union for employees. There is a need for the employees to be organised in order to address their main issues.
- The promotion of grievance mechanisms should be focused on awareness creation on the relevance and establishment of workers' associations and trade union representations from the employees' side within the companies the beneficiaries are employed by. This will support collective bargaining on employment issues and to improve data collection relating to causalities in workshops and further to improve the working environment.

## 6. FEDERAL AND REGIONAL POLICY RECOMMENDATIONS

The new Labour Proclamation 1156/2019 has incorporated many decent work principles in order to provide a transparent framework for employers and employees. It can be concluded from the experiences of the SINCE Programme with different sectors and in different regions of Ethiopia that there is a gap between the Labour Proclamation 1156/2019 and its implementation by regional and local stakeholders.

Recommendations to improve the implementation of the new Labour Proclamation that has incorporated decent work principles are:

- Cooperation should be established between the Federal, Regional and Local government offices. These connections are multidimensional and cannot be found in one Ministry only. In order to be successful in the implementation of the new Labour Proclamation published in September 2019 it needs an inter-ministerial approach. This cooperation should be secured through binding agreements, where roles & responsibilities are explicitly mentioned based upon mandates of different government offices, private entities and other relevant stakeholders. This can be done through Public Private Partnerships, but also by strengthening the existing system at the different decentralised levels.

As an example: Mandatory signed contracts for employees or employment letters should be drafted to the minimum requirement level as mentioned in the *Labour Proclamation 1156/2019 Part II Section I article 6 & 7*. These contracts and letters should be audited during the regular audits performed by the Ethiopian Revenues & Customs Authorities (ERCA), where an inspector has the right controlled by tax authorities as they also verify the business licenses.

- Strong involvement of the private sector to succeed in the implementation of the new Labour Proclamation is mandatory. This involvement can be secured in agreements, signed at federal and regional levels between Employers representatives such as the Chambers of Commerce and also the Employees representatives such as the CETU. In order to strengthen their engagement:
  - Decent work principles should be attached to investment licence requirements, when investors need to obtain or renew their business license. Investment laws in the past gave little attention to decent work principles and focused on labour abundance only. The

<sup>12</sup> Federal Negarit Gazette of the Federal Democratic Republic of Ethiopia: Proclamation No.1156/2019, ADDIS ABABA 5th September 2019

Investment Commission within the Ministry of Trade and the Ministry of Industry should be engaged on implementing preconditions, where decent work is one of the minimum criteria to obtain a license.

- Capacity building of the Chambers of Commerce to support their members in implementing the new Labour Proclamation and to play a more active role in the discussions on how to move forward implementing decent work principles.
  - Capacity building of the Trade Unions, such as the CETU, in order to create representation for the workforce. This is absent in Ethiopia, but more elaborated upon in the new Labour Proclamation 1156/2019 (Part 8 – Chapter 1)
  - Capacity building of the Labour and Social Affairs inspectors that are working for the Bureaus of Labour & Social Affairs.
  - Capacity building should be undertaken by coordination with the learning institutions such as Vocational Training Institutions and Higher Education Institutes that should develop standard (online) modules for their students. These modules should be adjusted or standardised per sector and organised at a Federal level in order to create uniform trainings based upon the Proclamation. It is possible that modules can be developed for Employers Federations, Trade Unions, Government offices and other stakeholders that are handling employment contracts or employment letters.
  - Learning institutions should continue designing (online) training modules for other workers as well as those that are supported through the PES centres to move into waged or self-employment. They should design specific training modules on decent work integration for Employers Federations, Chambers of Commerce and other public and private companies.
  - The designed training modules should be created in cooperation with the Ministry of Labour & Social Affairs, in order to guarantee the quality of the training content. The Ministry should instruct the Regional offices on how to incorporate the output of trainings within the Labour Inspection rounds.
  - The training modules should cover the relevance of signed contracts, and how the benefits should be built into salary and salary increments as well as the coverage of transport, housing allowances, day care facilities, subsidised lunches and health insurance packages.
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- For employers to initiate the different requirements of the new Labour Proclamation, support and guidance should need to be provided. Support & guidance for employers should have:
    - A grace period installed for existing companies where there is an opportunity for companies to invest in organising facilities to address decent work principles (e.g. day care facilities, OHS equipment, etc.)
    - Opportunities for more extensive insurance packages, which include arrangements for employees' health insurances, life insurances, etc.
    - During inspections employers should receive the checklist used by the labour inspectors.
    - When companies score high on the labour inspection there should be an award mechanism in place to reward positive practices.
    - The Ethiopian Employer's Federation together with the Confederation of Ethiopians Trade Union (CETU) should provide support for Labour & Social Affairs in order to provide acceptable contracts that include decent pay, and additional benefit packages like housing allowances, transport allowances (if no service bus is provided), subsidised lunches, day care facilities (according to the recently accepted proclamation).

- The possibility for the CETU to work together with the Ethiopian Chamber of Commerce in the development of an awareness raising campaign, training packages and materials that fulfil the criteria of decent work (such sample contracts, ideas on how benefit packages should be provided, etc.). Members and non-members of the Chamber of Commerce as well as of CETU should have access to these materials for free or for a small payment online or at their local Chamber office.
  
- The opportunity to improve the position employees have, by strengthening their participation in Trade Union activities, according to the new Labour Proclamation (Part 8, Chapter I – Trade Unions and Employers’ Associations). In this manner the employees can actively contribute in constructive activities that benefit the company and its workers.
  - Different stakeholders need to gather to formulate a plan on how to increase the membership of employees to Unions. Employers organisations will need to create awareness on the relevance of having an employees organised in a Union, rather than dealing with individual cases as was observed during the SINCE Programme implementation.
  - Create awareness on how Unions can contribute to a better understanding of the needs of the different sectors by employees.
  - Create awareness on how Unions can support a lobby and arbitration process, which should contribute to the task of the Labour and Social Affairs office.
  - The Union should support the lobbying of Employers on collective health insurance and day-care facilities to be partially subsidised by the government.

The recently installed Labour Proclamation provides more space and opportunity to initiate activities for decent work. All the activities that are undertaken should be focussed on the implementation of this new Proclamation. In order to be able for stakeholders to adhere to this Proclamation, awareness needs to be raised and emphasis should be provided to commence discussions within Regional and local government on the feasibility of undertaking activities that will make a difference to industrial relations.