

Decent Work Country Programme in Oman



International
Labour
Organization



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Decent Work Country Programme Sultanate of Oman

2018–2020

Developed by the ILO Regional Office for Arab States in close consultation and with the endorsement of the Ministry of Manpower (MoM), Oman Chamber of Commerce and Industry (OCCI), and the General Federation of Oman Trade Unions (GFOTU).

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I. Introduction

The Decent Work Country Programme (DWCP) for the Sultanate of Oman presented here was devised following the lessons learned from the previous programmes (2013–13; 2014–16) and recommendations made by an internal review, as well as extensive technical and programmatic consultations between the Government of Sultanate of Oman, social partners, and the ILO. During the former DWCP the ILO provided technical advisory services, carried out a labour administration assessment, and implemented capacity-building programmes in the areas of social security, employment, skills development, international labour standards reporting, labour inspection, social dialogue, dispute settlements, vocational guidance, and labour market statistics with the Ministry of Manpower (MoM) and social partners.

Based on the priorities and objectives agreed between the MoM and social partners, this DWCP will run from February 2018 until February 2020. It represents the joint commitments of the ILO and tripartite partners to support the national development priorities as outlined in the Ninth Five-Year Plan 2016–2020 (FYP) and in the Tanfeedh [implementation] plan for realizing Oman Vision 2020, paving the way towards a vision for the future: Oman 2040.

Applying results-based management principles, the DWCP 2018-2020 will employ a strengthened approach to tripartite participation and ownership through periodical joint monitoring and active engagement of the DWCP Tripartite Committee, which will be established for this purpose. This will facilitate a greater alignment of DWCP objectives, implementation and monitoring modalities as the country situation evolves. It will also include a provision for an annual progress review and resource mobilization plan. The flexibility enabled through these new implementation arrangements will allow for a more precise specification of outcomes, strategies and indicators – something that constituents will welcome.

II. Country context and situation analysis

a. Socio-economic and political context

Oman is categorized as a high-income economy, with a number of natural resources including petroleum, natural gas, copper, asbestos, marble, limestone, gypsum and frankincense. The country has access to substantial marine resources and its port infrastructure is currently being upgraded and modernized. In 2016, GDP stood at US\$66.29 billion and the gross national income (GNI) per capita was US\$18,080.

Since 1973 Oman's currency has been pegged to the US dollar and the economy is highly dependent on oil production (priced in USD), which continues to experience a protracted period of low prices. Oil receipts constitute around 70 per cent of government revenue. Consequently, real GDP growth is estimated to have dropped to 2.2 per cent in 2016 from 5.7 per cent in 2015. Together with the Government's commitment to austerity, growth is expected to decline further to just under 1 per cent in 2017. Fiscal and current account deficits remain large (20.3 and 16.2 per cent of GDP, respectively, in 2016), and Oman is increasingly resorting to external borrowing to finance its deficits. Oman's sovereign wealth fund, estimated at US\$34 billion, has been used to finance partially, the fiscal deficit. Nevertheless, as oil prices stabilise, the World Bank expects growth to recover gradually over the medium term to around 3 per cent by 2019.¹ As Oman has, less hydrocarbon resources than other GCC countries the Government is seeking to diversify the economy.

¹ World Bank, country profile, 2017.

The largely urban and relatively young population, estimated at around 4.6 million in 2016, grew by 8.5 per cent annually over the previous 5 years.² Some 36.2 per cent of the population are aged under 15 years and 15–29 year-olds represent around 29 per cent³ until end of 2016. However, the number of job seekers in the categories between 15-24 years for females reached 58% and 41.7% for males. According to estimates, the percentage of job seekers reached 10.2% by mid-2016. However, according to statistics of the National Center for Statistics and Information (aged 15–24) is currently very high (81.0 per cent for females; 41.3 per cent for males) and young Omanis typically take three years to find a job, partly reflecting the strong preference for jobs in the public sector. Total unemployment in 2016 was estimated at 17.5 per cent.⁴

The lack of jobs for Omani nationals, particularly youth, is of major concern for the country. Some 45,000 jobs will need to be generated annually to address the problem, but the ongoing effort to replace expatriates with Omanis under the policy known as “Omanization” will be insufficient without an improvement in private sector job creation.⁵ The country has tended to rely heavily on expatriate labour; Omani nationals constituted by end of September around 54.5 per cent of the population, as informed by the National Center for Statistics and Information.

The minimum wage for Omani citizens working in the private sector, including salary and benefits, was increased in 2011 from 140 Omani Rials (OMR) (US\$363.6) to OMR200 (US\$520) per month.

In 2012, the minimum periodic allowance and conditions of its disbursement were set at the equivalent of 3% of the basic wage to be paid on January 1 of each year. In 2013, wages were raised from 200 riyals (\$ 5200 to 325 riyals (\$844) of which 225 riyals is a basic wage and 100 riyals as allowance. As for the wages of foreign workers, the wage is agreed upon in the employment contract signed by the worker and the Employer.

b. The role of women in Oman

Omani women constitute 49.5% of the total population and 34.8% of civil servants. Oman was the first GCC country to grant women equal voting rights in 2003, as well as the right to run for elections and education. Today more than half of Sultan Qaboos University students are women. In 2016, 12 women were appointed to the State Council and one woman was elected to the Shura Council in 2015. However, women’s participation remains weak in the regular economic sectors, except for the public sector, which employs about 40.7% of working women end of 2016. In 2017, the participation of women, including foreign women, in the labor force was estimated at 24.5% until July 2017. With regard to Omani women, the rate of participation in the labor force increased from 18% to 25% since 2000. The percentage of female jobseekers was 63.9% in 2016 compared with 36.1% for males seeking job for 2016.

c. International labour standards

Oman has ratified four of the eight Fundamental Conventions as outlined in the table below:

Convention	Date of ratification Status	
Forced Labour Convention, 1930 (No. 29)	30 Oct 1998	In force
Abolition of Forced Labour Convention, 1957 (No. 105)	21 Jul 2005	In force
Minimum Age Convention, 1973 (No. 138)	21 Jul 2005	In force
Worst Forms of Child Labour Convention, 1999 (No. 182)	11 Jun 2001	In force

² Department of Economic and Social Affairs. 2016. World Statistics Pocketbook, New York.

³ National Centre for Statistics and Information (NCSI).

⁴ International Labour Organization, ILOSTAT database.

⁵ World Bank, country profile, 2017.

d. Tripartism and social dialogue

The status of tripartism and the specific roles of social partners continues to be a matter of concern for both employers' and workers' organizations. A tripartite social dialogue committee was established in 2014. It comprises representatives of the Government, three members from the General Federation of Omani Trade Unions, and three from the Chamber of Commerce and Industry of Oman. Nevertheless, institutional difficulties and an absence of legal frameworks remain hindrances to integrating social dialogue into economic and social processes. The promotion and ratification of the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87), and the Right to Organise and Collective Bargaining Convention, 1949 (No. 98), will remain key themes in the ILO's sustainable development strategy in Oman.

The Labour Administration Needs Assessment, carried out by the ILO, recommended (1) the establishment of a secretariat for the National Tripartite Council, (2) the creation of a unit within the Ministry that would support bipartite collective bargaining, and (3) specialized training for relevant Ministry staff on collective bargaining, mediation, and the resolution of strikes. The internal review of the previous DWCP indicated a need to strengthen the capacity of social partners in relation to bipartite social dialogue and collective bargaining.

III. Current policies and visions

a. Oman Vision 2020

This long-term development strategy focuses on industrialization, privatization and Omanization. It outlines the country's economic and social goals, including: maintaining economic and financial stability; reshaping the role of government in the economy and broadening private sector participation; diversifying sources of national income; globalizing the Omani economy; and upgrading the skills of the Omani workforce.

The ninth FYP, the final part of Oman Vision 2020, was launched in 2016. It continues the country's drive towards social development, economic diversification and the sustainable utilization of natural resources. The national strategy has set an annual growth rate target at 3 per cent, assuming oil prices remain between US\$45 and US\$60 per barrel. Approximately 41 billion Omani rials (OMR) (US\$106.5 billion) of investments are planned during the five-year period. The key goals of the FYP (2016–2020) include:

- reducing the GDP contribution of oil from 44 per cent to 26 per cent;
- controlling inflation for the next three years within safe levels, targeting an average rate of 2.9 per cent;
- focusing on the private sector's role as a driver of economic growth, through planned privatizations and a renewed focus on activating public private partnerships (PPPs);
- creating new job opportunities;
- increasing support for the development of small and medium-sized enterprises.

b. Omanization policy

Since 1988, the Omanization policy has sought to decrease dependency on expatriate workers through setting quotas and actively replacing expatriates with national manpower. Quotas vary sector

by sector within a wide range. Companies that reach their government-mandated goals are rewarded with a “green card”, which grants them preferential treatment in their dealings with government. However, in some sectors, such as construction, Omanization has had less impact as nationals avoid the comparatively poor working conditions offered.

In response, the Government, along with various industry sectors, has initiated training and development programmes to enhance the skills and competencies of nationals and promote their employment within the private sector. The aim is to match the local labour supply with market requirements, and to increase the role of Omani nationals in all areas of employment. Under Oman Vision 2020, the objective is to increase the proportion of national workers in the private sector from 12.3 per cent in 2015 to 20 per cent by 2020.

The high presence of migrant workers has tended to drive conditions in the labour market, making the private sector unattractive for national jobseekers. The FYP targets for 2020 include:

- the ratio of registered jobseekers not to exceed 3 per cent;
- 67,000 new jobs for Omanis only in the three targeted sectors;
- the provision of no less than 30,000 job opportunities for Omani nationals at the specialist, technician and skilled levels.

c. Tanfeedh

Inspired by Malaysia’s economic transformation model, Tanfeedh is the national programme for enhancing economic diversification and aims at reviewing the Omanization policies in, to start with, three of the five identified priority sectors (tourism, logistics and manufacturing) with consideration for the current needs of the labour market and the requirements for sustainable development. Tanfeedh is working towards:

- raising Omanization levels in the tourism, logistics and manufacturing sectors;
- modernizing the policies and regulations on Omanization;
- examining the actual requirements and needs of the sectors with reference to the national workforce, taking into consideration the challenges facing these sectors in reaching the Omanization levels set for them;
- encouraging and motivating the enterprises in these sectors to develop their practices and commitment to Omanization regulations; and
- reinforcing training and rehabilitation programmes based on sector needs in order to empower the national workforce.

d. Key sectors of economic growth

Under the ninth FYP, and in preparation for Oman Vision 2040, five key sectors have been identified as potential drivers of future employment and economic growth:

Manufacturing. This sector currently contributes 9.8 per cent to GDP. A significant project within this sector is the Liwa Plastic Industries Complex, which is expected to create a further 13,000 jobs (1,000 direct and 12,000 indirect). The project has a total budget of US\$6.4 billion.

Transportation and logistics. The strategic geographical location of Oman has enabled it to be a business and logistics hub for maritime traffic for Europe, Asia and Africa. Currently, its contribution to GDP is

6.2 per cent. It is expected that this sector will double employment to 80,000 by 2020. Key projects in this sector include “Duqwm”, the Oman rail project, and the 95-km² South Al-Batinah logistics area.

Tourism. This sector currently contributes approximately 2.4 per cent to GDP. Oman has experienced a significant increase in investment in the tourism sector, creating a considerable number of jobs. It is expected to contribute 3.3 per cent per cent by 2020.

Fisheries. Through enhancing the productive capacity of fisheries an additional 20,000 jobs are expected to be created by 2020. The Government’s policy is to improve economic management of the fisheries sector to facilitate the creation of viable and sustainable employment. Fisheries currently contribute 0.5 per cent to GDP.

Mining. The mining sector’s contribution to GDP grew from 0.4 per cent in 2014 to 0.5 per cent in 2015, and the discovery of a sizeable number of mineral reserves such as gold and copper will boost growth over the coming years.

IV. Lessons learned from the DWCP review

The ILO has been supporting its constituents in Oman on a wide range of issues within the context of the past two DWCPs in order to assist the development of national policies, laws, strategies and mechanisms to implement such policies, as well as capacity building. Technical advisory services were provided in the areas of labour administration, labour inspection, occupational safety and health, social security, employment, skills development, international labour standards reporting, social dialogue, dispute settlements, and vocational guidance and labour market statistics with the MoM and social partners.

Lessons learned from the review of the previous DWCP include the need for clearly defined targets, a focus on national ownership and sustainability, and the development and implementation of a monitoring system to ensure regular reviews of progress and allow necessary adjustments to the programme.

It is noteworthy that during the previous DWCP there were no activities for an eight-month period, indicating the need for stakeholders to be fully engaged in the process and for a consistent system of ongoing communication with tripartite partners. The internal review recommended that management mechanisms be built into the new DWCP, during both programme implementation and monitoring.

While the internal review identified several areas of concern, it is clear that the MoM, whose mandate is reducing the number of job seekers by employing them in the private sector, and provide employment services as well as labour statistics, has expressed the ongoing need for ILO support in labour statistics, indicators, definitions, and methodologies. It is also seeking technical assistance in providing customized employment services to highly skilled jobseekers. The MoM has also requested capacity building on a recognized ILO model for national employment centres, as well as the need to present successful experiences of other countries in the fields of employment to benefit from it in developing the work and the employment services.

The review also noted a number of areas where stakeholders have expressed satisfaction with the ILO’s assistance, with requests for additional support in a range of priority areas. Further, the scope of recommendations made by the review at the programming, operational and technical levels is extensive, indicating the need for ongoing engagement of the ILO in Oman; these recommendations have been incorporated as appropriate into this document.

V. Country priorities and outcomes

The DWCP 2018-2020 will focus on three priorities. These are:

- 1) labour market enhancement through the development of skills, entrepreneurship and an effective National Employment Policy;
- 2) strengthening and expanding social protection;
- 3) improving labour governance in accordance with international labour standards and with a particular focus on the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up.

The ILO's plan for cooperation with its Omani constituents will be focused around these three country priorities and nine associated outcomes, some of which continue previous work while new initiatives have been developed in direct response to discussions with constituents and subsequent joint priorities identified.

The three policy drivers of (1) international labour standards, (2) social dialogue, and (3) gender equality and non-discrimination are relevant to and form part of all nine outcomes. As described in the strategy statements of each outcome, the three policy drivers are promoted and applied in actions under all outcomes.

Priority I: Labour market enhancement through the development of skills, entrepreneurship and an effective national employment policy

CP Outcome 1.1 (employment): Enhanced national employment policies and capacities for labour market information and analysis

Indicator 1.1.1 A national employment strategy that responds to the Sultanate's labour market needs and challenges is developed and adopted by the Government

Indicator 1.1.2 A consolidated and comprehensive labour market information system is built and used for policy and decision making

Ensuring full and productive employment for Omanis - particularly youth- remains a national priority in the Sultanate, especially amidst the recent financial squeeze that has further strained an expansion of public-sector employment. The ILO strategy in supporting the Government will include capacity building, as well as research and analytical work, to pave the way for the development of a national employment strategy that is capable of responding to the Sultanate's labour market needs and challenges. This will require addressing educational and skills mismatches, as called for by the ninth FYP. This strategy and the ILO-related support will build on the Government's Omanization policy and Oman Vision 2040, which aim at increasing employment for national workers in the private sector.

The ILO will also provide support for an informed process of structural transformation that is conducive to both economic and employment growth, taking into account the Government's diversification initiatives and its Tanfeedh programme. Eventually, better design of education and training programmes are expected to provide the skills needed in the labour market – particularly those called for by the private sector.

Finally, the ILO will draw on its long-standing expertise in labour statistics and analysis to help the government build a comprehensive labour market information system based on disaggregated data, sound policy development, monitoring and evaluation.

Suggested outputs for achieving outcome 1 include the following:

Output 1.1.1: Research conducted on the Omani labour market and structural transformation.

Analytical work will contribute to the development of a comprehensive employment policy. It will be of particular importance given the Government's increased focus on diversification and Omanization. A national employment strategy should be based on a thorough analysis of the Omani labour market and economy, including the identification of growth sectors for employment of Omani women and men.

Output 1.1.2: Building the capacity of the MoM and social partners in order to develop and implement inclusive and gender-responsive employment and strengthen labour market policies.

This will entail conducting training on national employment policy formulation.

Output 1.1.3: Strengthen the labour market analysis capacity of MoM, the Public Authority for Manpower Register (PAMR), and the Supreme Council for Planning (SCP).

Strengthening the analytical capacities of policy-makers, particularly with regard to labour market data and statistics, is a prerequisite for ensuring effective policy-making that is based on empirical analysis of labour market challenges and opportunities.

Output 1.1.4: Labour market information system developed.

Labour market data and statistics in Oman needs to be better developed and organized to strengthen it as a tool for analysis and policy development. Building a consolidated and comprehensive labour market information system is important for improved policy-making.

Output 1.1.5: Employment policy drafted and adopted.

This will require the wide involvement of stakeholders, including various relevant government departments and social partners. The ILO will equip, guide, advice, and support the national partners during the employment policy formulation.

CP Outcome 1.2 (skills): Improved knowledge base on skills needs

Indicator 1.2.1 Number of skills needs assessment of the labour market conducted by the government of Oman

Output 1.2.1: Produce an assessment of skills needs of the labour market, focusing on selected sectors.

CP Outcome 1.3 (entrepreneurship): Enhanced entrepreneurship culture and business support services targeting youth

Indicator 1.3.1: Number of young men and women benefiting from entrepreneurship programmes based on ILO flagship programmes KAB, GYB, and SYB

Indicator 1.3.2 Number of technical and vocational education programs incorporating entrepreneurship education

Following the recommendations in DWCP review, the ILO strategy will build on previous ILO interventions, especially in relation to the implementation of Know About Business (KAB), a training methodology to create awareness about entrepreneurship among youth. The KAB pilot programme was due for assessment in 2016, but this did not occur. The assessment was expected to review the

pilot implementation, then adjust and disseminate the programme among Omani vocational training centres.

Based on the ILO/GCC workshop on SMEs held in Bahrain in February 2017, a number of priorities for action were outlined in the field of enterprise development, namely to:

- introduce entrepreneurship education (i.e. curriculum development) into all vocational, technical and general education curricula;
- strengthen the promotion, management and implementation of public procurement preferences for SMEs;
- improve delivery of SME development services;
- improve awareness of available SME development services.

Consequently, the ILO proposes to work further on the promotion of entrepreneurship education among youth to create a mind-set encouraging them to choose self-employment as a potential career option. This intervention will target Omani trainers to ensure the sustainability and replication of the intervention. A process of training of facilitators (TOF) and certification will be used to ensure that interventions are sustainable by creating a network of teachers able to deliver the KAB in a cost-effective manner beyond the life of a given project/intervention. The added advantage of this approach is that it creates a multiplier effect for skills transfer and ensures the development of local teaching capacities in the field of entrepreneurship education.

The ILO also proposes to use the Start and Improve Your Business (SIYB) programme, which enables potential entrepreneurs to develop a concrete bankable business idea, start it and then improve it at a later stage. A process of training of trainers (TOT) and certification will be implemented to achieve that interventions are sustainable by creating a network of trainers in national partner organizations such as Riyada that will be able to deliver the Generate Your Business (GYB)/SIYB and IYB programmes in a cost-effective manner beyond the life of a given project. The added advantage of this approach is that it creates a multiplier effect for skills transfer and ensures the development of local business management training capacities, that complement the financial services provided by the Al Raffd Fund.

Furthermore, the ILO will explore potential partnerships with national enterprise support organizations to work on enhancing the performance of existing enterprises, which may include improvements of working conditions and productivity at the enterprise level. ILO tools such as Work Improvement in Small Enterprises (WISE) may be adapted and used.

Output 1.3.1: Entrepreneurship education adopted in vocational and technical education.

Output 1.3.2: Capacity of business development service providers (BDS) including Riyada – previously the Public Authority for Small and Medium Enterprises Development (PASMED) – and Al Raffd Fund among others, built to implement entrepreneurship/enterprise development interventions.

Priority II: Strengthen and expand social protection and the Social Protection Floor

CP Outcome 2.1: National social protection system developed in line with ILO social security standards

Indicator 2.1.1: A comprehensive national social insurance system is developed, including non-Omani workers, maternity benefits and unemployment benefits, approved by the government of Oman, and implemented by Public Authority for Social Insurance (PASI)

The national social protection system in Sultanate of Oman consists of a variety of pension funds for public and private sector employees. The current social security system Omanis working in the private-sector, administered by the Public Authority for Social Insurance (PASI), provides old age, death and disability pensions, as well as health coverage for employment-related injuries and occupational diseases. PASI recently introduced a voluntary scheme for the Omani self-employed.

The ninth FYP of the Public Authority foresees the gradual extension of social security coverage to non-Omani workers, and the inclusion of short-term benefits, such as unemployment insurance and maternity insurance, under the social security system for private-sector workers.

The ILO has enjoyed continuous collaboration with PASI since 2012, and has carried out regular actuarial valuations of social security schemes administered by PASI. During 2015–2016, the ILO provided technical support in the form of technical advisory services and actuarial studies with the view to develop a plan for an unemployment insurance scheme and draft legislation that was adopted by the tripartite constituents in December 2015. These significant ILO contributions were acknowledged in the endorsement by tripartite constituents of the Unemployment Insurance Law (UIL), which was submitted to Cabinet in 2015.

To achieve this outcome, the ILO will assist tripartite constituents in the progressive development of a comprehensive national social insurance system, which will include extending social security coverage to non-Omani workers, and the establishment of a maternity insurance scheme for private-sector women workers, in line with ILO actuarial standards, international social security standards and worldwide best practices.

ILO strategy will build on previous interventions, especially the support provided to tripartite constituents for the development of the pension scheme and the introduction of an unemployment insurance scheme for private-sector workers. The ILO will throughout the process, employ a participatory approach, designed to engender stakeholders' trust in ILO policy recommendations. ILO assistance will also be accompanied by tailor-made capacity-building workshops for tripartite stakeholders.

Thus, the ILO will assist tripartite constituents in extending social security protection for non-national workers, who currently do not enjoy social security coverage – neither pensions and unemployment insurance benefits, nor employment injury benefits. The ILO will develop a feasibility study, including an actuarial study and a policy assessment, on providing social security to non-Omani workers through the affiliation to such social security schemes as administered either by PASI, or through a separate fund. The ILO will help build the capacities of tripartite constituents to adopt ILO Conventions, which call for social security coverage of non-national workers, while sharing examples of best practices from countries that have extended social security to non-nationals.

In addition, the ILO will assist tripartite constituents in the establishment of a maternity insurance scheme for private-sector workers, in line with the Social Security (Minimum Standards) Convention, 1952 (No. 102), and the Maternity Protection Convention, 2000 (No. 183). At the onset of this project, the ILO will organize a tripartite workshop on maternity protection policies and financing, ILO standards in this field, and worldwide best practices. The ILO will also provide stakeholders with awareness-raising materials on the direct benefits for women and their employers and the potential impacts on female labour force participation in Oman. The ILO will further carry out an actuarial valuation study to assess the costs of maternity insurance and will provide policy options with related costs to tripartite stakeholders, with whom they will be extensively discussed. The ILO will further assist PASI in the drafting of the necessary legal provisions and the adaptation of business processes required instigating this new system within the PASI workflow.

The outcome related to the national social protection system will be achieved through the following outputs:

Output 2.1.1: Comprehensive feasibility study, including an actuarial assessment and policy recommendations with regard to the social security coverage of non-Omani workers carried out and adopted by tripartite stakeholders.

Output 2.1.2: Strategy and roadmap for the extension of social security coverage to non-Omani workers developed and adopted by tripartite stakeholders.

Output 2.1.3: Comprehensive feasibility study, including an actuarial assessment and policy recommendations, with regard to the establishment of a maternity insurance scheme for private sector workers carried out and adopted by tripartite stakeholders.

Output 2.1.4: Legal provisions of a maternity insurance scheme adopted by the tripartite constituents and submitted to the Council of Ministers.

Output 2.1.5: Study with recommendations for the adaptation of business processes for the incorporation of this new system into the PASI workflow adopted by tripartite stakeholders.

Output 2.1.6: Capacity-building workshops for tripartite constituents on the extension of social security coverage to non-Omani workers, for the establishment of a maternity insurance scheme, which will include topics such as social security financing, social security principles and policies, and social security administration.

CP Outcome 2.2: Implementation of the social protection floor

Indicator 2.2.1: A strategic plan for the progressive implementation of a national SPF is developed and overseen by a tripartite SPF advisory board

The Sultanate of Oman's social insurance system is well established and far-reaching. However, the Omani Government recognises the importance of rationalising the distribution and better targeting of social assistance benefits, and of strengthening the coordination of these benefits. In this context, social development has been identified as a core component of Oman's ninth FYP.

Under this outcome, the ILO will support tripartite constituents in ensuring minimum social assistance benefits for those in need and not covered by PASI, through the development and progressive implementation of a national Social Protection Floor (SPF), following the standards laid down in the Social Protection Floors Recommendation, 2012 (No. 202). The development of a national SPF will build on existing social assistance benefits and their enhanced coordination with the objective that "no one is left out". In light of this, the ILO will carry out a set of comprehensive SPF studies, which shall serve as an evidence base for guiding informed decision-making towards establishing a SPF fit for the needs of the Sultanate of Oman. This set of studies will include:

- a social protection mapping and gaps assessment;
- an impact assessment of the current and proposed social protection schemes on poverty and vulnerability;
- a fiscal space analysis with a view to financing a national SPF in Oman;
- A costing study, which assesses the costs of closing the social protection coverage gaps and the progressive implementation of the different elements of a national SPF in the Sultanate of Oman.

The ILO will further assist tripartite constituents in the development of a strategic plan for the progressive implementation of a national SPF and the setting up of a tripartite SPF advisory board to oversee the implementation of the national SPF. Work on the development of a national SPF will be accompanied by capacity-building workshops for tripartite constituents on the concept of SPFs and ILO Recommendation No. 202.

Outcome 2 will be built upon the following outputs:

Output 2.2.1: SPF studies completed comprising a social protection mapping and gaps assessment; an impact assessment of the current and proposed social protection schemes on poverty and vulnerability; a fiscal space analysis with a view to financing a national SPF in Oman; and a costing study, which assesses the costs of closing social protection coverage gaps.

Output 2.2.2: A national tripartite plus Social Protection Floor advisory committee established by the Government.

Output 2.2.3: A road map for the establishment of a national social protection floor adopted by tripartite stakeholders.

Output 2.2.4: At least two capacity-building workshops conducted for tripartite constituents on the concept of SPFs and ILO Recommendation No. 202.

CP Outcome 2.3: Ratification of ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), submitted to the Council of Ministers

Indicator 2.3.1: The ratification of ILO Social Security (Minimum Standards) Convention, 1952 (No. 102), submitted to the Council of Ministers

Convention No. 102 is the ILO's social security flagship Convention, as it provides for minimum standards for the nine social security contingencies and lays down core social security principles widely agreed among member countries. Thus, ILO member States should consider ratifying the Convention as early as national circumstances allow. Since Sultanate of Oman is not yet a State party to the Convention, the ILO will assist tripartite Omani stakeholders to advance its ratification. In light of this, the ILO will assist stakeholders to understand better the Convention and the requirements for its application through a customised tripartite national workshop. The ILO will further carry out a legal assessment on the current level of compliance with Omani social security legislation, and test against the legal and statistical requirements of Convention No. 102. Based on the results of this legal assessment, the ILO will further develop, with the participation of tripartite stakeholders, a roadmap leading towards ratification of Convention No. 102.

This outcome will be built upon the following outputs:

Output 2.3.1: Legal assessment on the compatibility of Omani social security legislation with Convention No. 102 carried out and adopted by tripartite stakeholders.

Output 2.3.2: Strategy and roadmap towards ratification of Convention No. 102 in light of the existing social security legislation developed and adopted by tripartite stakeholders.

Output 2.3.3: Capacity-building workshop conducted for tripartite constituents on the legal and statistical requirements of Convention No. 102 and its application.

Priority III: Improved labour governance in accordance with international labour standards, with a particular focus on fundamental principles and rights at work

CP Outcome 3.1 (international labour standards): Increased ratification of international labour standards, with a particular focus on the fundamental Conventions, and review of related national legal frameworks

Indicator 3.1.1: Number of ILO standards ratified by the Government of Oman and tripartite partners including at least the Maritime Labour Convention, 2006, and ILO Convention NO. 102

As Oman strives to achieve full and productive employment for its citizens, engage in a process of structural transformation of the economy, and realize social justice for all, the country will need to be guided by international labour standards, with a particular focus on fundamental principles and rights at work. While Oman has already integrated various standards into its national laws and practices, it has so far ratified only four out of the 189 ILO Conventions. The four Conventions are the two Conventions on forced labour (Nos 29 and 105) and the two Conventions on child labour (Nos 138 and 182).

Fundamental Conventions not yet ratified include Conventions Nos 87 and 98 related to freedom of association and collective bargaining, and the two Conventions on non-discrimination, the Equal Remuneration Convention, 1951 (No. 100), and the Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

Additional standards may be considered in light of Oman's national development priorities and the needs of the labour market, with due regard for the national labour-related legal framework. Furthermore, the national labour-related legal framework will be reviewed with respect to relevant international standards, with a view to identifying and assessing needs.

This outcome will be built upon the following outputs:

Output 3.1.1: Strategy and roadmap towards ratification of the remaining fundamental ILO Conventions developed in light of existing labour-related national legislation.

Output 3.1.2: Further ILO Conventions that may be considered for ratification in light of national development priorities, the needs of the labour market, and existing national legal frameworks identified.

Output 3.1.3: Strategy for the ratification of the Maritime Labour Convention, 2006, developed and adopted by tripartite stakeholders.

Output 3.1.4: Strategy for the ratification of ILO Convention No. 102 developed and adopted by tripartite stakeholders.

Output 3.1.5: Labour Law and other labour-related legislation analysed with a view to identifying gaps and needs for adaption and revision, in conformity with international labour standards.

CP Outcome 3.2 (labour governance): Strengthened labour administration, including labour inspection, occupational health and safety (OSH) systems and employment services

Indicator 3.2.1: A smart labour administration system developed and utilized by the local partners to improve labour inspection, OSH systems and employment Services

The following outputs will support this outcome:

Output 3.2.1: The labour inspection system and national OSH profile updated with reform plans developed and implemented accordingly.

Output 3.2.2. Enhanced capacities of labour Inspectors to conduct modern labour inspection procedures and examine OSH, labour relations, collective bargaining, dispute resolutions (with a focus on vulnerable workers), labour migration and human trafficking, with reference to relevant international labour standards.

Output 3.2.3: Improved capacity of the MoM to collect, utilize and report reliable data on labour inspections and OSH.

Output 3.2.4: A smart labour administration system developed.

Output 3.2.5: A mapping of sectors with the highest incidence of work-related accidents undertaken.

Output 3.2.6 A tripartite OSH sectoral committee established and an action plan developed to reduce OSH related accidents, including the introduction of incentives for auto-compliance.

Output 3.2.7: Awareness-raising OSH-related campaigns and tripartite sector-specific training workshops undertaken.

CP Outcome 3.3: Strengthened social dialogue and collective bargaining through securing the representation and voice of social partners and their effective participation in decision-making of socio-economic policies at all levels.

Indicator 3.3.1: Number of sectoral bipartite committees created

Institutional social dialogue and collective bargaining continue to be national priorities in Oman; achieving Decent Work and social stability depend upon these fundamental principles and rights at work.

Social dialogue and collective bargaining are still marked by structural, institutional and legislative challenges. However, Oman, with the support of ILO, has established a number of tripartite committees, mainly the Committee for Social Dialogue, the National Committee for Human Resources, the National Committee for Youth, the Supervisory Committee for the sectoral Omanization committees, the Committee for OSH, the board of directors of PASI and the DWCP committee.

ILO strategy in Oman is to continue supporting its constituents to create an enabling environment for social dialogue and collective bargaining through encouraging the ratification of Conventions Nos 87, 98 and 154, and the adjustment of labour legislation to conform to international labour standards. It also includes building the capacities of social partners to be more representative, develop their organizational structures, and to establish and enhance bipartite dialogue and collective bargaining on a sectoral basis. ILO assistance will focus on the provision of policy papers and helping social partners to actively engage, inform and advocate for socioeconomic change.

Outcome 3 will be built upon the following outputs:

Output 3.3.1: Improved capacity of employers and trade unions to develop socio-economic and labour policies.

Output 3.3.2: Tripartite structures institutionalized and developed and sectoral bipartite committees created in three-selected economic sector, with a view to negotiating sectoral collective agreements.

Output 3.3.3: An assessment study conducted on the current state of collective bargaining and collective agreements, with recommendations for changes required to bring such agreements into line with international labour standards.

Output 3.3.4: Workers and employers organizations assisted to achieve greater application of fundamental principles and rights at work.

Output 3.3.5: Workers and employers organizations provided with the necessary technical assistance for the promotion of collective bargaining.

VI. Management, implementation planning, monitoring, reporting and evaluation arrangements

The Oman DWCP 2018-2020 presents a time-bound results-based framework for a partnership between the ILO and its constituents to advance the socio-economic development and promotion of Decent Work in Oman. This DWCP will be implemented by the ILO and its Omani constituents in close coordination with the DWCP Tripartite Committee (DWCPTC). The DWCPTC will be composed of ILO ROAS management, representatives of the Government of Oman, and social partners. It will oversee and ensure the involvement of constituents in ongoing monitoring of the results of this DWCP. Three main tools will be used for the monitoring and evaluation (M&E) of this DWCP, namely: (1) the implementation plan; (2) the results framework, and (3) the M&E plan.

Building on the recommendations of the DWCP review (DWCP 2014–2016), consultative monitoring of this DWCP will be regular and periodic during the period 2018-2020. This will include reviewing the adequacy of resources for programme implementation, promoting and confirming engagement of social dialogue in achievement of outcomes, as well as considering the available resource mobilization strategies by the ILO and its Omani constituents.

With the support and involvement of its constituents, the ILO will propose quarterly technical meetings for monitoring and knowledge-sharing with constituents directly involved in technical work, and an annual Tripartite Steering Committee (TSC) meeting at which progress under the DWCP can be jointly reviewed with these constituents and any other agreed stakeholders.

The M&E arrangement is consistent with the requirements of the ILO, the Government and its social partners. Emphasis is placed on setting out expected outcomes and indicators of progress. Ongoing monitoring should be against a monitoring plan endorsed, reviewed and adjusted as required by the steering committee. The ILO will prepare an annual report on DWCP progress, which shall be streamlined with the ILO's programme and budget implementation report. Monitoring and evaluation of individual project activities will be undertaken as relevant and in line with the ILO evaluation policy and the DWCP will be subject to annual reviews and an evaluation during its lifetime, in line with ILO Evaluation Office policy. Depending on the timing of the review, it will be used to adjust implementation where needed, and to inform planning and programming of future activities and programmes.

In implementing the DWCP, the ILO will continue its coordination, collaboration and partnership with different stakeholders of this programme.

a. Risks

During the consultative process leading to the finalisation of this DWCP, the Ministry of Manpower emphasized its unwavering commitment to the Decent Work programme and ILO assistance. Continued commitment of the social partners remains as strong as the commitment of the Ministry of Manpower. This condition, which is key to the implementation of the programme, is expected to remain unchanged throughout the life of the DWCP. So, the risk of detrimental change is low.

The risk of not being able to undertake activities under the programme for security related reasons can also be considered low to very low in Oman, the main risk to implementation remains the continued political and financial support from the Government to the programme. In that, any shuffles made by the Sultan to the Minister's post could certainly affect the process. The continuous review and monitoring of programme progress and relevance will serve to mitigate.

b. Funding plan

Although Oman is a high-income country, the country is currently facing fiscal constraints. The financing of the DWCP is therefore a joint concern for the ILO and the Omani constituents

The ILO will contribute via its technical advisory services, while the Government and social partners will bear the cost of activities, such as studies, workshops/seminars and participation in ILO training activities. The specific needs from each side will be jointly defined upon approval of the programme as part of an implementation planning exercise.



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