

## **Statement of Work for Bahrain Labor Market Reform Project**

The project to advise government of the Kingdom of Bahrain (GOB) on labor market reform will be executed under the primary direction and at the instigation of the GOB, supported organizationally and financially by the Department of State's Middle East Partnership Initiative (MEPI) office and USAID, when requested by the GOB.

A Senior Labor Market Economist, selected by the GOB from candidates submitted to GOB by the MEPI office and USAID, will serve as advisor to the GOB and Chief of Party for the project. Key project staff will include a workforce specialist, a competitiveness expert, experts with legislative and policy experience as well as those with programmatic expertise in such areas as: job creation, entrepreneurship, youth employment, unemployment benefits and implementation of active labor market policies. The team will work at the instruction of the GOB in partnership with local researchers, stakeholders and experts, as the GOB deems appropriate.

### **Proposed Project Structure and Timeline**

<i>Description</i>	<i>Time Required</i>	<i>Proposed Timing</i>
1. Initial Trip by Advisor	2 weeks	Weeks 26-27
2. Analytical Phase	8 weeks	Weeks 28-36
3. Present Findings & Recommendations, Outreach	8 weeks	Weeks 37-44
4. Cooperate with GOB to Develop Implementation Plans for Each Component of the Reform Strategy	16 weeks	Weeks 45-08
5. Assist GOB in Implementing Reforms	TBD	TBD
	24 weeks	

#### **1. Initial Trip by Advisor - late June, early July - 2 weeks**

- 1 week planning, 1-week in Bahrain
- Research before trip 3 days
- Inter-Agency meeting in Washington DC with:
  - United States Trade Representative
  - Department of Labor, Office of International Labor Affairs
  - Department of State, (NEA/PI, G/TIP, DRL/IL)
  - US Agency for International Development

- Ambassador of the Kingdom of Bahrain
- In Bahrain: Identify local research partner(s). Participate in goals setting meeting with key government officials and stakeholders:
  - Crown Prince
  - Ministry of Finance & National Economy
  - Department of Immigration and Visas
  - Bahrain Monetary Agency
  - Ministry of Labor and Statistical Agency
  - Federation of Employers and Trade Unions

## **2. Analytical Phase - 1- 2 months**

The amount of time and work required for this phase will depend on the quality of labor market data available and GOB progress to date in identifying opportunities for job creation and expanded trade.

- Team up American and Bahraini analysts
- On-going communication with GOB officials - Advisor is the main contact
- Upon return, advisor meets with other US and US government analysts
- Assume advisor conducts, or oversees, the labor market analysis.
- Concurrent work on:
  - a) Labor market dynamics (wages, working conditions, unemployment among expatriate and domestic workers, women, youth, labor management climate, industrial relations), policy (legislative and regulatory) framework, labor market information and intermediaries. Includes talking to stakeholders in key industries to understand how current rules and regulations affect each differently and to identify current and future needs, priorities, and impacts if, for example minimum wage law was enacted.
  - b) Competitiveness studies building on what the GOB has already done.
  - c) Workforce analysis, including supply and demand for skills, education system relevance and capacity, private providers, and work-based learning.
- Estimate 3-person team 2 weeks in country and 2 weeks in US for write up with recommendations to the GOB for future action including strategy (to be developed cooperatively with the GOB) to reach out to constituencies, build partnerships, and identify budget implications.

- Include discussions and face-to-face meeting with senior advisor if not part of the team

Questions:

- Is original data collection needed or will structured interviews with workers, employers, educators be sufficient?
- How much work has been done in each of these areas already?
- How might local researchers time be involved?
- Can experience/structure of tripartite group, which initiated, and successfully completed the new labor law be used?

### **3. Presentation of Findings and Recommendations, and Outreach - 1-2 months**

- Advisor and team present findings to GOB and modify based on GOB feedback
- Conduct outreach to constituencies and explore opportunities for partnerships, based on a plan developed in cooperation with the GOB
- Fine tune recommendations based on feedback
- GOB invites people from other countries to one or more outreach sessions
- Assume 3-4 person 1-week trip to make presentation and 1 week to make revisions
- Assume return trip to conduct outreach sessions and fine-tune recommendations- 3 weeks including planning

### **4. Cooperate with GOB to Develop Implementation Plans for Each Component of the Reform Strategy - 2-4 months**

- The GOB will play the leading role in both this and the implementation phase. The department of State's MEPI office and USAID will monitor project implementation and provide organizational and financial support, as requested by the government of Bahrain.
- Assume 4-5 major components requiring about 10 days consultation and one trip each
- Intermittent consultation from advisor

### **5. Assist GOB in Implementing Reforms –Level of Effort and Duration to be determined.**

These reforms could include the following:

- Legislative drafting, i.e., unemployment compensation and minimum age legislation;
- Cluster-based development including further competitiveness analyses;
- Educational reforms to improve relevance and responsiveness;

- Reorganizing public and private sector labor market institutions to implement new policies and practices;
- Conducting a public information campaign, under the leadership of the GOB
- Developing systems that link education and training institutions with the private sector; and
- Facilitating public-private partnerships.
- Format to implement and monitor international core labor standards

This assistance could be provided through a combination of resident advisor (s) and periodic visits of non-resident advisors. The advisor would consult with the GOB on an on-going, but intermittent basis.

A certain number of days and travel could be budgeted for this assistance with the understanding that more detailed plans and budgets would have to be constructed once decisions are made on the reforms to be implemented and the kinds of assistance to be provided.