



Expert meeting OECD-UfMS-Ajuntament de Barcelona

Employment, Skills and Entrepreneurship Strategies in the Mediterranean: Pathways for the Future

18th July, 2011, Pedralbes Palace, Barcelona, Spain

The Secretariat of the **Union for the Mediterranean**, the **OECD LEED Programme** and the **City of Barcelona** co-organized an expert meeting in Barcelona focusing on skills for employment and entrepreneurship development in the Mediterranean countries. 60 experts from 15 Mediterranean countries participated, including representatives of Government Ministries, agencies, universities, specialised research centres, business organisations, development agencies, and non-for profit organizations. At the institutional level representatives from Spanish Presidency of Government, City of Barcelona, Generalitat de Catalunya and Diputació de Catalunya participated in the meeting. Information on the event, the final agenda and speakers and the presentations of speakers can be found on the websites created for this event [CONFERENCE BARCELONA 18th July 2011](#) and a photo gallery will be available soon on the website of the UfMS www.ufmsecretariat.org.

The meeting was organised as a dialogue between experts and was opened by Ms **Sonia Recasens** (Deputy Mayor, Barcelona City Council), Mr **Lino Cardarelli** (Senior Deputy Secretary General, UfMS), and Mr **Aart de Geus**, Deputy Secretary General, OECD.

The following issues were discussed:

- Economic growth does not equal socio-economic development in the Mediterranean; population growth in the region has resulted in having one of the youngest populations in the world with youth unemployment being particularly acute. There is a growing labour force but economic growth has not being sufficient to meet job demands;
- There are two types of changes that are needed: (1) 'subjective' changes related to ideas, values, behaviours and the structural approach to the reality and challenges faced by women and youth; and (2) 'objective' changes such as fostering decentralization and flexibility of delivery of labour market policies;
- The case of the Netherlands, the OECD country with the lowest youth unemployment, where 60 per cent of young students 15 years old have a work experience was discussed as an important learning Experience to prepare the youth to the work discipline. Soft-skills and management training are important but technical training is also required to match against real demands of the economy;
- Private sector development needs to be more involved in training schemes;
- Mobility south-south needs to be facilitated especially among entrepreneurs;
- Particular attention should be paid to target groups of high potential but also high risk of exclusion such as women and young people. Mentoring programs from women to women have higher potential to foster women entrepreneurship;
- Design better ways to relate the mediterranean diaspora in terms of financing mechanisms, coaching and management activities in countries of origin;
- Urgent need to develop capacity building mechanisms in Mediterranean countries to improve the implementation of policies, programmes and projects.

From the debate emerged the proposal to create an OECD-UfM permanent platform or forum of exchange of best practices and experience sharing on behalf of the Mediterranean countries on *skills for entrepreneurship, SME, job creation and local development*. Such forum of experts can promote and manage 'Schumpeterian entrepreneurship' with a bottom-up approach from experts and practitioners to promote and apply *actions* that can be implemented in the Mediterranean

countries, adjusted by country representatives to their own conditions. The platform could have its base in Barcelona taking advantage of the Union for the Mediterranean Secretariat and with the support of the City Council.

Closing remarks by Mr **Sergio Arzeni**, Director OECD Centre for Entrepreneurship, SME and Local Development, Mr **Senen Florensa** (Cataluña Government) and Mr **Lino Cardarelli** discussed the challenges ahead and encouraged experts and country representatives to 'take action now' with the ideas generated at the meeting as well as taking the challenge to develop the proposal for a platform/forum of experts to continue the discussions and strategic recommendations for action at a future meeting.

Mr **Javier Albarracín**, Director of Socioeconomic Development, Instituto Europeo del Mediterraneo (IEMed) acted as a 'rapporteur' for the meeting. The following points expand the discussions and key points of the meeting:

Recent events have shown that economic growth does not necessary mean or translate into socioeconomic development. Not even automatically generate jobs in the economies of high growth rates. We are facing a double change of economic paradigm in the Mediterranean regarding what is produced, how it is produced, by whom it is produced and where it is produced. This regional reality is being reshaped by two main factors:

- *Redefinition of globalization*: some productions are being redeployed in the Mediterranean region from the Chinese market due to lower cost comparisons, flexibility of production and accessibility to relevant consuming markets such as Europe or the GCC;
- *Changes in certain Mediterranean regimes* that might imply, in the mid-term, the restoration of confidence in the new regimes through; (1) Change of mentality of the new ruling government in relation to the private sector, the SME approach, the public-private partnership; and (2) Changes in corruption and good governance.

The different participants expressed the urgent need to implement programs and projects that could develop two kinds of fundamental changes: 'subjective' ones related to values and behaviours and 'objective' ones, in terms of political and administration structures.

Needed subjective changes

This applies to the definition and implementation of policies that can change people's mentality regarding a positive behaviour to entrepreneurship. This behaviour towards business risk depends on both, funds and skill resources provided by the system, but also depend on the predominant cultural values. The objective is to encourage people to become '*job creators*' instead of '*job seekers*'.

Policies to change mentalities regarding the role of women in these societies are also needed. Ambitious changes have to be defined in this sense because this can be one of the main vectors of socioeconomic development in the Mediterranean economies. In order to *normalise the role of women* in society changes have to be applied in all spheres of a complex society: the schools, the business environments, the public administrations, and even the Diasporas.

Needed objective changes

Regarding more objective reforms applied to the structures of the systems established in the Mediterranean economies the following were highlighted:

1. *Decentralization of delivery, implementation and management of policies and programmes towards unemployment and job creation*. In some cases where this approach has been established (such as in Denmark) the results have shown that the nearer the competence to the unemployed, the more efficient the result, based on the subsidiarity principle. If applied, this principle should cover equally the whole territoriality of the country to avoid comparative grievances of asymmetric territorial development among different areas of a country (as happens today between the capitals and the rural areas or the coastlines versus the interior lands). Here was presented the concrete successful policy implemented by a European state (Denmark): the Government made training obligatory for unemployed citizens if they wanted to enjoy the social benefits of the welfare state;
2. *Focus on education as the key factor to create and/or obtain jobs*. Reinforcement, adaptation and more resources should be given integrally to all the education system, from the primary school to the high education and the vocational and technical training. Long life learning should also be encouraged to allow people to recycle and update

their knowledge. In this regard, especial importance was given to the responsibility of the main political and economic actors of a country to define realistically an education system that matches education with the real demands of the productive reality of the national economy. The promotion of soft skills was also mentioned as a relevant factor that facilitates the integration in the labour market.

3. *Incorporate more the private sector actors* in this process. In order to develop efficient and practical education systems the representatives of the private sector should be involved in the definition of the contents of the trainings, the financing of the education schemed (especially in today's difficult times for the state to finance it), and the promotion of internships and stages in businesses.
4. Encourage entrepreneurship, promote job creation and upgrade quality of education through the following actions:
 - Reinforce national, regional and international *mobility policies* for students, researchers, businessmen and women in order to exchange knowledge, skills and best practises in each field;
 - Promote *mentorship and coaching* of businessmen and women as to be able to transfer successful experiences to younger entrepreneurs. It would be very useful to establish such programs at national and international levels;
 - Define and implement *cluster policies* to develop economies of scale and generate synergies among complementary companies at a national and international level;
 - Establish and reinforce policies and resources to promote the *internationalization of micro, small and medium enterprises* of the Mediterranean economies;
 - The *financial and intellectual involvement of the Diasporas* in their economies and societies of origin can increasingly become a determining factor in some of the topics defined above (mentoring, coaching, internationalization of SMEs). The possibility of better canalize the remittances into the countries of origin so they can have a multiplying effect through investment rather than pure consume should also be analysed. The involvement of the Diasporas is a trend that could be reinforced in the context of the changes occurring in the Mediterranean, especially in those countries with relevant Diasporas abroad, in Europe, USA or the Gulf economies.

It was commonly agreed that all the policies and programs discussed should increase awareness and improve cooperation among all the actors and decision makers involved, both at a national, regional and local levels. In this sense, it was suggested by several institutions and experts that a permanent platform/forum of *skills for entrepreneurship, SME, job creation and local development* with the aim of making cooperation, awareness and implementation of actions more efficient could be developed within the framework of the partnership between the OECD - Union for the Mediterranean Secretariat in Barcelona with the support of the City Council. This platform/forum could put together the best practices implemented in the Mediterranean and other OECD countries, at national, regional and local levels, so all the actors concerned, public and private, could work together to share and produce knowledge about experiences and best implementation pathways for actions in a more effective and permanent bases.

ANNEX I: AGENDA

LOCAL EMPLOYMENT, SKILLS AND ENTREPRENEURSHIP STRATEGIES IN THE MEDITERRANEAN: DEVELOPING PATHWAYS FOR THE FUTURE

Palau de Pedralbes, Barcelona, Spain

18 July 2011, 9.30 – 18.00

AGENDA

The Union for the Mediterranean (UfM), and the OECD Local Economic and Employment Development (LEED) Programme, in collaboration with the City of Barcelona, are co-organizing an expert meeting to discuss pathways for employment and skills strategies in the Mediterranean region. The expert meeting aims to bring together Ministries of Labour, Ministries of Education and local practitioners to discuss skills development and its link to local job creation, SMEs development, entrepreneurship and sustainable growth. Countries in the region will have the opportunity to join forces to discuss skills availability, skills upgrading, skills mismatch, skills for new areas of employment growth and the integration of skills and employment plans for solid local employment strategies and SMEs growth. The meeting will discuss operational pathways to address the large youth unemployment as well as skills development for women integration in local labour markets.

Monday, 18th July 2011

9.00 – 9.30

Registration

9.30 – 9.50

Opening and welcome

Sonia Recasens, Deputy Mayor of Economy, Enterprise and Employment, Barcelona City Council

Lino Cardarelli, Senior Deputy Secretary General, UfMS

Aart de Geus, Deputy Secretary General, OECD

9.50 – 11.40

THEME 1:

THE 3 'ES' FOR FOSTERING LOCAL JOBS FOR YOUTH: EDUCATION, EMPLOYMENT, ENTREPRENEURSHIP

Chair: *Sergio Arzeni*, Director OECD/CFE

As countries around the world emerge from the financial crisis with slow employment recovery, Mediterranean countries such as Turkey, Egypt, Tunisia, Morocco, Jordan, Lebanon, Israel, Palestine, and Algeria are mobilizing efforts to address high youth unemployment and foster job creation. How can Education, Employment and Entrepreneurship be combined and fostered for integration of young people in the labour market? Is there enough autonomy and capacity in the education and training sector? *What examples of initiatives exist in the Mediterranean and OECD countries?*

Panel discussion

Skills, Employment and Entrepreneurship Strategies for the Mediterranean Region

Cristina Martinez-Fernandez, OECD/CFE/LEED

Youth Migration Intentions after January 25

Reham Hussain, International Organization for Migration (IOM), Regional Office for the Middle East - Egypt

The Danish experience of integrating youth in the labour market

Jan Hendeliowitz, Director, Employment Region Greater Copenhagen & Zealand, The Danish National Labour Market Authority and Chair of the OECD LEED Committee

Barcelona Employment Strategy for Young People

Lorena Ventura, Director of Employment, Barcelona Activa

City of Sfax (Tunisia): Youth Employment Strategy

Mohamed Nejib Abdelmoula, City Mayor

The Social Economy in the Mediterranean: impact on job creation for young people

Carlos Lozano, Coordinator, Euro-mediterranean Network of Social Economy (ESMED) / Spanish Business Confederation of Social Economy (CEPES)

Lead-off Discussant: *Martin Forst*, Head of Division, GOV/GRP OECD MENA Program

Open floor discussion

11.40 - 12.00

Coffee break

12.00 - 13.30

THEME 2**INNOVATIVE APPROACHES TO FOSTER ENTREPRENEURSHIP and SMEs**Chair: **Fernando de la Fuente**, UfMS, Chair

The Mediterranean region is rich in entrepreneurs and small firm formation. Innovative approaches to skills and talent development can foster a high-growth business environment with higher potential for job creation particularly in SMEs. How can entrepreneurship skills policies best contribute to sustainable employment creation? In which areas of business growth? *What experiences exist for fostering entrepreneurship in the Mediterranean?*

Panel discussion**Preparing Mediterranean Entrepreneurs***Joseph Mifsud*, Professor, President of University EMUNI*Dominique Chesneau*, Professor, Euro-Mediterranean Institute of Risk Science (IEMSR)*Tatiana Krylova*, Head of Division Investment & Business UNCTAD (Empretec Programme)**Entrepreneurship Development in SMEs in Turkey***Ayşegül Çelik*, KOSGEB, Turkey**Fostering Youth Entrepreneurship***Rashad Bibars*, Senior Director, BDC Business Development Centre, Jordan,**Lead-off Discussant:** *Michele Dau*, Deputy Secretary General, CNEL; Vice-chair, LEED Directing Committee and Chairman of the OECD Trento Centre**Open floor discussion**

13.30 - 14.30

Lunch

14.30 - 16.00

THEME 3**SKILLS DEVELOPMENT TO EMPOWER MEDITERRANEAN WOMEN**Chair: **Helena de Felipe Lehtonen**, President, AFAEMME (Association of Organizations of Mediterranean Businesswomen)

Integrating women in the labour market and empowering them to reach their full potential through entrepreneurship will bring significant talent and innovation to business activity in the Mediterranean region. Skills programs and initiatives from the region can be contrasted with those from OECD countries. In what areas are women's business talents concentrated? What are the barriers for skills development participation? What are the challenges for career development and entrepreneurship? *What experiences and best practices exist from Mediterranean countries?*

Panel discussion*Outi Kärkinen*, Southern and Eastern Mediterranean Unit, Geographical Operations Department of the European Training Foundation (ETF)*Cecilia Attard-Pirotta*, Deputy Secretary General, Secretariat of the Union for the Mediterranean (UfMS)*Soraya Badraoui*, Président, Association Femmes Chefs d'Entreprises Morocco (AFEM):*Hilda Awwad*, President, Ramallah Club Business and Professional Women (BPW)*Reem Barghouty*, President, Jordan Forum for Business and Professional Women (JFBPW)**Open floor discussion**

16.00 -16.30

Coffee break

16.30 - 17.40

THEME 4**FROM THEORY TO PRACTICE: TOOLS FOR DEVELOPING EMPLOYMENT and JOB-RICH ENTREPRENEURSHIP IN THE MEDITERRANEAN****Chair:** *Aart de Geus*, Deputy Secretary General, OECD

The design of skills and employment strategies and programmes should respond to local conditions and challenges, and should involve a wide range of stakeholders from both the public and private sectors to optimize the relevance and impact of such strategies. How can we forge better partnerships for skills for employment and entrepreneurship with such stakeholders? What are the obstacles to a joined-up approach? How can investments and talent from the Mediterranean Diaspora be better utilized? What are the key proposals and ideas discussed today? *What operational pathways can be proposed?*

Panel discussion*Samir Abdelkrim*, ANIMA Investment Network, Marseille*Jan Hendeliowitz*, Director, Employment Region Greater Copenhagen & Zealand, The Danish National Labour Market Authority and Chair of the OECD LEED Committee*Rym Ayadi*, Head, Financial Institutions, Mediterranean Prospects, Center for European Policy Studies (CEPS)**Barcelona strategy to foster Entrepreneurship and Business growth***Anna Molero*, Managing Director, Barcelona Activa*Javier Albarracin*, Institut Europeu de la Mediterrània [Meeting Rapporteur: key ideas for the way forward]

Discussion among experts of options, programmes, initiatives and best practices discussed at meeting and how they can help with the way forward. Discussion of operative pathways for fostering skills, employment, and entrepreneurship and partnership models for implementation in the Mediterranean region.

Open floor discussion

17.40 - 18.00

Concluding points*Sergio Arzeni*, Director OECD/CFE*Senen Florensa*, External Relations Secretary, Government of Catalonia*Lino Cardarelli*, Senior Deputy Secretary General UfMS

ANNEX II: ABOUT THE PARTNERS

About the Secretariat of the Union for the Mediterranean

The Secretariat of the Union for the Mediterranean was created by the 43 Euro-Mediterranean Heads of State and Government in Paris on 13 July 2008. Foreign Affairs Ministers in their meeting in Marseille on 4 November 2008 decided that the headquarters of the Secretariat would be in Barcelona. The Statutes of the Secretariat were adopted on the 3 March 2010 by the Senior Officials of the Member States of the UfM. A headquarters agreement was concluded between the UfMS and the Government of Spain on 4 May 2010, granting the Secretariat the privileges and immunities of an international organization under the Spanish law.

The Union for the Mediterranean is a multilateral partnership with a view to increasing the potential for regional integration and cohesion among Euro-Mediterranean partners. The Union for the Mediterranean is inspired by the shared political will to revitalize efforts to transform the Mediterranean into an area of peace, democracy, cooperation and prosperity. The creation of a joint secretariat is a key stone in this partnership. The Secretariat will contribute to reinforcing co ownership of new Mediterranean relations and achieving visibility through economic projects. For more information on the UfMS, please visit www.ufmsecretariat.org.

About the OECD

The Organisation for Economic Co-operation and Development (OECD) is a unique forum where the governments of 34 market democracies work together to address the economic, social and governance challenges of globalisation as well as to exploit its opportunities. The OECD's way of working consists of a highly effective process that begins with data collection and analysis and moves on to collective discussion of policy, then decision-making and implementation. Mutual examination by governments, multilateral surveillance and peer pressure to conform or reform are at the heart of OECD effectiveness.

Much of the material collected and analysed at the OECD is published on paper or online; from press releases and regular compilations of data and projections to one-time publications or monographs on particular issues; from economic surveys of each member country to regular reviews of education systems, science and technology policies or environmental performance. For more information on the OECD, please visit www.oecd.org/about.

About LEED

The OECD Programme on Local Economic and Employment Development (LEED) has advised government and communities since 1982 on how to respond to economic change and tackle complex problems in a fast-changing world. It draws on a comparative analysis of experience from some 50 countries in the Americas, Asia, Australasia and Europe in fostering economic growth, employment and inclusion. For more information on the LEED Programme, please visit www.oecd.org/cfe/leed.

About Ajuntament de Bracelona, Barcelona Activa

Barcelona Activa is Barcelona City Council's local development agency being part of the Economy, Enterprise and Employment Department of the City Council. Its mission is to support the city's transformation into a hub for entrepreneurship, business growth, innovation, professional opportunities and quality of employment.

It designs and implements initiatives to achieve its mission as part of the municipal activities. Through its activities, the agency aims to **contribute to the city's progress and change its economic model** towards one of growth with high levels of competitiveness and productivity through higher value-added activities, while working to tackle the economic crisis, reactivate economic activity and support employment.

Having been successfully operating for 24 years and viewed as a strategic pioneer in Spain, Barcelona Activa is a **leading national and international agency** that designs and implements innovative policies to support local enterprise and job-creation, becoming member of the OECD Leed Programme since 1986 and being **recognised by the highest level institutions** including the European Commission, United Nations Habitat Programme, European network of cities Eurocities, the European network of business incubation EBN, and the World Bank.

Its programmes and methodologies to promote employment, business creation, growth and innovation have also been transferred to other parts of the world: Cape Town, Monterrey, Santiago de Chile, Buenos Aires, Bogota, Medellin, Quito,

Sarajevo, Brazil, as well as cities in Europe and Spain such as Bilbao, Mataró and San Sebastian, among others.

2010 was characterised by an **unprecedented strengthening of programmes to support employment and the business community**. These included the occupational training programme (with **over 6900 people trained** and career guidance programmes (**more than 15,000 unemployed people assisted**)). The impact of these employment-related activities is worth highlighting in the context of the current job market, with 60% of participants getting into work. By strengthening the assistance provided to entrepreneurs, **some 2500 new business projects** were supported. Of these, it is estimated that **1700 new companies** were set up and **more than 3200 new jobs** created.

For more information on Barcelona Activa, please visit www.barcelonactiva.cat.