



# **BACKGROUND NOTE**

## **Mapping of business organisations in the MENA region**





## **Mapping of employers' organisations in the MENA region**

### **LAUNCH OF THE MENA-OECD BUSINESS ADVISORY BOARD (BAB)**

**Madrid, September 20-21, 2018**

This background note has been prepared for the launch event of the MENA-OECD Business Advisory Board (BAB), organised in Madrid on September 20-21, 2018. The BAB is a new platform of the MENA-OECD Competitiveness Programme that aims to promote public private dialogue in the MENA region as a means to foster better policies for inclusive and sustainable growth. The Spanish Confederation of Employers' Organizations (CEOE) and the Tunisian Confederation of Industry, Trade and Handicrafts (UTICA) co-chair this initiative.

The background note presents a comparative analysis of employers' organisations in different countries from the MENA region. Section I analyses the main trends and presents an overall classification of the different models of organisation observed in the region. Section II presents a mapping of employers' organisations in Algeria, Egypt, Jordan, Iraq, Lebanon, Morocco, the Palestinian Authority and Tunisia.

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<b>Acronyms and abbreviations.....</b>	<b>5</b>
<b>1. How is the private sector organised in the MENA region? .....</b>	<b>7</b>
<b>2. Mapping of employers' organisations in selected MENA countries .....</b>	<b>11</b>
Algeria .....	11
Egypt.....	13
Iraq.....	14
Jordan.....	16
Lebanon .....	18
Morocco.....	19
Palestinian Authority .....	22
Tunisia .....	23

## Acronyms and abbreviations

AFAEMME	Association of Organisations of Mediterranean Businesswomen
AFEM	Association des Femmes Chefs d'Entreprise du Maroc
ALI	Association of Lebanese Industrialists
AMAPPE	Association Marocaine d'Appui à la Promotion de la Petite Entreprise
CARE	Cercle d'action et de réflexion autour de l'entreprise
CCI	Chambers of Commerce and Industry (CCI)
CCIA	Chambers of Commerce, Industry and Agriculture
CCI-FED	Federation of Chambers of Commerce, Industry and Agriculture
CCIT	Chamber of Commerce and Industry of Tunis
CGEM	Confédération Générale des Entreprises du Maroc
CONECT	Confédération des Entreprises Citoyennes de Tunisie
CPA	Coordination Patronale Algérienne
CSO	Civil Society Organisation
EBA	Egyptian Businessmen's Association
FAB	Federation of Arab Businessmen
FCE	Forum des Chefs d'Entreprises
FCMCIS	Fédération des Chambres Marocaines de Commerce, d'Industrie et de Services
FDI	Foreign Direct Investments
FEDCOC	Federation of Egyptian Chambers of Commerce
FEI	Federation of Egyptian Industries
FICC	Federation of Iraqi Chambers of Commerce
FPCCIA	Federation of Palestinian Chambers of Commerce, Industry and Agriculture
GCC	Gulf Cooperation Council
IACE	Institut Arabe des Chefs d'Entreprises
IFI	Iraqi Federation of Industries
IOE	International Organisation of Employers
IUB	The International Union of Businessmen
JA	Junior Achievement
JBA	Jordanian Businessmen Association
JCC	Jordan Chamber of commerce
JCI	Jordan Chamber of Industry
LEF	Lebanese Economic Forum
MEDEF	Mouvement des entreprises de France
MENA	Middle East and North Africa
SMEs	Micro, Small and Medium Enterprises
NGO	Non-Governmental Organisation
PA	Palestinian Authorities

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PBA	Palestinian Businessmen Association
PFI	The Palestinian Federation of Industries
PPD	Public Private Dialogues
PSCC	Private Sector Coordinating Council
RDCL	Lebanese Businessmen Association
SEVE	L'association des Femmes Algériennes Chefs d'Entreprises
SME	Small and Medium Enterprises
SOE	State-Owned Enterprise
UGTA	Union Générale des Travailleurs Algériens
UGTT	Union Générale des Travailleurs Tunisiens
UNEP	Union Nationale des Entrepreneurs Publics
UTICA	Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat

## 1. How is the private sector organised in the MENA region?

The creation and development of business organisations in the Middle East and North Africa (MENA) region followed international trends, with the emergence of two broad types. On one hand, employers' organisations were consolidated to defend the views of businesses in the context of labour relations and collective bargaining –as counterpart to trade unions, which represented the views of employees. On the other, chambers of commerce often developed as public institutions with the mandate of advancing the interests of the business community.

Three distinct models can be observed in the MENA region taking into account the dominant type of organisation, the structure of the economy, and the development path of each country (Table 1). They include: 1) a model dominated by private employers' organisations; 2) a model dominated by public chambers or trade associations; and 3) a mixed model of private employers' organisations and public chambers or trade associations.

Table 1: Classification of employers' organisations in the MENA region

	Model dominated by private employers' organisations	Mixed model of private employers' organisations and public chambers	Model dominated by public chambers / trade associations
Countries	Morocco, Tunisia, Lebanon	Jordan, Egypt, Algeria, the PA, Libya and Iraq	GCC countries
Economic development path	Non-oil exporting countries No or limited socialist experience	Late liberalisation of the economy Countries with long socialist experiences / conflicts	Oil-exporting countries Strong role of the state in the economy
Collective bargaining	Countries with a tradition of collective bargaining	Some collective bargaining	No collective bargaining
Public Private Dialogue	More structured Public Private Dialogue platforms	Dual participation of public chambers and private employers' organisations in Public private dialogues	Strong connections with governments and direct involvement in Public Private Dialogue

Many social, historical, economic and political factors influenced the emergence and development of the private sector and collective bargaining in the MENA region and consequently the model of employers' organisations in the region. Restrictions to freedom of expression and organisation in some countries limited the development of coherent social groups to voice their demands to the government, including the representation of the private sector.

Chambers of commerce existed in the MENA region since the 19<sup>th</sup> century. They were created under the Ottoman Empire and colonial powers in a number of cities that were important centres of trade such as Algiers, Casablanca, Beirut and Jerusalem, to provide representation for traders. Some of these institutions played an important role in the development and representation of the private sector during the 20<sup>th</sup> century and continue to play influential roles today.

The different collective bargaining models adopted by MENA countries was strongly influenced by colonial history. French-influenced countries developed a social model based on broad institutionalized

representation of employees and employers in order to manage labour relationships and social policies. The existence of powerful trade unions in these countries was mirrored by the development of strong employers' organisations. For instance, Tunisia saw the emergence of two powerful organisations during the French protectorate: a trade union (UGTT) established in 1946 and an employers' organisations (UTICA) founded in 1947. On the other hand, British-influenced countries did not develop a culture of collective bargaining, as individualistic approaches were the norm. Trade unions were limited in these countries and even unlawful in the majority of the Gulf countries.

Industrial chambers were also developed after the decolonization process and the adoption of industrial substitution policies. After their independence, several MENA countries including Algeria, Egypt, Libya or Iraq adopted socialist economic models. Until the late 70s or 80s, these economies were characterized by a high level of state dirigisme, predominance of industrial state-owned enterprises and a smaller private sector. Companies were mainly represented through public industrial chambers that continued to play an important role representing the industrial sector after the liberalisation of the economy in these countries.

Oil resources also played a significant role in determining the development of employers' organisations. In many oil-rich countries, particularly in the Gulf Cooperation Council (GCC) countries,<sup>1</sup> governments drove economic policy-making through state-owned enterprises and public sector employment. The private sector remained smaller, state-dependent and structurally isolated. Despite the recent development of a national private sector, it continues to have a limited contribution in the economy. Some oil-rich countries were severely hit by conflicts or economic sanctions, such as Libya, Iraq's conflicts during the past decade, or Algeria's civil war. These countries adopted economic liberalisation reforms to foster their economic recovery.

On the other hand, governments in non-oil exporting countries in the MENA region initiated economic reform and liberalization programs in the 70s and 80s. To promote an increased role for the private sector in the economy, they encouraged a more comprehensive representation of employers and involvement in policymaking. For instance, the Jordanian government supported the foundation of the Jordanian Businessmen Association (JBA) in 1985.

### **Key characteristics of employers' organisations and chambers of commerce in the MENA region**

Trade organisations and chambers exist in all MENA countries. In some countries, chambers of commerce manage the national business registration, and therefore affiliation is compulsory. Their resources often originate from government budgets and few chambers collect membership or service fees. Most chambers also have a territorial organisation that are sometimes combined with sectoral or policy-based committees. Their importance varies significantly: they are the sole representative of the private sector in the Gulf countries but play a much smaller role in Tunisia. Despite being public entities, some chambers developed a high level of independence from the state. Finally, several countries, notably in the Gulf region, established a federation of chambers to represent the regional chambers at the national level.

Private employers' organisations exist primarily in non-oil exporting countries, especially in the Maghreb (except for Libya), where social dialogue has been addressed more prominently. Trade unions in these countries enjoyed a degree of independence that enabled them to play a key role in gaining independence and, after that, in building state institutions and formulating labour legislation. Algeria, Morocco and Tunisia were strongly influenced by the French system of social dialogue and adopted laws that guarantee

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<sup>1</sup> The GCC countries are: Bahrein, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates

the right to organise, to strike and to negotiate. As a result, private employers' organisations – particularly in Morocco and Tunisia – have been particularly developed and active.

Employers organisations in Morocco and Tunisia tend to play a more important role in economic policymaking and are often integrated in formal Public Private Dialogue mechanisms and in public economic institutions. For instance, in Tunisia, the *Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat* (UTICA), played a critical role in the recent economic, political and social transition, for which it received Nobel Prize award in 2015. The CGEM is also highly influential in economic policymaking, representing the private sector in the House of Councillors (upper house of parliament of Morocco) and sits on the board of key socio-economic institutions including government agencies, state-owned enterprises and universities.

The Tunisian UTICA and Moroccan CGEM are confederations or leagues of associations. They are often organised by sectors and by crosscutting issues such as women, youth, corporate governance, sustainable development, innovation, education, ecology. They also adopted a territorial organisation that follows the administrative and political territorial division. For example, UTICA has 24 bureaus: one in each *Wilaya* (governorate). Over time, their structures became more complex and sophisticated. For instance, in 2017, CGEM established a think tank: the *Fondation CGEM pour l'Entreprise*, whereas UTICA works closely with a leading think-tank, the *Institut Arabe des Chefs d'Entreprises* (IACE).

Strong platforms for Public-Private Dialogue have also been created in Morocco and Tunisia. In 2010, the *Comité National de l'Environnement des Affaires* (CNEA) was established in Morocco to develop a public-private agenda aiming to improve the business climate and address priority issues hindering private sector development. The CNEA includes private sector representatives –the *Confédération Générale des Entreprises du Maroc* (CGEM) and *Fédération des Chambres Marocaines de Commerce, d'Industrie et de Services* (FCMCIS) – and key professional organisations, notably from the banking sector. Since its creation in 2009, the CNEA has contributed to significant improvements of the business climate in Morocco, as reflected in the *Doing Business* and the Global Competitiveness Index rankings. In 2014, building on the strong process of multipartite political and economic exchange of ideas, Tunisia launched the National Business Agenda (NBA) to create a public-private dialogue platform to advance business climate reforms. The NBA includes the government, the Tunisian Union of Industry, Commerce and Crafts (UTICA), the Tunisian Union of Agriculture and Fisheries (UTAP) and the Arab Institute of Business Leaders (IACE).

In other non-Gulf countries, such as Algeria or Libya, private employers' organisations are more recent – mostly created in the 80s and the 90s. They tend to have smaller memberships and less complex structures. These organisations play nonetheless an increasingly important economic policy making role and are often involved with the public chambers in public private dialogue.

The employers' organisation landscape in the MENA countries is also completed with more specialised organisations. Some countries in the region have SME-dedicated organisations, and most witnessed the development of active women and youth and entrepreneurship organisations. Other influential actors are interest groups organised by professions –for example the banking association in Lebanon– and important think-tanks such as the IACE in Tunisia, that actively participate in Public Private Dialogue initiatives.

Finally, regional and international organisations have been created to bring together business organisations beyond national borders (Box 2). Some of these organisations aim to represent the private sector as a whole, such as the International Organisation of Employers (IOE) or the Union of Mediterranean Confederations of Enterprises (BUSINESSMED). Others focus on specific sectors or topics, such as the Association of Organisations of Mediterranean Businesswomen (AFAEMME). The

members of these organisations are usually employers' organisations, chambers of commerce or other business associations.

### **Box. 2 Key global and regional employers' organisations**

#### *International organisations*

**The International Organisation of Employers (IOE)** was created in 1920 and is based in Geneva, Switzerland. It is the largest network of the private sector in the world, with more than 150 business and employer organisation members. IOE participates in social and labour policy debates taking place in the International Labour Organization (ILO), across the United Nations (UN) and multilateral system, and in the G20.

**International Federation of Business and Professional Women (BPW International)** was founded in 1930 in the United States of America. BPW International develops the professional, leadership, and business potential of women on all levels through advocacy, mentoring, networking, skills building and economic empowerment programs around the world. It has become one of the most influential international networks of business women with affiliates in 95 countries.

#### *Mediterranean organisations*

**The Union of Mediterranean Confederations of Enterprises (BUSINESSMED)** was founded in 2002 and is based in Tunis, Tunisia. It voices the interest of 22 confederations of enterprises around the Southern and Northern Mediterranean Countries.

**Association of the Mediterranean Chambers of Commerce and Industry (ASCAME)** was founded in 1982 and based in Barcelona, Spain. ASCAME is a non-profit international organisation that represents more than 300 Chambers of Commerce and Industry of both shores of the region.

**Association of Organizations of Mediterranean Business Women (AFAEMME)** was created in 1992 and is based in Barcelona, Spain. AFAEMME is composed by a 23 associations across the Mediterranean. AFAEMME is a Platform of international projects financed by international institutions, like the European Commission.

#### *Arab organisations*

**The Federation of Arab Businessmen (FAB)** is a non-governmental non-profit independent Arab association founded in 1997 and headquartered in Amman, Jordan. It includes in its membership 18 associations, societies, institutions and businessmen federations from 14 Arab countries.

**General Union of Chambers of Commerce, Industry & Agriculture of the Arab Countries (The Union of Arab Chambers)** was founded in 1951 and is based in Beirut, Lebanon. It is a non-governmental organisation, representative of the entire Arab chambers of commerce that serves its interests in all economic, commercial, and service sectors. The Union of Arab Chambers supports businesses by organising local and abroad events and conferences and providing up-to date information about the economic situation in the Arab region.

## 2. Mapping of employers' organisations in selected MENA countries

This section outlines the main characteristics of employers' organisations in 8 selected economies, namely: Algeria, Egypt, Jordan, Iraq, Lebanon, Morocco, the Palestinian Authority and Tunisia. For each country, this section provides a brief background with key historical, economic and political factors influencing the representation of employers and presents succinctly key organisations and influential interest groups.<sup>2</sup>

### Algeria

The development of the private sector and employers' organisations in Algeria was influenced by the late liberalisation of the economy in the 1990s. Several factors initially hindered the development of the private sector including the civil war (1991-2002), the enduring reliance on the oil and gas sector,<sup>3</sup> restrictions to foreign investments, a large informal sector, and a heavy bureaucracy. As a result, the private sector's contribution to the economy was marginal until the late 80s.

In 1989, the country adopted a new constitution and the government initiated a vast program of liberalisation at the political, social and economic levels. This move allowed for the establishment of political parties and civil society organisations including employers' organisations. During the following decade, the government initiated vast reforms aiming at accelerating the development of the private sector. These efforts have started showing some positive results: from a marginal private sector in 1988, Algeria accounted in 2016 more than 800,000 private companies.

#### *Private employers' organisations*

The first private employers' organisation, the CGEA (*Confédération Générale des Entrepreneurs et Opérateurs Algériens*),<sup>4</sup> was established in 1989 and was followed by several other organisations in the 90s including the *Confédération Nationale du Patronat Algérien* (CNPA), the *Confédération Algérienne du Patronat* (CAP), the *Union Générale des Entrepreneurs Algériens* (AGEA), the *Confédération des Industriels et Producteurs Algériens* (CIPA), and the *Forum des Chefs d'Entreprises* (FCE) in 2000. A public employers' organisation, the *Union Nationale des Entrepreneurs Publics* (UNEP), was established

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<sup>2</sup> The selection of employers' organisations was based on the following criterion: membership, as a proxy of their level of representativity; scope of mandates of the organisation (cross-sectoral vs. narrow mandates) and involvement in policy areas such as gender, youth, SMEs, public private partnerships or other; level of involvement in public private dialogue in the country; and membership in global (International Organisation of Employers) and regional (Federation of Arab Businessmen, BUSINESSMED, Anima, etc.) employers' organisations.

This section also focuses on organisations that are national (in contrast to provincial or regional) and formally independent, i.e. that are not subordinate members (affiliates) of other employers' organisations in the country. Organisations representing public sector are not covered by this study. This study is based on desk research and public information. It could be complemented with interviews with private sector representatives and key stakeholders in each country, including trade unions associations and government representatives.

<sup>3</sup> In 2001, oil and gas, contributed to 97 per cent of total exports, and provided almost two-thirds of government income and over a third of GDP (IMF).

<sup>4</sup> The CGEA represents Algeria in the IOE.

in 1990 reflecting the importance of SOEs in the economy.<sup>5</sup> Concurrently, the main trade union, the General Union of Algerian Workers (UGTA) –previously under the ruling party under a single-party socialist government– grew increasingly independent and collective bargaining was resumed under the law passed in 1990.<sup>6</sup>

Algeria is characterised by a highly fragmented landscape of business organisations. For instance, recent PPD initiatives involved the government, the UGTA and 6-7 business organisations. In comparison with other countries in the region, it is characterised by a low participation in employers’ organisations. The combined membership of the six main employers’ organisations is estimated around 20,000. In comparison, UTICA in Tunisia has 150,000 and CGEM in Morocco has 88,000 members. However, recent reforms promoting private sector development are reinforcing their role and participation in PPD and some organisations are very dynamic and increasing their membership rapidly –notably the FCE. In addition, there seems to be some initiatives to coordinate the efforts of the different employers’ organisation notably through the *Coordination Patronale Algérienne* (CPA), launched in 2013.<sup>7</sup>

#### *Public employers’ organisations*

Employers are also represented through the Chambers of Commerce and Industry (CCI). There is a long tradition of CCIs in Algeria, for instance the Chamber of Commerce of Algiers was founded in the 19<sup>th</sup> century. There are 48 regional CCIs, one per governorate (“Wilayate”), that are represented at the national level by the *Chambre Algérienne de Commerce et d’Industrie* (CACI). The CCIs in Algeria are autonomous public entities where membership is voluntary. They offer various types of services including certification, training, seminars and coordination with the public authorities and with other employers’ organisations to defend the interests of their members. However, the contribution of the CCI to the development of the private sector remains below the objectives set-up by the government<sup>8</sup> notably in terms of supporting Algerian SMEs and their internationalisation efforts. Algeria also has a number of bilateral chambers that support bilateral trade with key partners including France, Germany, Italy, Spain and the USA.

#### *Other employers’ organisations*

In Algeria, there are also many organisations supporting youth and women entrepreneurship and participation in the development of the private sector. Key women’s associations include: *L’Association des Femmes Algériennes Chefs d’Entreprises* (SEVE) and the *Association Algérienne des Femmes Managers et Entrepreneurs* (AME), are both members of AFAEMME. SEVE participates actively in tripartite dialogues alongside the six generalist employers’ organisations and is part of the coordination mechanism (CPA). Key youth organisations include INJAZ EIDjazair<sup>9</sup> and JIL’FCE – a dedicated youth organisation of the FCE. In addition, several employers’ organisations established committees dedicated to women in business, entrepreneurship and youth.

<sup>5</sup> About two-thirds of the Algerian economy is comprised of state-owned enterprises (SOEs), led by the national oil-and-gas company Sonatrach (US trade department, 2006).

<sup>6</sup> Law n°1990-14 relative to the organisation of trade unions’ work.

<sup>7</sup> There is little information is available regarding the evolution of the CPA following tri-party negotiations in 2013 and that the FCE chose not to be part in the CPA.

<sup>8</sup> Interview of the Minister of commerce in 2014.

<sup>9</sup> An affiliate of Junior Achievement (JA) Worldwide an NGO that promotes youth entrepreneurship. INJAZ EIDjazair is connected to the think tank CARE.

Finally, the employers' organisation landscape is complemented with influential specialised organisations notably:

- Regional: *Club des Entrepreneurs et des Industriels de la Mitidja* (ANECAM).
- Business associations: *Association Nationale des Exportateurs Algériens* (ANEXAL) and *Union Nationale des Investisseurs* (UNI).
- Think tanks: *Cercle d'Action et de Réflexion autour de l'Entreprise* (CARE).

## Egypt

Since its independence, Egypt adopted an economic model based on socialism and was characterised with the dominance of the public sector in the economy and the development of import substitution industries. This model was followed by the *Infitah* (liberalisation/opening) policy that was adopted in the 70s. Since then, the private sector became the main contributor to the economy and the driver of growth. It is however dominated by SMEs and an important informal sector, accounting for about 40% of the economy (EBRD, 2017), from one side and large SOEs and conglomerates from the other side.

Reflecting this division, the representation of the private sector in the country combines influential and well-established public industrial federations and chambers of commerce that have a long-standing tradition and smaller private employers' organisations led primarily by the Egyptian Businessmen's Association (EBA) that emerged following the *Infitah* policy.

### *Public employers' organisations*

Egypt's landscape is dominated by government-led organisations, which have a long-standing history. For instance, the Chamber of Commerce of Cairo was established in 1913. They tend to be sectoral chambers that are semi-official bodies, with the government appointing the chairs and members of their boards and contributing to their financing. The main trade and industry chambers organisations at the national level are the Federation of Egyptian Industries (FEI) and Federation of Egyptian Chambers of Commerce (FEDCOC). They are the main representatives of the private sector in tripartite negotiations with government and trade unions,<sup>10</sup> and are often involved in Public Private Dialogue initiatives regarding economic issues.

The Federation of Egyptian Industries (FEI) is the main representative of employers in Egypt. The organisation was set-up in 1922 serving as a formal lobby for the interests of its members and acting for the development of the manufacturing sector. Industries are automatically members: over 60,000 industrial enterprises out of which more than 90% belong to the private sector. It accounts for more than 7 million workers and 20% of the national economy. FEI works through 16 industrial chambers and 20 decision support committees. Despite being a public institution, two thirds of its board members are private sector representatives, the rest of the board being appointed by the government. It is also the main representative of employers in key global and regional employers' organisations, including the IOE and BUSINESSMED. The organisation has a dedicated chapter for women "FEI Women in Business", that supports women entrepreneurship and women working conditions.

The Federation of Egyptian Chambers of Commerce (FEDCOC) was established in 1950 and represents the 34 regional chambers of commerce at the national level. Membership in the FEDCOC is compulsory and its membership is estimated around 4 million Egyptian businessmen in trade, import, export, industry,

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<sup>10</sup> For instance, in 2018, FEI, FEDCOC and investors' associations were the main representatives of the private sector in the new labour law negotiations.

construction, finance, etc. SMEs are strongly represented in the chambers of commerce and in the FEDCOC, where the law guarantees their presence in the board.

Other government-led employers' organisations include 15 export commodity councils defending the interest of exporters. These organisations are semi-official, as they are financed by their members but placed under the oversight of the Ministry of Trade and Industry. There are also multiple bilateral chambers of commerce and associations defending the interests of manufacturers and traders, such as the American Chamber of Commerce AmCham Egypt and the French Chamber of Commerce in Egypt (CCFE).

#### *Private employers' organisations*

Private employers' organisations are more recent, as they were created following the adoption of the Infitah policy. They tend to be smaller in size and capacity and are not yet completely interconnected. This landscape is complemented with a diversity of specialised business associations by areas of interest: SMEs, women, regions and industrial parks, exports, etc.

The Egyptian Businessmen Association (EBA) was created in 1975, following the implementation of the Infitah policy. Despite a relatively low membership estimated at 400, the organisation was often involved in economic public policy making from the 1980s until the Arab spring, pushing for economic reforms and the improvement of the business climate. EBA was present for the majority of the international trade agreements signed by the Egyptian government and established 14 business councils aimed at reinforcing bilateral economic cooperation with key trading partners including China, Jordan and Turkey.

Other influential private organisations include:

- Women: Business Women of Egypt 21 (BWE 21), Egyptian Business Women Association (EBWA). Both associations are members of the AFAEMME.
- SMEs: the Federation for Economic Development Associations (FEDA)<sup>11</sup>, the Middle East Council for Small Business and Entrepreneurship (MCSBE) and the Egyptian Small- and Medium-sized Enterprises Association (ESME).
- Youth: The Egyptian Junior Business Association (EJB) and INJAZ Egypt.
- Thematic and special interest groups: the Confederation of Egyptian European Business Associations (CEEBA) that lobbies on behalf of Egyptian-European companies, Expolink Egyptian Exporters Association (EEA) and various investors' and financial associations such as the Federation of Egyptian Banks (FEB).
- Regional organisations and industrial parks: Alexandria Business Association (ABA), Sadat City Investors Association.
- Think tanks: The Egyptian Center for Economic Studies (ECES), Economic Research Forum, Global Trade Matters (GTM).

## Iraq

Iraq followed a similar developmental model to several countries in the region, notably Egypt and Syria. Following its independence, the country adopted an Arab socialist ideology characterised by a strong role of the government in the management of the economy. The economy of the country was dominated by the

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<sup>11</sup> FEDA is an umbrella of several non-governmental organisations (NGOs). It was established by 11 NGOs in Greater Cairo and Suez Canal region in 2001. The organisation was particularly active in drafting the Small and Medium-sized Enterprises (SMEs) law in 2004 (SMEs law no.141 of 2004).

exploitation of oil and gas resources that supported the development of supplementary industries, which were controlled by the state. Other factors that influenced the development of the private sector in Iraq were the multiple conflicts, including the Iran-Iraq war (1980-1988), the two Gulf wars (1991 and 2002), as well as the economic sanctions that followed suit. Moreover, since the fall of Saddam Hussein in 2003, the country has been characterised by political, security and economic instability.

As a result, business representation in the country remains mainly dominated by public institutions: the federations of industry and the chambers of commerce. Following the Iraq wars and the liberalisation of the economy, private employers' organisations and business associations were also created, but still play a limited role. Given the turbulent political and security situation, several associations, bilateral chambers of commerce and business councils are based abroad. The Kurdistan region, which benefitted from an improved security situation and important foreign direct investments including from the diaspora, is characterised by dynamic civil society organisations and business organisations.

#### *Public employers' organisations*

Government-led organisations have a long-standing history. For instance, the chambers of commerce of Baghdad, Mosul and Basrah were founded in 1923. Their role was further reinforced during the Arab socialist era. In Egypt industrial and trade organisations are separated. The representatives of these organisations at the national level are the Iraqi Federation of Industries (IFI) and the Federation of Iraqi Chambers of Commerce (FICC) that are often involved in the design of economic and trade policies and legislation. These federations are semi-official bodies with the government appointing the members of their boards and chairs and contributing to their financing.

The Iraqi Federation of Industries (IFI) was created in 1956 and has a presence in all the provinces of the country. It aims at reinforcing the industrial sector in the country and its contribution to the national economy. IFI is the main representative of the private sector in Iraq as it participates in the tripartite negotiations with the General Federation of Iraqi Trade Unions (GFITU) and the Ministry of Labour and Social Affairs. IFI has 18 committees organised by work streams and 45 committees fostering bilateral and international cooperation. The membership in IFI is not compulsory, amounted to 36,000 members in 10 regional industrial federations in 2012.

The Federation of Iraqi Chambers of Commerce (FICC) was created in 1989. The organisation represents the interests of 18 regional chambers of commerce<sup>12</sup> including three in the Kurdistan region. It is often consulted by the government on trade policies. The FICC also plays an important role in fostering international cooperation by adhering to regional organisations including the Union of Arab Chambers, establishing 11 bilateral business councils, and developing agreements with foreign chambers of commerce.

#### *Private employers' organisations*

Freedom of organisation and association was limited before 2003. As a result, the organisations which developed since, tend to be smaller in size and suffer from a lack of cooperation and involvement in policy initiatives.

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<sup>12</sup> No figures were available regarding the FICC membership. However, there are some data available regarding the membership of some regional chambers of commerce. For instance, the chamber of Commerce of Basra has 36,000 registered members of which 30,000 are paying members, while the Chamber of commerce of Babel had 5,000 members in 2011.

The Iraqi Businessmen Association (IBA) was created in 2001 by influential Iraqi businessmen and traders. The organisation defends the interest of its members through dialogue with the government and the signature of bilateral agreements with partner countries and associations. It is the sole representative of Iraq in the Federation of Arab Businessmen (FAB).

Based in Baghdad, the International Union of Businessmen (IUB) was also established in 2001. It aims at increasing the private sector's contribution in rebuilding and developing the economy in Iraq. In 2011, the IUB had 1,600 paying members inside and outside the country. The organisation is also targeting the Iraqi diaspora in order to attract their investment and expertise to the country.

#### *Other private employers' organisations*

As indicated above, the political and security situation in Iraq hindered the development of civil society organisations and their effective contribution in policy making. Some other organisations active in the country are:

- Women: Iraqi Business Women Association.
- Regional: The Association of Industry and trade development for Iraqi Businessmen.
- Interest groups and thematic associations: Iraqi Banks Association and the Union of Arab Contractors.

## **Jordan**

In the 50s, the economy of Jordan –previously dominated by the agricultural and trade sectors– started to diversify through the implementation of a government driven industry substitution policy. The economy thrived during the following two decades, peaking at an 8% GDP growth on average during the 1972-1982 period according to the IMF. The growth was led by remittances from workers in the Gulf countries, and strong demand for Jordanian industrial and agricultural products driven by the oil bonanza in the Gulf countries. In the 1980s and following the oil crisis, the country underwent a restructuring program and the private sector became the key driver of growth. Today, the private sector in Jordan is one of the most dynamic in the MENA region, and according to the Jordanian Department of Statistics, there are roughly 830,000 workers in the private sector, compared to about 550,000 in the public sector.

The dominant organisations in the country are public; (i) industrial federations that are represented at the national level by the Jordan Chamber of Industry (JCI); and (ii) chambers of commerce represented at the national level by the Jordan Chamber of Commerce (JCC). The liberalisation of the economy in the 80s also allowed for the creation of private employers' organisations that include the Jordanian Businessmen Association (JBA) and several specialised business associations. In addition, openness to trade and foreign investment encouraged the establishment of a high number of bilateral chambers of commerce and business councils.

#### *Public sector organisations*

Business organisations in Jordan are still dominated by public institutions namely the chambers of industry and chambers of commerce. The government also established national umbrella organisations for these chambers: the Jordan Chamber of Industry (JCI) in 2005, and the Jordan Chamber of Commerce (JCC) in 2003, to improve their coordination, foster their participation in public private dialogue and the modernisation effort of the economy.

The Jordan Chamber of Industry (JCI)<sup>13</sup> is an independent corporate entity, both financially and administratively. Each chamber is represented on JCI's board along with representatives from the ten subsectors of the Jordanian industrial sector, and a representative of micro-enterprises. The organisation defends the interest of its 18,000 members. It also participates in the formulation of the industrial policies, defends the interests of industrial and craft enterprises, and ensures the promotion of cooperation between the industrial chambers and the unions and chambers of Arab and foreign industry. The JCI is a member of the IOE and multiple regional organisations.

The Jordan Chamber of Commerce (JCC), formerly known as Federation of Jordanian Chambers of Commerce (FJCC), was established in 1955. It represents the interest of the 16 local chambers of commerce. The JCC's primary responsibility is to cooperate, through dialogue, with the country various private and public-sector institutions. The organisation also plays an advisory role vis-à-vis government and parliament.

#### *Private employers' organisations*

The creation of private sector employers' organisations was encouraged by the Jordanian Government in the 1980s in order to promote the development of the private sector in the country and the liberalisation of the economy.

The Jordanian Businessmen Association (JBA) was created in 1985 with the aim to support the development of the private sector in Jordan and has 360 members. It engages in PPD with ministries in charge of economic affairs to boost the role of the private sector in the economic development of the Kingdom. It receives missions of the foreign business communities which visit Jordan and arranges for meetings between such missions and their Jordanian counterparts.

Other relevant business associations include:

- Women: Business and Professional Women Amman (BPW-A), member of the International Federation of Business and Professional Women (BPW International), and AFAEMME, and Jordan Women Industrial Community Association a member of the AFAEMME.
- Youth and entrepreneurship: Young Entrepreneurs Association (YEA), established in 1998 and has 150 members; it advocates for youth entrepreneurs and strives to create an entrepreneurial and leadership culture in the country. INJAZ Jordan,<sup>14</sup> educates students about work readiness, entrepreneurship and financial literacy through hands-on training programs.
- SMEs: The Business Development Centre (BDC) is dedicated to accelerating regional economic development by providing capacity building, export development and advisory services to SMEs, capacity, career and entrepreneurial development programs at all levels with a special emphasis on youth and women, and university partnerships
- Other specialised employers' organisations include:
  - o The Jordan European Business Association (JEBA) promoting and strengthening sustainable trade and investment linkages between Jordanian businesses and European counterparts.

<sup>13</sup> JCI was established under the "Chambers of Industry Law no 10" in 2005.

<sup>14</sup> INJAZ Jordan, a non-profit organisation, is an affiliate of Junior Achievement (JA) Worldwide, the world's largest and fastest growing youth business organisation dedicated to educating students about work readiness.

- The Jordan Exporters Association (JEA) created in 1989, with 130 members, is a non-profit export promotion organisation that assists Jordanian manufacturers and service providers to penetrate new markets worldwide, providing services in export promotion, market information, capacity building and advocacy.
- Jordan Investors Association (JIA) is the voice of manufacturers in South Amman. The association with over 350 members currently forms the largest industrial block in the Amman Chamber of Industry, representing small and large manufacturers.
- The Jordanian Free Zones Investors Association was established in 1994 and has 1,300 members. It defends the interests, and coordinates the efforts of investors in the free zones and strives to attract new investments.

## Lebanon

Lebanon is characterised by having a strong private sector that drives the development of the country. Its economy is dominated by the financial, trade and tourism services. The country has also an important diaspora,<sup>15</sup> particularly active in the economy. There is a high level of freedom of association, and a large number of business associations and interest groups representing the private sector and defending its interests. Lebanese organisations are also well connected at the international level and with the diaspora.

### *Private employers' organisations*

There are multiple employers' organisations in Lebanon representing various sectors and interests, and they are well integrated in PPD initiatives. The main private employers' organisation is the Association of Lebanese Industrialists (ALI), which is represented in multiple national bodies including the Economic Consultative Committee to the Prime Minister and the official committee of trade agreements. Private sector organisations include influential generalist players notably the Lebanese Businessmen Association (RDCL), the Lebanese Economic Forum (LEF), and several specialised organisations such as the Beirut Traders Association (BTA) and the Associations of Banks in Lebanon (ABL).

The Association of Lebanese Industrialists (ALI) is the main national association of manufacturing companies operating in Lebanon. It was established in 1942, is headquartered in Beirut and represents 650 industrialists. ALI deals with both economic and social issues concerning businesses and advocates for better industrial development policies through its representation in various government bodies and councils. ALI is a member of the IOE and of multiple regional organisations including BUSINESSMED. It has three councils: an Export Promotion Council, a Council of Industrial Regions, and a Council of Industrial Sectors. It also has 17 committees organised by work streams including: fairs and exhibition, industrial parks, tax and legislation, planning and studies, communication, etc.

The Lebanese Businessmen Association (RDCL)<sup>16</sup> was created in 1986. The organisation is very dynamic and is actively advocating for the creation and preservation of an environment which is favourable to investment, job creation, growth and development. It acts also as a think tank, producing reports and proposals on key economic issues including: salaries, inflation, employment, health, education, housing, urban transportation, pensions. RDCL is well connected with the Lebanese diaspora through RDCL World; an international platform of Lebanese leaders established in 2016.

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<sup>15</sup> The estimates for the Lebanese diaspora range from 4 to 15 million representing up to 4 times the population of the country.

<sup>16</sup> *Rassemblement de Dirigeants et Chefs d'entreprises Libanais.*

The Lebanese Economic Forum (LEF) was established in 1991 and accounts for over 100 members in Lebanon. It aims to promote and protect private initiatives in an effort to develop work opportunities and provide safeguards for Lebanese labour. The organisation also has strong international connections and is a member of the Federation of Arab Businessmen.

There are a number of specialised business organisations and influence groups in Lebanon including:

- Women: the Lebanese League for Women in Business (LLWB), the Young Arab Women Entrepreneurs and Lebanese Business Women Association (LBWA). The three organisations are members of the Euro-Mediterranean women's foundation.
- Youth: INJAZ Lebanon and Lebanon for entrepreneurs.
- Regional and sectoral: the Beirut Traders Associations (BTA), established in 1921, an influential economic organisation, which promotes the interests of the merchant sector in Lebanon. It plays a key role on the national economic scene representing merchants and services firms registered at the Commercial Registry in Beirut, the Association of Banks in Lebanon (ABL) participate actively in PPD and in economic policies.

#### *Public sector organisations*

Lebanon has a long tradition of regional chambers of commerce that dates back to the 19<sup>th</sup> century. They are represented at the national level by the Federation of Chambers of Commerce, Industry and Agriculture (CCI-FED). The country also hosts a high number of bilateral chambers of commerce, business councils and the International Chamber of Commerce of Lebanon (ICC-Lebanon).

The Federation of Chambers of Commerce, Industry and Agriculture (CCI-FED) was established in 1997 to promote the common interests of the four regional chambers vis-à-vis the Lebanese Government and other national and international institutions.

The four Chambers of Commerce, Industry and Agriculture (CCIA) in Lebanon (Beirut<sup>17</sup> and Mount Lebanon, North Lebanon, South Lebanon and Bekaa Valley) are independent legal entities working for the public benefit to promote the development of business enterprises. The majority of their 25,000 members are classified as SMEs. The CCIA's strategy aims at stimulating all sectors of economic activity and enabling them to contribute to the development of Lebanon.

## Morocco

Over the last decades, Morocco engaged in a reform and liberalisation path that promoted a greater role for employers' organisations in the design and implementation of economic public policies. The key organisations in the country are the private *Confédération Générale des Entreprises du Maroc* (CGEM) and the public *Fédération des Chambres Marocaines de Commerce, d'Industrie et de Services* (FCMCIS) that represent the regional chambers at the national level. They are complemented with influential and active bilateral chambers of commerce. There are many other relevant specialised business associations by areas of interest: SMEs, women, regions, industrial parks, exports, etc. Morocco hosts a high number of organisations promoting youth and entrepreneurship compared with other countries in the MENA region.

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<sup>17</sup> The Chamber of Commerce, Industry and Agriculture Beirut and Mount Lebanon (CCIA-BML) was established in 1882 and has 14,000 members. While the Chamber of Commerce, Industry and Agriculture of Tripoli and North Lebanon was established in 1870 and is one of the oldest chambers in the Arab World.

The government is striving to involve employers' organisations in public policy through their integration in key institutions and consultations. For instance, in 2010, the *Comité National de l'Environnement des Affaires* (CNEA) was created, a permanent mechanism for public private dialogue to improve the business climate. The CNEA includes public sector representatives, private sector representatives (CGEM and FCMCIS) and key professional organisations notably the banking sector.<sup>18</sup>

#### *Private employers' organisations*

The representation of the private sector in Morocco is highly concentrated with the CGEM being the sole representative of the private sector in tripartite negotiations. However, other organisations are regularly involved in consultations and PPD including the *Association des Femmes Chefs d'Entreprise du Maroc* (AFEM), defending the interests of women in business, and the *Association Marocaine d'Appui à la Promotion de la Petite Entreprise* (AMAPPE), an organisation dedicated to small enterprises. There are also many specialised private business associations defending special interests and groups.

The *Confédération Générale des Entreprises du Maroc* (CGEM) was established in 1947, it is the most important employers' organisation in Morocco with 88,000 direct members and affiliates (90% of members are SMEs). The organisation defends the interests of the private sector companies vis-à-vis the public authorities and social partners. It is highly influential in economic policy making representing the private sector in the House of Councillors (upper house of Parliament of Morocco) and sitting on the board of key institutions and socio-economic actors in Morocco including government agencies and universities. CGEM gathers 33 professional federations and has established 24 commissions including SMEs, energy climate and green economy, ethics and good governance, Africa, entrepreneurship, R&D and relations with the university, regional development, PPP. CGEM is well connected at the international level, being a member of the International Organisation of Employers (IOE), BUSINESSMED and other regional organisations and has set-up several partnerships with international employers' organisations including French MEDEF and Arab organisations.

The *Association des Femmes Chefs d'Entreprise du Maroc* (AFEM) was established in 2000 to defend the interests of women in business and promote entrepreneurship. It lobbies the government and strives to build the capacity of women in business through trainings and seminars. In addition, AFEM sits on the executive board of CGEM and has built a broad international membership in women organisations (Arab, Maghreb, Mediterranean, global, etc.).

The *Association Marocaine d'Appui à la Promotion de la Petite Entreprise* (AMAPPE) was established in 1991 and has a membership of 160 companies. In addition to defending the interest of small enterprises in Morocco, it endeavours to build the capacity of its members while promoting regional development.

Morocco counts with many business associations serving the interests of various groups, including:

- Women: In addition to AFEM, Morocco hosts multiple women organisations including *Espace Point de Départ* (Espod) and *Réseau Entrelles Maroc* (REM).

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<sup>18</sup> The National Committee for Business Environment (CNEA) was then created and institutionalised by Decree No. 2-10-259 of 29 October 2010.

- Youth and entrepreneurs: *Reseau Entreprendre Maroc*,<sup>19</sup> *INJAZ Al-Maghrib*,<sup>20</sup> *Centre des Jeunes Dirigeants d'Entreprise (CJD) Maroc*.<sup>21</sup>
- SMES and craftsmen: *Union Générale des Entreprises et des Professions (UGEP)*.
- Free and industrial zones: *Association des Investisseurs de la Zone Franche d'Exportation de Tanger (AIZFET)*, *IZDIHAR*, *Association des Investisseurs de la Zone Industrielle de Gzenaya (AIZIG)*
- Specialised groups: *Association Marocaine des Exportateurs (ASMEX)*, *Association des Sociétés de Gestion et Fonds d'Investissement Marocains (ASFIM)*, *La Bourse Nationale de Sous-traitance et de Partenariat (BNSTP)*;
- Diaspora associations: *Club des Investisseurs Marocains à l'Etranger (CIME)*

#### *Public organisations*

Morocco has a long tradition of chambers of industry, commerce and services that dates back to 1913.<sup>22</sup> It has currently 12 regional chambers represented at the national level by the *Fédération des Chambres Marocaines de Commerce, d'Industrie et de Services (FCMCIS)*. The government is currently reinforcing their role as drivers of growth and supporters for companies at the regional level.

FCMCIS is a public organisation established in 1962 and headquartered in Rabat. The organisation is financially and administratively independent. It serves the interests of the 12 regional chambers in Morocco and their 872 members at the national level. FCMCIS is represented in the Moroccan parliament, in the board of multiple state-owned enterprises and in various public economic institutions. It is a member of the International Organisation of Employers (IOE) and the Union of Arab Chambers and set-up international partnerships with key business organisations and chambers.

#### *Bilateral and multilateral chambers of commerce*

The employers' representations landscape in Morocco comprises also multiple influential international chambers that aim at fostering trade and defending the interest of their members. Key international chambers include the *Union des Chambres de Commerce et d'Industrie Européennes au Maroc – Eurocham*, 7,000 members, the *Chambre Française de commerce et de l'industrie du Maroc (CFCIM)* about 4,000 members. The French Chamber of Commerce plays an important role in Morocco. It was established in 1912 and is one of the oldest employers' organisations in the country. It has seven offices in Morocco and one office in France. It is the most important French Chamber of Commerce worldwide (out of 120 international representations).

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<sup>19</sup> Local antenna of the French based *Reseau Entreprendre* (10 countries, 14,000 CEOs). The organisation has 8 regional offices in Morocco.

<sup>20</sup> Member of JA Worldwide (a global NGO) promoting youth entrepreneurship. *INJAZ Al-Maghrib* was established in cooperation with the SNI (a major holding company owned by the royal family).

<sup>21</sup> Member of the *Centre des Jeunes Dirigeants d'Entreprises (CJD)* international a French employers' organisation. In Morocco, the CJD has also established a think tank and publishes reports on entrepreneurship.

<sup>22</sup> The *Chambre de Commerce, d'Industrie et d'Agriculture Française à Casablanca et Rabat* was created in 1913. It was followed by the creation of multiple Moroccan chambers in 1919 to defend the interests of local businessmen.

## Palestinian Authority

The Palestinian territories have a long-standing tradition of private sector representativity through public Chambers of Industry and Commerce. For instance, the Jerusalem Arab Chamber of Commerce and Industry was established in 1936. As a result, the most important employers' organisation today is the Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA) representing the regional chambers at the national level. Following the initiation of the peace process, the representation of the private sector was reinforced with private organisations including notably the Palestinian Businessmen Association (PBA) and the Palestinian Business Forum (PBF).

Overall and despite a complex administrative and political situation, the Palestinian territories present a diversity of business associations by areas of interest: SMEs, women, regions, and exports. In addition, several new Palestinian private sector organisations are being formed by a younger generation of business owners, for instance the Palestinian Industrialists Association, the Palestinian Trade Association and the Palestinian Information Technology Association that are also members of the chambers. It is also notable that business associations in the Palestinian territories are making important efforts to establish international partnerships and increase their trade cooperation notably with the Palestinian diaspora.

The efforts of key public and private employers' organisations are coordinated through the Private Sector Coordinating Council (PSCC).<sup>23</sup> The PSCC is chaired by the FPCCIA, with a rotating secretariat between the first four members every 6 months. In order to achieve the highest levels of representation, the PSCC has formed what is known as "The Council of the Sixty" that includes all members of the PSCC, and a number of representatives of other special sectors, as well as representatives of large companies.

### *Public employers' organisations*

Public organisations in the Palestinian authorities play an important role representing the interests of the private sector while keeping a high level of independence *vis-a-vis* the public authorities. The Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA) was established in 1989 in Jerusalem as the umbrella organisation for all the 18 regional chambers (13 in the West Bank and 5 in the Gaza Strip) representing more than 65,000 members, the majority of which are micro and small enterprises. It is a legal and autonomous body representing the interest of all chambers and the private sector. The FPCCI is a member of several Arab and Muslim organisations including notably the General Union of Chambers of Commerce, Industry & Agriculture of the Arab Countries.

The Palestinian Federation of Industries (PFI) is the national institution representing the Palestinian industrial sector through its federated associations. The organisation was established in 1999 in Ramallah. It represents 15 professional branches. In 2009, the organisation represented over 14,000 industrial enterprises throughout the West Bank and Gaza Strip. PFI is involved in policy making and cooperates with the chambers of commerce and private sector institutions to achieve the industrial development of the Palestinian territories. PFI is independent and most of its members are SMEs, in contrast with the chambers who are dominated by micro-enterprises.

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<sup>23</sup> Membership of the PSCC includes: the Federation of Palestinian Chambers of Commerce, Industry and Agriculture (FPCCIA), the Palestinian Federation of Industries (PFI), the Palestine Trade Centre (PAL-TRADE), Palestinian Federation of Businessmen's Associations (PALBA), the Palestinian Information Technology Association of Companies (PITA), the Palestinian Banking Association (PBA), the Palestinian Contractors Union (PCU), the Union of Insurance Companies (UIC), the Administrative Services for Tourism Industry (ASTAP) and the Shipper's Council (SC).

### *Private employers' organisations*

Multiple private employers' organisations in the Palestinian territories were created following the peace process. The Palestinian Businessmen Association (PBA) was established in 1997 to represent the private sector and to alleviate all obstacles to their development. It is the key private sector dialogue partner with the government, sitting in the Council of Ministers and providing policy recommendations and proposals. PBA has the authority to establish international business councils and has set-up more than 20 of them including with Jordan, Indonesia, Turkey, Iraq, Qatar, Syria, Lebanon, Yemen, Germany, Oman, The Netherlands, Romania and Indonesia. The organisation is a member of the Federation of Arab Businessmen (FAB).

The Palestinian Business Forum (PBF) was the first private employers' organisation set-up in Hebron in 1995.<sup>24</sup> The forum's goal is to create an investment climate that enables the private sector, to play a role in the process of sustainable economic development, to serve its business members (250 businessmen) in various sectors, and to support the exchange of experiences and achieving common interests among its members. PBF is also a member of the Federation of Arab Businessmen (FAB).

Other specialised business organisations active in the Palestinian territories are:

- Women: Palestinian Businesswomen's Association (Asala) that address the challenges faced by women in business,<sup>25</sup> the Businesswomen Forum (BW) and the Business and Professional Women - Ramallah Club, both members of the AFAEMME.
- Youth: INJAZ Palestine.<sup>26</sup>
- Sectoral: The Palestinian Industrialists association, the Palestinian Information Technology Association of Companies (PITA), the Palestinian Banking Association (PBA), the Palestinian Contractors Union (PCU), the Union of Insurance Companies (UIC), the Administrative Services for Tourism Industry (ASTAP), the Shipper's Council (SC) and the Pal trade Centre (PAL-Trade).

## Tunisia

The model of representation of employers in Tunisia is unique in the MENA region as social partners played a key role in the independence movement of the country in the 1940-1950's. In 1946, workers organised around one single trade union, the *Union Générale des Travailleurs Tunisiens* (UGTT). Following this model of concentration of workers' representation, businessmen and traders established the *Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat* (UTICA) in 1947. Beyond their function of negotiating collective agreements, both organisations have also played a significant role in the design and implementation of post-independence public policies.

During the Ben Ali regime and the acceleration of the liberalisation of the economy, UTICA contributed to PPD and social dialogue initiatives, and to the design and implementation of reform measures during the 1980s and the 90s. The role and prestige of UTICA was further strengthened following the Arab Spring

<sup>24</sup> Hebron is a busy hub of West Bank trade, generating roughly a third of the area's gross domestic product.

<sup>25</sup> Asala established itself as two separate legal entities: "Asala for Credit and Development" a micro-credit entity and "The Palestinian Businesswomen's Association – Asala" for advocacy purposes.

<sup>26</sup> INJAZ-Palestine is a member of the international non-profit NGO, Junior Achievement Worldwide (JA), currently operating in nearly 123 countries and reaching 10.6 million students annually with 389,000 volunteers.

in 2011, with the organisation playing a crucial role in the economic and democratic transition, for which it received the Nobel Prize for peace in 2015 alongside the UGTT.<sup>27</sup>

Since 2011, the private sector's representation has broadened. Tunisia has witnessed the creation of multiple civil society organisations including a new employers' organisation that focuses on SMEs and social responsibility, and an increased participation of various private business associations and interest groups in PPD.

#### *Private employers' organisations*

The representation of the private sector in Tunisia was largely dominated by UTICA. However, since the Arab Spring, the employers' organisation landscape was enriched by the creation of new organisations such as CONECT and an increased role for various organisations and interest groups in policy making.

The *Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat* (UTICA) was established in 1947 and is the main representative of the private sector in the country with a membership of 150,000 private companies. It plays key economic and social roles notably through the tripartite negotiation process with the Government and the UGTT (main trade union organisation) and continuous involvement in PPD. UTICA functions as a confederation of 17 professional federations, 24 regional unions, 216 local unions, 370 national trade chambers and 1700 regional trade chambers. It has a women's chamber (*La Chambre Nationale des Femmes Chefs d'Entreprises*) created in 1990 and a youth section created in cooperation of the CDJ France. UTICA is also well connected at the international level as it created 30 country-dedicated business councils (*Conseils d'Affaires*) that help develop bilateral cooperation and adhered to multiple organisations including the International Organisation of Employers (IOE). UTICA was awarded a Nobel peace prize in 2015 for its role in the economic, political and social transition of the country.

The *Confédération des Entreprises Citoyennes de Tunisie* (CONNECT) is a private organisation established in 2011 by former members of UTICA. Its main goal is defending the interest of its members, primarily SMEs and entrepreneurs, while promoting ethical and social responsibility.<sup>28</sup> CONNECT is growing rapidly:<sup>29</sup> it has 31 professional groups covering all the sectors of the economy and is present in all the regions of the country. It has also developed an international presence through international partnerships and membership in regional organisations such as the ANIMA Network and the Federation of Arab Businessmen (FAB).<sup>30</sup>

Other specialised private business organisations working in Tunisia are:

<sup>27</sup> The 2015 Nobel peace prize was awarded to The National Dialogue Quartet, which was comprised of four key organisations of the Tunisian civil society: the Tunisian General Labour Union (UGTT, Union Générale Tunisienne du Travail), the Tunisian Confederation of Industry, Trade and Handicrafts (UTICA, Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat), the Tunisian Human Rights League (LTDH, La Ligue Tunisienne pour la Défense des Droits de l'Homme), and the Tunisian Order of Lawyers (Ordre National des Avocats de Tunisie).

<sup>28</sup> The organisation requests its members to adhere to a corporate citizenship charter (*charte de l'entreprise citoyenne*) that defines the responsibility of the enterprises as well as the mission of the organisations.

<sup>29</sup> According to a recent interview of Tarek Cherif president of CONECT, Membership reached a few thousand companies.

<sup>30</sup> The founder and president of CONECT, Tarek Cherif, is currently the president of Federation of Arab Businessmen (FAB).

- Women: *Chambre Nationale des Femmes Chefs d'Entreprise, Femmes & Leadership (F&L)*, and International Women Entrepreneur Council (CIFE). All three organisations are members of the AFAEMME.
- Youth and entrepreneurship: *Centre des Jeunes Dirigeants d'Entreprise (CJD)*,<sup>31</sup> JCI Tunisia,<sup>32</sup> *Reseau Entreprendre Tunisie*,<sup>33</sup> INJAZ Tunisia.<sup>34</sup>
- Other specialised associations:
  - o Agricultural and fisheries organisations: *Union Tunisienne de l'Agriculture et de la Pêche (UTAP)* and *Syndicat des Agriculteurs de Tunisie (Synagri)*.
  - o Interest groups: *Association des Investisseurs Européens en Tunisie, Chambre de Développement des Relations Euro-Maghrébines (CDREM)*, *Club des Exportateurs de Tunisie (CET)*.
  - o Think tanks: *Institut Arabe de Chefs d'Entreprises (IACE)* is a key player in Tunisia. Created in 1984 it has 450 members (including leading businessmen and former influential politicians). The organisation is closely connected with UTICA.

#### *Public and semi- public employers' organisations*

Tunisia is characterised by a limited role for public entities despite a long tradition of chambers of commerce and industry –the Chamber of Commerce and Industry of Tunis (CCIT) was created in 1885. There are 8 CCIs in Tunisia whereas it counts 24 governorates and they play a limited role in terms of representativity of the private sector. CCIs have a low membership, as companies' membership in the chambers is voluntary. CCIT, the most important Tunisian chamber, has 1,500 registered members in comparison with 150,000 at UTICA. Moreover, they lack formal coordination mechanisms, i.e. a federation of chambers, which is a common characteristic for all the MENA countries presented in this section. Since 2011, successive governments have pushed for an increased role of the chambers as a driver of regional development.<sup>35</sup>

Tunisia also hosts a large number of bilateral and multilateral chambers of commerce reflecting the importance of Foreign Direct Investment (FDI) and international trade in the economy of the country. Key chambers include the *Chambre Tuniso-Française de Commerce et d'Industrie* (1,500 members), the *Chambre Tuniso-Allemande de l'Industrie et du Commerce* (700 members), and the *Chambre Tuniso-Italienne de Commerce et d'Industrie*, whose presence in the country dates back to the 19<sup>th</sup> century.

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<sup>31</sup> Created in 1998 in cooperation with CJD France, it is affiliated to UTICA and has eight regional offices.

<sup>32</sup> Member of JCI international an international NGO present in more than 100 countries. The organisation has a strong presence in Tunisia with 47 regional offices.

<sup>33</sup> Local antenna of the French based *Reseau Entreprendre* (10 countries, 14,000 CEOs); seven regional offices in Tunisia.

<sup>34</sup> Member of JA Worldwide (a global NGO) promoting youth entrepreneurship.

<sup>35</sup> The government organised in 2017 the first Tunisia Chambers Forum to promote their role. Noteworthy that the UTICA was a key participant in the Forum and encouraged a more active role for the chambers as key link between the government and companies. Since 2011, a more balanced regional economic development is a priority for the government and was enshrined in the 2014 constitution.

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The MENA-OECD Competitiveness Programme is a strategic partnership between Middle East and North African (MENA) and OECD economies to share knowledge, expertise and good practices. It aims to contribute to the development of inclusive, sustainable and competitive economies across the region. The Programme fosters co-ordination between the different stakeholders committed to improving the living standards of MENA citizens: national and local governments, international and regional organisations, civil society and private sector representatives.

The Programme supports reforms to mobilise investment, private sector development and entrepreneurship as driving forces for inclusive growth and employment in the MENA region, building also on the need to mainstream the region's increasingly well trained youth and women. The Programme covers Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestinian Authority, Qatar, Saudi Arabia, Tunisia, United Arab Emirates and Yemen.

