

“Labor Dimension in Central America and the Dominican Republic”

Building Progress: Reinforcing Compliance and
Strengthening the Capacities

2007

BACKGROUND

- On July 13, 2004, the Ministers responsible for Trade and Labor of the Central America countries and the Dominican Republic gathered in Washington sponsored by the Inter-American Development Bank (IDB).

BACKGROUND

- Initiative launched in the context of the CAFTA
- Working Group composed of the Vice-Ministers of Labor of Central America and the Dominican Republic for preparing a report.

CONTENTS OF THE WHITE BOOK

Document structure:

- Contents of the White Book
- Background
- ILO study.

PRIORITY AREAS IDENTIFIED

1. Labor legislation and its application
2. Budgetary and personnel requirements of the Ministries of Labor
3. Strengthening of the judicial system on labor issues
4. Guarantee to protect against discrimination at work
5. Worst forms of child labor
6. Promoting a culture of compliance

REGIONAL COMMITMENTS FOR TECHNICAL ASSISTANCE AND CAPACITY BUILDING

- The final part of the White Book focus on the way of implementing the commitments acquired in a coordinated and effective way at regional level.
- It was recognized that technical assistance and capacity building are essential elements for improving the implementation and application of labor standards in Central America and in the Dominican Republic.
- Therefore and given the challenges and priorities stated in the White Book, it is important to establish an effective national and regional coordination, and that the interaction with the donors support the implementation of the recommendations.

REGIONAL COMMITMENTS FOR TECHNICAL ASSISTANCE AND CAPACITY BUILDING

- It was considered necessary to establish a detailed and effective follow-up process for the coordination mechanism, so as to ensure that the resources are effectively focused on the recommendations of this report.
- In this respect, it was requested the collaboration of the IDB for coordinating a meeting with possible donors and Ministries of Labor and Trade, aiming at identifying funding for the strategic priorities and recommendations of the White Book.
- As a result of this meeting it should be prepared an implementation plan, including the schedule and financing commitments, and these should be submitted to the Ministers of said portfolio.

CONCLUSIONS

- The main achievement in the culmination of this document was the joint work prepared by the portfolios of the Government in charge of looking after the commercial and labor areas.
- Although this document is framed in the context of the Free Trade Agreement with the United States, the recommendations contained in the document have value in themselves, and constitute an important priority for our countries.

FUNDS ALLOCATED

- The Congress of the United States allocated for 2005 \$19 million dollars that will be used in 2006 on the following areas:
- Modernization of the ML \$7 million
- Strengthening Labor Justice \$7 million
- Gender and Discrimination \$2 million
- Verification by the ILO \$3 million

Cooperation of the Department of Labor of the United States of America

- USDOL has granted \$2 million dollars for supporting the project entitled “Strengthening labor justice in Central America and the Dominican Republic”, with which it is intended:
 1. To improve the knowledge of the labor legislation among the different social groups; and
 2. To reduce the time necessary for resolving labor conflicts.
- The project shall be executed by the ILO
- Duration: 24 months
- Started in 2006

USAID COOPERATION

- USAID is funding with an amount of \$7.2 million dollars the project entitled “Strengthening the labor justice in Central America and the Dominican Republic”, with which it intends:
 1. To design/reinforce an electronic system for cases management.
 2. To strengthen the use of conciliation and oral processes.
 3. To strengthen the topics on the application of national and international labor standards and rights in the judicial and administrative careers.
- The Project shall be executed by the Management Sciences for Development, Inc (MSD) Agency
- Duration 24 months
- Starts in 2007



THANK YOU