

TORINO PROCESS

2014

JORDAN



This report was prepared by Outi Karkkainen,
ETF specialist.

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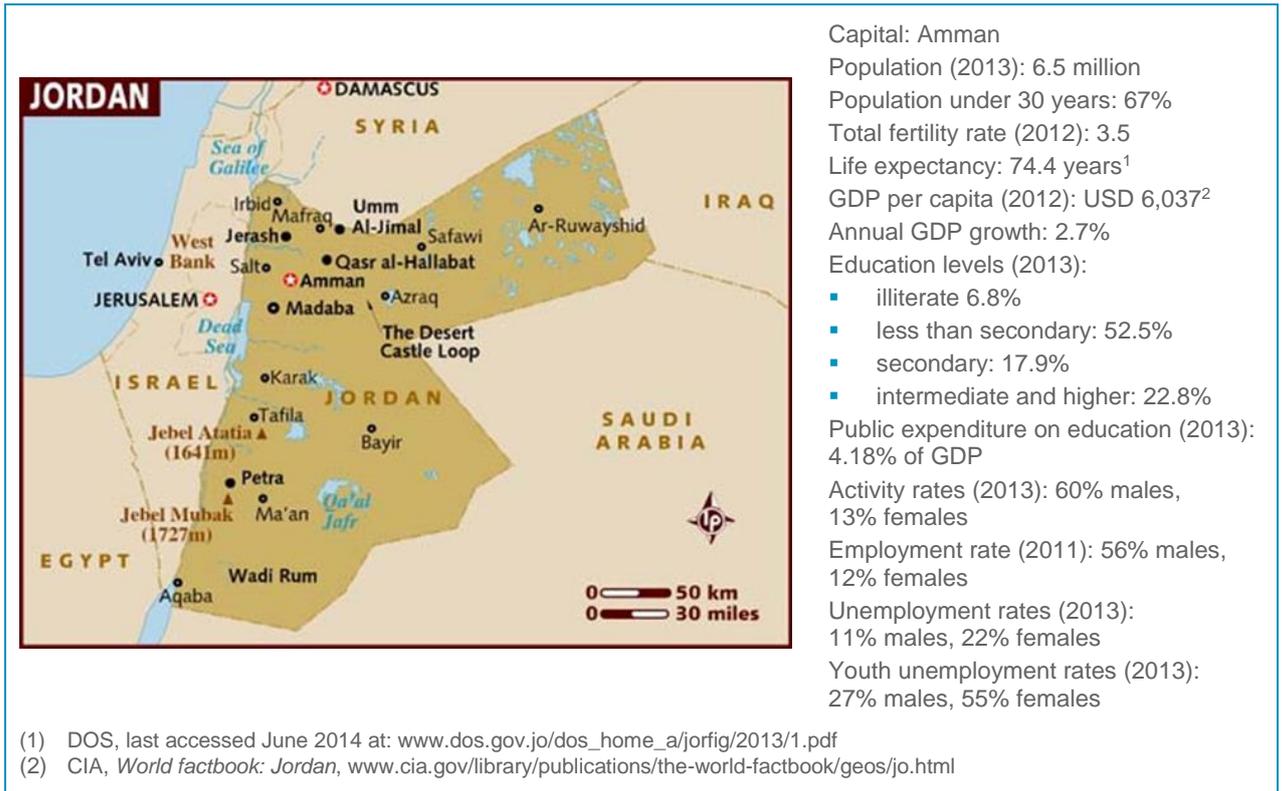
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TORINO PROCESS 2014 JORDAN

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Country profile



PREFACE

Launched in 2010, the Torino Process is a biannual participatory analysis of the status and progress of vocational education and training (VET) reforms and policies in the partner countries of the European Training Foundation (ETF). The Torino Process analysis is developed around the different functions of VET and is based on the following principles:

- partner country ownership of the process, which encourages and builds capacity in the partner countries to assess their own VET policies;
- broad and open participation of stakeholders from partner country governments, VET agencies, practitioners, social partners and civil society;
- a holistic approach to policy analysis which covers the national vision for VET policy, the contribution of VET to economic and social development, the quality and relevance of VET provision and its governance and financing;
- evidence-based assessment, drawing on qualitative and quantitative indicators and benchmarks from the European Union (EU) and international sources.

The country reports provide input into the Torino Process regional reports; in the case of Jordan, to the Southern and Eastern Mediterranean regional report¹. An international Torino Process conference will be organised in June 2015.

I would like to thank all the Jordanian stakeholders who participated actively in the process, and in particular Nadera Bakheet and Ahmad Badareen from the E-TVET Council Secretariat, Yara Masadeh from the E-TVET Fund, Maher Jamal and Ramzi Hroub from the Vocational Training Corporation (VTC), and Isra Zreikat from the National Employment and Training Company (NET) for their contributions to Section 5 of the report, and the Anna Lindh Foundation and the Arab Women's Media Centre for the organisation of the youth discussion groups. This report benefited also from the comments of ETF colleagues as internal peer reviewers.

Outi Karkkainen
ETF Country Manager for Jordan

¹ The ETF partners involved in the Southern and Eastern Mediterranean are Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine (this designation shall not be construed as recognition of the State of Palestine and is without prejudice to the individual positions of the EU Member States on this issue) and Tunisia.

EXECUTIVE SUMMARY

Every two years, the European Training Foundation (ETF) invites its partner countries to analyse developments in their VET policies through the Torino Process. The Torino Process is a participatory process leading to an evidence-based analysis, and is carried out in order to build consensus on possible ways forward in VET policy and system development. Jordan took part in the Torino Process assessment for the third time in 2014. The assessment framework has been defined by the ETF. A working group of Jordanian stakeholders drafted the framework's building block E on governance. The other building blocks were drafted by the ETF. The longer-term objective is to make the Torino Process assessment an entirely country-led self-assessment.

Two stakeholder workshops were organised in Amman in March and June 2014 as part of the consultation process. The 2014 consultation process included youth discussion groups for the first time. These were organised with the support of the Anna Lindh Foundation Network, and in particular the Arab Women's Media Centre, in Madaba, Jerash and Taibet Zaman, on 3–5 June. The results of these discussion groups are not representative but are used to provide qualitative insights within the Torino Process assessment and to illustrate some of the challenges that young Jordanians face.

The assessment identified the following main challenges to the reforms in employment and technical and vocational education and training (E-TVET) in Jordan:

- fragmentation of the E-TVET sector, resulting in a lack of coordination and leadership to take the reforms ahead effectively;
- lack of a coordinated labour market information system that would help in matching TVET programmes to the actual employment opportunities in the labour market, and in making projections for future skills needs;
- lack of a system of qualifications and pathways between different types and levels of education and training;
- low female labour market participation and difficult female transition from school to work.

The national TVET system

Jordan's education system performs relatively well compared to its neighbouring countries. Its adult literacy rate is the highest in the Middle East region, standing at 93% in 2013. Gross enrolment rates are high: for primary education they are 99% for males, 97% for females, for secondary education 87% for males and 89% for females, and for the tertiary level 43% for males and 50% for females. Even so, almost 53% of the population still has less than a secondary-level education, because of the large number of people with basic education or less in the older generations.

Technical and vocational education and training (TVET) in Jordan is mainly delivered in the initial vocational education system (IVET). The large majority of training provision is public and consists of:

- secondary vocational education of two years' duration in comprehensive upper secondary schools under the Ministry of Education (MoE);
- vocational training (targeting 16–18-year-olds) by the Vocational Training Corporation (VTC), a semi-autonomous agency under the Ministry of Labour (MoL);
- technical education after secondary comprehensive school, delivered by 26 publicly supported community colleges, which offer two-year programmes leading to a diploma.

Entry to one type of education or another is based on grades, and the pathways from one type to another are very limited. Almost 90% of the students who complete the 10th grade of basic education are streamed on the basis of their performance either to general education (high performers) or to vocational education in the comprehensive secondary schools, while the remainder (low performers) can continue to one of the VTC institutes. There is no accreditation to allow mobility across the system pathways, and this, together with the low-status image of TVET as an educational last resort, has a negative impact on the demand for TVET.

The rigorous General Secondary Education Certificate (GSEC) examination, or Tawjihi, determines whether students are qualified to go to university, at which public university they can enrol and in which specialism they can major. Without the Tawjihi, students have access only to the VTC, and VTC students are prevented from progressing to any form of advanced studies. Bridging from vocational to academic education is possible through Tawjihi and community college, but it works for only a few. Those vocational education students who succeed in the Tawjihi have access to community colleges, where they can obtain a diploma and may then progress from community college to university. Our very rough estimate is that less than 4% of the secondary VET students are able to bridge the gap and get to university.

Pathways are being opened from TVET to higher education, however: by an agreement between the VTC and the Al-Balqa' Applied University (BAU) in 2012, graduates from some VTC institutes who pass the Tawjihi can enrol in a two-year diploma programme in a community college, and VTC graduates who do not pass the Tawjihi can still have access to a one-year technical diploma at the VTC. However, this type of bridging at the technician level for VTC students is still limited.

Despite the increasing need for more technical and vocational skills, TVET careers are not considered attractive, for both social and economic reasons, and students whose grades allow it tend to opt for general and academic education rather than vocational or technical streams. The total participation in TVET has declined in recent years as a percentage of all enrolment in education and training. TVET is seen as unattractive because of the poor image of technical and vocational careers, the wages and labour conditions in these careers, and the expectations that young and unemployed people have regarding wage levels and their professional careers.

While women and men are almost equally represented in education overall, women's participation in TVET is much lower than men's. Female TVET participation is particularly low in terms of vocational schools, in which women made up 31% of those enrolled in 2011/12, and the VTC, in which women accounted for 36%. The community colleges, on the other hand, have more females enrolled than males, 66% in 2012. This low female participation in TVET can be explained by the higher female success rate at primary, secondary and tertiary education levels, which gives girls and women the opportunity to take more prestigious educational paths, and by preconceived cultural notions against women joining TVET and the labour force in general. The higher female participation in the community colleges can be partly explained by this opportunity to bridge to university and by the number of female-only colleges.

Although Jordan has a number of strategies covering employment and TVET, effective implementation has not always ensued. The new E-TVET strategy for 2014–20 will have as one of its fundamental tasks the creation of a more coherent E-TVET system including a network of public and private training providers with different institutional setups and specific training philosophies. Various donors and agencies (EU, GIZ, USAID, the World Bank and others) are working in E-TVET in Jordan and both the international donors and the Jordanian government have a responsibility to coordinate the diverse projects and initiatives to give coherent and efficient support to the reform of the sector.

At present policies, strategies and action plans for adult training in the TVET sector give little attention to lifelong learning and the continuing education system. There is no vision suggesting how continuing

training could become an integrated part of the TVET sector and which institutional setting would best fit the needs of the labour force and the private sector. Education and training for adults have been neglected and all the reforms and restructuring have focused on initial training.

Effectiveness and efficiency in addressing economic and labour market demand

Jordan is increasingly becoming a service economy. In 2012, services constituted 67% of the GDP, industry 30% and agriculture only 3%. Since 2009, due to the global economic downturn, economic growth slowed down. Jordan's economy has also been significantly affected by domestic events related to the 'Arab spring' and ongoing regional unrest. Lower tourism and FDI inflows, higher international energy prices and repeated disruptions to the natural gas supply from Egypt have affected economic growth. The intensification of the Syrian crisis and the consequent inflow of refugees have fiscal implications and add to the pressure on the labour and housing markets.

The public sector employed over half the Jordanian labour force until the late 1990s, and it continues to be the preferred option for the majority, in particular women. The phenomenon of queuing for public sector employment is very important. Public sector employment offers better job security, shorter working hours and guaranteed medical insurance; but employment opportunities in the public sector are diminishing. Nevertheless, in the first quarter of 2014, 39% of Jordanians in employment were still government employees, 52% of all employed women and 37% of employed men. The private sector is dominated by small and medium-sized enterprises (SMEs). They represent around 94% of the existing companies, account for more than 60% of economic output and employ about 50% of the labour force. The informal sector is of a significant size. Government research has estimated, on the basis of a 2010 survey, that informal employment represents 44% of total employment in the Jordanian economy.

Jordan has one of the lowest economic activity rates in the world. Reasons for high general inactivity are the large number of inactive women and of students, remittances, high reservation wages and early retirement arrangements (e.g. retirement after 16 years of service in the military). Female activity rates are at a record low, with a mere 13% of women participating in the labour force, in comparison to 60% of men. Women's participation increases until their late 20s but then decreases, contrary to the equivalent pattern in men. Many women drop out of the workforce in the first 10 years of their career, especially in the private sector. Other reasons adduced to explain these figures include a shortage of decent jobs deemed suitable for women, lack of affordable childcare and elder care facilities, skills mismatches, and social and cultural factors. There is also a correlation between education levels and activity rates, in particular female activity rates. These rise from 5% for women with secondary education to 30% for women with an intermediate degree and 56% for women with a university degree; the corresponding increases for men are 25%, 50% and 70%.

Along with very low economic activity rates, Jordan has high levels of unemployment. The unemployment rate has fluctuated over the past decade between 12% and 14%; it was 12.6% in 2013. In general, the high level of unemployment is explained by:

- insufficient job creation to absorb the increasing influx of job seekers and the already existing unemployed;
- mismatches between educational outputs and labour market needs;
- high job expectations and high reservation wages due to remittances from abroad;
- geographical mismatches and low mobility.

Unemployment is particularly high for youth (31%); within the youth age group (15–24 years) the female unemployment rate was as high as 55% in 2013.

The unemployment rate rises with education more strongly for women than it does for men. Thus, unemployment seems to follow two trends at once, affecting educated women and less-educated men. Indeed, among the unemployed in 2013, 92% of the women and only 31% of the men had an intermediate diploma or above. However, among youth, women's disadvantage as regards finding a job is extended, and the unemployment rates for young women under 30 are nearly the same (and always beyond 40%) for all levels and types of education, pointing to a serious problem regarding female transition from school to work.

The lack of institutional coordination and of a comprehensive labour market information system remains a challenge for identifying the demand for skills and matching the supply of skills to that demand. Different initiatives exist for analysing skill requirements in the main economic sectors, but no specific system has been set up yet to organise the labour market analysis in a more structured way. The involvement of social partners is not systematically organised and the needs of the informal sector are not addressed. The TVET system does not have a systematic follow-up mechanism that would accurately indicate the employment rates of graduates from the different TVET institutions. As a result, the TVET system is not able to plan to match training programmes to actual employment opportunities in the labour market.

During recent years, the Jordanian government has developed ambitious new strategies and action plans to increase employment, reduce unemployment and the country's dependency on foreign workers, enhance the social image of TVET and upgrade its quality and relevance to labour market requirements. Various public initiatives and international projects to improve employability have been implemented. However, progress in achieving coordinated implementation of the reform process has been limited, mainly due to limited ownership on the part of the various stakeholders, and limited capacity and resources. Population growth, declining opportunities to emigrate to Gulf Cooperation Council (GCC) countries, and the brake on the expansion of public sector employment imposed by the government's financial situation have all created a need for the government to become involved in the provision of employment services that can facilitate private sector employment. Intermediation services have been increasingly provided by the public employment offices, but the outcomes of these efforts cannot be assessed because there is no follow-up of the clients recruited by these means.

Effectiveness and efficiency in addressing demographic, social and inclusion demands

Because the population growth rate is high (2.2% per year, 3.5 births per woman), the demographic pressure exerted by the under-15s, who form 37% of the population, requires significant public investment in basic education. The 15–29 age group accounts for a further 30% of the population. Handling the rapid growth of the share of young adults in the population and on the labour market is undoubtedly one of Jordan's main challenges.

Jordan hosts a large population of refugees. Around two million registered Palestinian refugees live in Jordan, but most of them are not considered foreigners as they have full Jordanian citizenship. There are 10 recognised UNRWA Palestine refugee camps throughout the country, accommodating nearly 370,000 refugees from Palestine, or 18% of the country total. Around 57,000 Iraqis are registered with the United Nations Refugee Agency (UNHCR), but estimates of the number of Iraqis in Jordan far exceed this, going up to 750,000. The current estimates of Syrian refugees in Jordan exceed one million.

The influx of refugees has a labour market dumping effect. Refugees accept work for lower salaries, pushing down salaries already considered too low by Jordanians and making these jobs even more unattractive to Jordanians. Jordan's open-door policy and the authorities' generous decision in 2012 to allow refugees access to basic services rendered to nationals have generated large direct fiscal costs. Although two camps have been established for Syrian refugees, 70% of them live with host families or in housing rented at low prices or donated by the Jordanian government across the country, with a

concentration in the Northern region and Amman. It goes without saying that the schools in areas with many refugees have had to stretch their capacities (for example by means of double shifts) in order to provide the refugee children with education.

Brain drain through the emigration of qualified youth to the Gulf countries, and the inflow of low-skilled migrant workers to Jordan, do not support the objective of the National Agenda (2007–17) of making Jordan a competitive, knowledge-based economy. However, the brain drain is often supported by bilateral agreements between Jordan and the Gulf States, while the inflow of migrant domestic workers, for example, is well organised between Jordan and some East Asian countries. Furthermore, work permits given to foreign workers constitute the main source of funding for the E-TVET Fund (for active labour market measures), in contradiction to the objective of replacing foreign workers with Jordanians. The non-negligible share of GDP represented by remittances from Jordanians employed worldwide (the available estimates vary from 12% to 20% of GDP) also plays an important part in this context.

The large size of the working-age population provides an opportunity for low dependency rates and high rates of savings and investment. This demographic gift can, however, be a burden if the working-age population is out of work. Currently only 1.4 million people support a population of 6.4 million, meaning that on average one person supports more than four. The large number of excluded youth without real opportunities increases poverty and social unrest, yet Jordan needs to build its development on its young people.

According to an ILO youth transition survey published in 2014, 30% of young people below 29 years are not in employment, education or training (NEET). Among young men, NEETs are mostly unemployed, while among young women they are mostly inactive non-students. Youth unemployment is higher in urban than in rural areas. The MoL has responded by implementing active labour market measure focusing on youth and women through cooperation with the private sector, the armed forces and non-governmental organisations (NGOs). The impact of these programmes on skills acquisition and employment is, however, questionable. The extensive provision of wage subsidies in E-TVET-funded training programmes has come under considerable criticism for distorting the training process and for attracting companies that are primarily seeking subsidised labour. To attract young people, most programmes use financial incentives, which can have a negative side-effect as they often attract employed people who prefer the high incentives they can obtain from training courses to the low wages offered in the private sector. The majority of employers are not involved at the design stage of the programmes, their role being reduced to delivering on-the-job training that merely consists of exposing trainees whom they have not selected to real work experience in their establishments. The evaluation of trainees by the employers is mostly geared towards possible recruitment and not towards certifying trainees for the acquisition of certain skills.

Internal efficiency of the TVET system

Quality, efficiency and effectiveness in the TVET system are affected by the fragmentation of TVET providers. The sector is characterised by a centralised, top-down approach, with each subsector (vocational education, vocational training and technical education) having bureaucratic systems that seldom work together to improve relevance, quality or efficiency.

Three accreditation and quality assurance systems are operating within the E-TVET sector: the Higher Education Accreditation Commission (HEAC) for technical education, the Centre for Accreditation and Quality Assurance (CAQA) for vocational training and the MoE for vocational education. CAQA's cooperation with HEAC and the MoE towards the establishment of a system of external quality control for the whole TVET sector is essential as part of an overall external quality assurance approach for human resources development in Jordan. However, CAQA falls within the MoL's oversight and the E-TVET Council's technical operation. To provide greater coherence and independence, by-laws for the E-TVET Council and CAQA are needed to enforce accreditation and standards across all VET

providers, including those within MoE and HEAC oversight. The establishment of CAQA is a considerable step towards setting up a quality assurance system in TVET, but for it to play its role in full it needs further resources and political empowerment to coordinate beyond the VTC.

The lack of a system of transparent qualifications and the limited flexibility of the current pathways for progression are persistent challenges. The focus of quality assurance also needs to shift from inputs and control to outcomes and employability for students and the performance of teachers and TVET institutes. The recent steps towards designing a qualifications framework for TVET create an opportunity to reinforce quality assurance and at the same time make it sector-wide rather than divided into three subsystems.

Currently Jordan has no system for recognising skills and the validating non-formal and informal learning. One of CAQA's tasks is to conduct occupational tests for those involved in technical and vocational work and to grant occupational licences. This opens up options to validate skills acquired in the workplace or via other forms of non-formal and informal learning.

The TVET system is highly dependent on government financing, although some financing originates from international donations and loans, and to a small extent student fees and income-generating revenues. As the government budget deficit continues, it is foreseen that the level of funding for the sector will continue to be limited for the next few years. There is little space for innovations in VET provision. Over 80% of the education budget goes to teachers' salaries. The multiplicity of smaller and specialised institutions leads to diseconomies of scale, and completion rates in them are often low. The infrastructure, buildings and equipment are not used for adult and continuing training. The low demand for secondary vocational education, in addition to the public perception of this kind of education as representing 'academic failure', is also influenced by the poorly equipped and outdated materials and infrastructure of the practical workshops in vocational schools.

There is little cost consciousness in the TVET system. There are incentives to spend allocated budgets in full, and the budget allocations are linked to previous spending patterns without incentives to reduce inefficiency or improve outcomes. Low-use factors are also inefficient, and buildings and equipment could be used for adult and continuing training. Insufficient available data on costs is one cause of the lack of cost consciousness.

Governance and policy practices in the TVET system

The governance of the E-TVET sector is characterised by fragmentation. Since the introduction of the National Agenda reform process, the TVET system has become part of a wider E-TVET system, which is managed by the E-TVET Council under the patronage of the MoL. At the same time, there are three separate subsectors for the TVET sector within the government and no single effective leading body.

The apex institution that was foreseen for human resources development in Jordan has not been created. Although it was already envisaged in the National Agenda as the umbrella for the three councils (E-TVET, Education and Higher Education), no political will exists to create a Higher Council for Human Resources Development. The three councils do not cooperate enough to support the overall common objective of planning and maximising the utilisation of Jordan's human resources. At the middle level of the sector's management, there has been very limited coordination and cooperation between the various institutions of the sector: MoE, the Ministry of Higher Education and Scientific Research (MoHESR) and the BAU, the VTC, the National Employment and Training Company (NET), CAQA, HEAC, the E-TVET Fund, and the non-governmental sector. This failure of coordination is of course reflected at the executive level (vocational schools, colleges and training institutes).

The decision-making process is highly centralised in the E-TVET sector. Political instability and changes of ministers have prevented the effective implementation of decisions concerning sector reform, and there is considerable resistance to change and reform in the sector. At the same time,

each institution of the sector has independent strategic goals and undertakes the planning process individually, without the involvement of other concerned institutions (as in the so-called silo system). Although legislation and agreements amongst stakeholders exist to promote coordination, many players operate in isolation, each governed by different laws and with many overlapping mandates. Coordination is not effective in a manner that serves the decision-making process in the sector, and neither is the lack of clarity as to roles.

The E-TVET Council was intended to address the inadequate coordination of the various parts of the TVET system and to coordinate both public and private training provision, but no concrete steps have been taken to strengthen the council and enable it to play its role as the main coordination body for the E-TVET sector. The E-TVET Council Law has fallen short of an appropriate legal provision that would effectively engage MoE, MoHESR and BAU representatives in a sectoral policy dialogue extending beyond the MoL, the E-TVET Fund and the VTC.

The establishment of CAQA is one of the most important steps taken in the reform of the TVET sector. However, the regulation of the Centre stipulates its financial and administrative affiliation with the MoL, and this creates an adverse effect on its performance, since CAQA's mandate is to work under the umbrella of the E-TVET Council, to whom it reports. The CAQA regulation has failed to expand the legislative umbrella of CAQA to cover vocational and technical education. Additionally, CAQA regulation has given the advantage to training providers in the public sector at the expense of providers in the private sector.

At the level of implementation in colleges and schools and training institutes, centralisation and attachment to senior management are the predominant features of the governance. Executive managers must obtain the approval of higher management for all matters pertaining to training and education. This means that they cannot respond quickly and flexibly to the needs of local communities and markets. This situation can be added to the lack of standards of accountability and transparency that allows senior management to delegate powers and responsibilities to the executive level, which ultimately reflects on the quality of graduates.

Regarding the private sector and social partners, the regulations of the chambers of commerce and industry and the trade union federation stipulate their responsibility towards supporting E-TVET sector and representing employers and employees. Consultation and engagement at the planning stage have improved. However, the employers and their organisations lack the skills and capacity needed. Additionally, employers are often viewed as guests by government, rather than as stakeholders with clearly identified roles and responsibilities. Hence, the E-TVET system is not based on employer-determined standards and tends to be supply-oriented, mainly focusing on initial training to reach disadvantaged and other target groups.

INTRODUCTION

The Torino Process

Every two years, the European Training Foundation (ETF) invites its partner countries to analyse developments in their VET policies through the Torino Process. It is a participatory process leading to an evidence-based analysis, and is carried out to build consensus on possible ways forward in VET policy and system development.

The Torino Process is inspired by policy assessment processes at the EU level, notably the Copenhagen Process in VET and the 2010 Bruges Communiqué. The analytical framework covers five key dimensions according to which this report is structured:

1. vision for the national VET system;
2. effectiveness and efficiency in addressing economic and labour market demand;
3. effectiveness and efficiency in addressing demographic, social and inclusion demand;
4. internal efficiency of the TVET system;
5. governance and policy practices in the VET system.

Jordan took part in the Torino Process assessment for the third time in 2014. The longer-term objective is to make the Torino Process assessment an entirely country-led self-assessment.

Consultation

The first workshop in the Torino Process 2014 was organised on 18 March in Amman in cooperation with the E-TVET Council Secretariat. The participants were 30 representatives of the Ministry of Labour (MoL), the Ministry of Education (MoE), the Ministry of Social Development, the Vocational Training Corporation (VTC), Al-Balqa' Applied University (BAU), the Department of Statistics (DOS), the Chamber of Industry, the General Federation of Jordanian Trade Unions (GFJTU), the National Centre for Human Resources Development (NCHRD), the Higher Population Council (HPC), donor agencies such as the EU Delegation, the International Labour Organisation (ILO) and DVV International, and a number of NGOs and business associations (Injaz, Business Development Centre, JFPBW, Jordan Career Education Foundation (JCEF). The workshop assessed the 2012 Torino Process report in terms of the need for its updating. Working groups scored the Jordan's progress in each of the five building blocks of the analytical framework (see Annex) and identified the studies and reports published since 2012 that should be taken into account in the 2014 report. A working group of Jordanian stakeholders was set up to draft building block E on governance. The other building blocks were drafted by the ETF. A second consultative workshop was organised on 17 June in Amman, based on the first draft of the report.

Youth discussion groups

As part of the consultation process, youth discussion groups were organised with the support of the Anna Lindh Foundation Network, and in particular the Arab Women's Media Centre, in Madaba, Jerash and Taibet Zaman, on 3–5 June. The results of these discussion groups are not intended to be representative but are used to provide qualitative insights in this report and to illustrate some of the challenges that young Jordanians face. The participants were 35 young people under 30 years of age; most of them had undertaken studies and/or training in vocational secondary school, a VTC institute or community college, and only a few were employed.

The main questions addressed are listed below.

- What are the main obstacles for youth in finding employment? Are the obstacles the same for women and men?
- How useful and relevant are education and training? Do education or training facilitate finding employment?
- On what basis is the subject choice or pathway for education and training decided?



Photo: ETF

Note on statistics

The data and information used in this report come from national statistics (DOS), UNESCO and World Bank indicators, reports and papers by national institutions, international organisations and research institutes, meetings with Jordanian TVET stakeholders, and the Torino Process workshop proceedings and youth group discussions. It should be noted that the statistical data include only Jordanian citizens and must be considered taking into account also the current refugee situation in Jordan (estimates up to two million) and the number of legal and illegal migrant workers in the country (estimates half a million or more). Note also that the definition of informal employment does not follow international (ILO) definitions (employment is considered formal by the DOS household survey if the person has a fixed place in which they manage their work and where they can be contacted), and therefore international comparability is limited.

1. THE NATIONAL TVET SYSTEM

1.1 Introduction to the Jordanian TVET system

Jordan's education system performs relatively well compared to its neighbouring countries. Its adult literacy rate is the highest in the Middle East region, standing at 93% in 2013². Gross enrolment rates are high: for primary education 99% for males, 97% for females, for secondary education 87% for males and 89% for females, and for tertiary-level education 43% for males and 50% for females³. Even so, almost 53% of the population still has less than a secondary-level education (see **TABLE 1.1**), because of the large number of people with basic education or less in the older generations.

TABLE 1.1 EDUCATION LEVEL OF THE JORDANIAN POPULATION (15+) BY GENDER, 2013 (%)

Education level	2013		
	Total	Male	Female
Total	100	100	100
Illiterate	6.8	3.7	10.1
Less than secondary	52.5	56.3	48.6
Secondary	17.9	17.9	17.8
Intermediate diploma	7.8	6.3	9.4
Bachelor and above	15.0	15.8	14.2

Source: www.dos.gov.jo

Technical and vocational education and training (TVET) in Jordan is mainly delivered in the initial vocational education system (IVET) after basic education of eight years' duration. The large majority of training provision is public and consists of:

- **Secondary vocational education** (grades 11–12, ISCED 3), in comprehensive upper secondary schools under the MoE. The enrolment in the vocational stream (about 29,000 in 2012/13) amounts to only about 14% of total secondary education enrolment but represents the biggest bulk of TVET in Jordan (around 40%). Students can specialise in four main training fields – industry, hospitality, agriculture and home economics (beauty care, fashion, childcare) – in a total of 190 schools.
- **Vocational education and training**, targeting 16–18-year-olds and provided by the Vocational Training Corporation (VTC), a semi-autonomous agency under the MoL. The VTC runs a network of 10 specialised institutes and 35 training institutes and offers vocational training and apprenticeship programmes at semi-skilled, skilled and craftsman levels in electronics, vehicle and machinery maintenance, air-conditioning and plumbing, agriculture, personal services, chemical industries and traditional crafts. Around 10,000 students a year enrol in VTC institutes. The training has two components: theoretical, at the level of the institute, and practical, delivered in the workplace through internships and training by employers. Most of the programmes attract students

² www.dos.gov.jo

³ Data for 2012 available on UNESCO UIS database: www.uis.unesco.org/DataCentre/Pages/country-profile.aspx?code=JOR®ioncode=40525

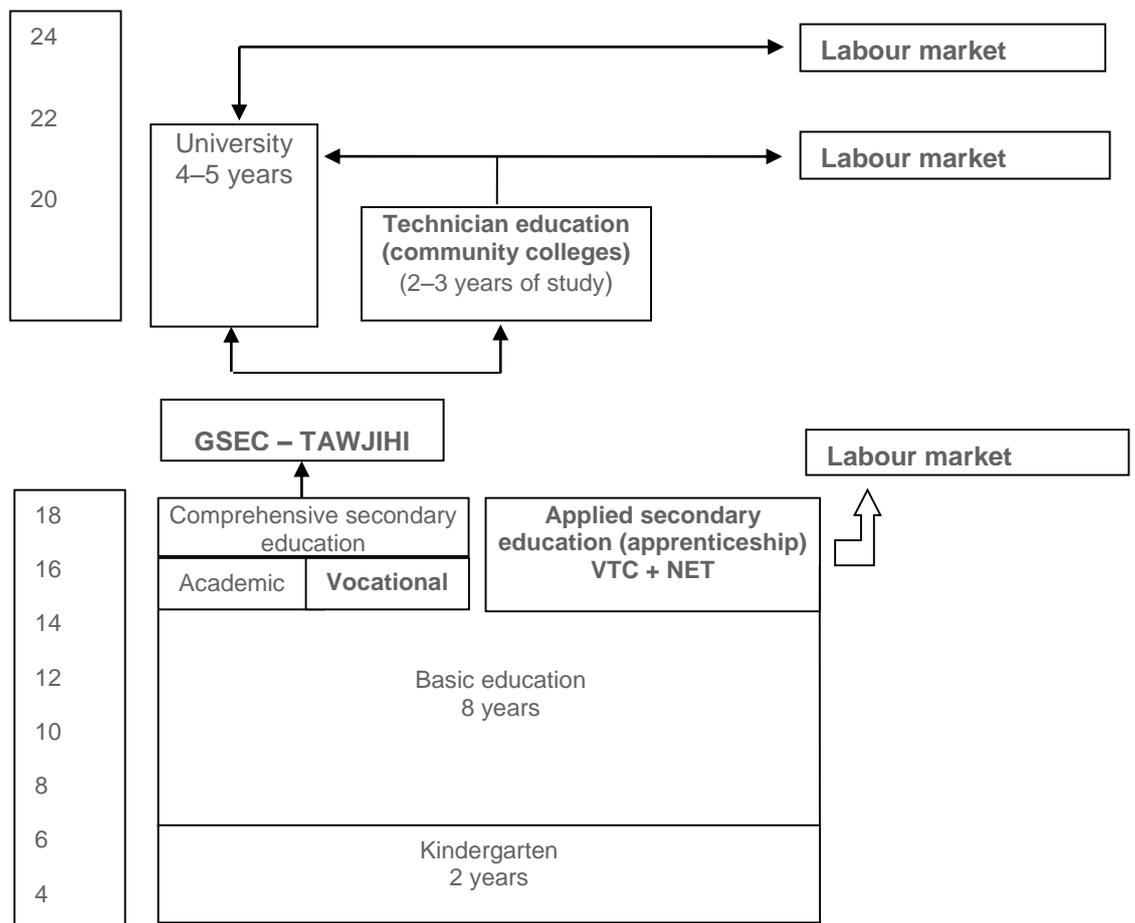
by offering financial incentives such as transport and meals. The VTC also organises some upgrading programmes for in-service workers based on specific needs identified by employers.

- **Technical education**, consisting of two-year programmes (grades 13–14, ISCED 5) leading to a diploma, offered after secondary comprehensive school by 26 publicly supported community colleges. Of these, 14 are under the auspices of the Al Balqa’ Applied University (BAU), six are sponsored by the Department of Education of the Armed Forces, and the remaining six are governmental community colleges. In 2012/13 a total of 28,000 students were enrolled.

Non-public training provision consists mainly of 23 private community colleges, non-profit formal training by the United Nations Relief and Works Agency (UNRWA), including two community colleges attached to the BAU framework, non-formal training by NGOs and enterprise-based training.

A semi-public body, the National Employment and Training Company (NET), was established in 2007 to provide a one-year vocational training programme in the construction sector, followed by employment. It is managed by the Jordanian Armed Forces in collaboration with the MoL and the private sector, with a mandate to train and employ (in the armed forces) 30,000 Jordanians for a period of five to six years.

FIGURE 1.1 THE JORDANIAN EDUCATION SYSTEM



Source: ETF, 2013a

A very small proportion of the government's education budget is invested in TVET. Jordan's public educational expenditure decreased from 4.9% of GDP in 2001 to 4.18% in 2013 and a vast majority of it is spent on general programmes. The bulk of the education budget, 85.5% (JD 866.9 million in 2013), goes to the MoE and 7.5% of the budget of the MoE goes to vocational education in the comprehensive secondary schools. The share of the education budget invested in VTC and secondary vocational education represented 7.7% of the overall education budget in 2013. Budgetary information was not available for technical education in the community colleges, which is financed from the budget of the Ministry of Higher Education and Scientific Research (MoHESR).

Entry to each type of education is based on grades, and the pathways from one type to another are very limited. Almost 90% of the students who complete the 10th grade of basic education are streamed based on their performance either to general education (high performers) or to vocational education in the comprehensive secondary schools, while the remainder (low performers) can continue to one of the VTC institutes. There is no accreditation to allow mobility across the system pathways, and this, together with the low-status image of TVET as an educational last resort, has a negative impact on the demand for TVET. The rigorous General Secondary Education Certificate (GSEC) examination (Tawjihi) determines whether students are qualified to go to university, at which public university they can enrol and in which specialism they can major. Without the Tawjihi, students have access only to the VTC, and VTC students are prevented from progressing to any form of advanced studies. Secondary school graduates may enter the VTC, but if they later enrol in a community college, their training courses in the same field at the VTC are not formally recognised.

Young people in the youth discussion groups found it difficult to say why they had chosen their stream (general/vocational) or subject, as often the choice is not a real one. Typical answers were: 'The Ministry of Education makes the choice for us', or 'I absolutely do not like nursing. If I had had better results I would not have chosen nursing at secondary school.'

Bridging from vocational to academic education is possible through the Tawjihi and community college, but it works for only a few. Those vocational education students who succeed in the Tawjihi have access to community colleges, where they can obtain a diploma degree and may then progress from community college to university (except for studies in engineering and medicine). According to a recent World Bank report (World Bank, 2013b), about 25% of graduates of the vocational education stream enrol in community colleges, and an equal percentage of diploma graduates from community colleges advance to bachelor's degree programmes. Based on the number of enrolments in secondary education and community colleges, our very rough estimate is that secondary VET graduates represent only 15% of the community college diploma students and – supposing all the community college students coming from VET perform as well as the students coming from general education – fewer than 4% of secondary VET students can bridge to university.

Some recent initiatives are tackling the problem of lack of technician-level graduates. While the community colleges had started offering academic and humanities specialisms as 'bridging' programmes to university, thus contributing to the relative shortage of technical graduates, since 2012 the BAU has increased the share of technical education in its affiliated colleges more than the share of humanitarian disciplines. Pathways are also being opened from TVET to higher education: by an agreement between the VTC and the BAU in 2012, graduates from some VTC institutes who pass the Tawjihi can enrol in a two-year diploma programme in a community college, and VTC graduates who do not pass the Tawjihi can still have access to a one-year technician's diploma at the VTC. However,

this type of bridging at the technician level for VTC students is still limited: currently only about 400 VTC students are enrolled in this kind of programme⁴.

1.2 Vision for the TVET system

There are several relevant government strategies regarding the TVET sector in Jordan. The **National Agenda 2007–2017** (National Agenda, 2014) sets out the development strategy for the period and is the main guiding document for the country's plans and strategies. Under the heading 'Employment Support and Vocational Training', one of the eight themes of the National Agenda, the strategy aims to create 600,000 new jobs, halve the unemployment rate and reshape the skills of the labour force by expanding vocational training and employment support. The National Agenda was originally a royal initiative and belongs to the King Abdullah II Fund for Development (KAFD).

Building on the National Agenda, the **Executive Development Plan 2011–2013** of the Ministry of Planning and International Cooperation included Employment Support and Vocational and Technical Training as one of its pillars. Through the plan the government aimed to:

- increase women's economic participation;
- reduce the unemployment rate through the provision of training and employment;
- increase job opportunities for persons with special needs;
- enhance the vocational training system's efficiency and effectiveness to meet the needs of the labour market and international standards;
- stimulate investments which could generate suitable job opportunities to absorb the growing number of Jordanians joining the national labour market;
- promote Jordanians' willingness to take up vocational and technical work;
- increase the efficiency and effectiveness of the vocational training system in order to meet the needs of the labour market, by enhancing coordination between the entities concerned with human resources development.

The **National Employment Strategy 2011–2020** (NES) also derives its vision from that of the National Agenda: improving standards of living for Jordanians through increased employment and improvements in, wages, benefits and productivity (MoL and MoPIC, 2012). NES uses an integrative approach that examines investment policies, fiscal and monetary policies, education and higher education, vocational training, and social welfare, all through the lens of employment. It promotes the gradual replacement of foreign workers with (skilled) Jordanians, attention to structural unemployment, and the upgrading of the TVET system. Further, it provides specific actions for private-sector-driven vocational training, school-to-work transition programmes, the promotion of female employment, the regulation and control of immigrant labour, discouraging high skilled emigration, encouraging business start-ups, and the establishment of the Higher Council for Human Resources Development. NES design was coordinated by the MoL and the Ministry of Planning and International Cooperation. In September 2012, the MoL established a specialised unit to follow up NES implementation and all issues related to employment policies and initiatives. In August 2013, a Memorandum of Understanding was signed between MoL, the E-TVET Fund and the KAFD to support the NES Unit logistically and financially. Accordingly, the unit was moved physically to the KAFD to obtain logistical support, but remained formally linked to MoL.

⁴ Meeting with the Director General of the VTC, 19 June 2014.

The **National E-TVET Strategy** is the national policy most closely related to TVET. The first E-TVET strategy covered the 2008–13 period and the second one 2014–20. The new E-TVET strategy is based on the following acknowledgement:

‘An effective, efficient, competitive, flexible and responsive E-TVET sector – as part of the broader system of human resources development – will re-shape the skills of the labour force and contribute to the development of Jordan’s human capital, address mismatches between supply and demand for labour, provide more employment opportunities for the Jordanian workforce, and support the values of inclusion and opportunity for all Jordanians, particularly youth and women.’ (E-TVET Council, 2014)

The pillars of the new strategy are governance, relevance of education and training for employability, increased inclusiveness of the E-TVET system, performance measurement and sustainable and effective funding. The strategy was approved by the E-TVET Council.

1.3 Action and assessment of progress since 2010

Although Jordan has a number of strategies covering employment and TVET, they have not always been followed by effective implementation.

NES implementation has proved problematic because specific resources for specific actions were not allocated in the strategy. The engagement of different ministry representatives in the National Executive Committee, which follows the progress of the action plan, has been weak and the government officials are insufficiently experienced in implementing cross-sectoral programmes that require close coordination and collaboration between several ministries (ETF, 2014a). While the progress of the different projects envisaged in NES is monitored by the NES Unit at the KAFD (out of the 52 NES projects, 20 have been completed, 18 are ongoing and others are delayed or stopped), a mid-term evaluation of NES by the unit is needed and is expected to assess the effectiveness of the projects in contributing to the strategy’s objectives.

The new E-TVET strategy 2014–20 will have as one of its fundamental tasks the creation of a more coherent E-TVET system including a network of public and private training providers with different institutional setups and specific training philosophies (E-TVET Council, 2014). Various donors and agencies are working in E-TVET in Jordan (EU, GIZ, USAID, the World Bank and others) and both the donors and the Jordanian government have a responsibility to coordinate the diverse projects and initiatives to give a coherent and efficient support to the reform of the sector.

Participants at the Torino Process workshop in March 2014 in Amman assessed progress since 2010 in this building block of the review on a scale of 1 to 5 (1 being the lowest). The results were: 2 for ownership, 4 for the feasibility of the strategies, and 2 for the formulation of policies based on the strategy.

It was felt that there is still no clear responsible and accountable party for the vision and in particular the implementation of the strategies. Implementation and results are lacking. NES seems no longer feasible, among other reasons because the refugee situation in the country has changed crucially since the strategy was drafted.

2. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING ECONOMIC AND LABOUR MARKET DEMAND

2.1 Economic and labour market factors that shape the demand for skills

Jordan is an upper middle-income country according to the World Bank's income group classification and is considered an emerging market with an open economy. It has scarce water supplies and limited other natural resources, is highly dependent on imported energy, and has been increasingly relying on foreign aid and remittances from the Gulf economies. While remittances have slightly declined in the last few years, they still account for about 10% of the GDP (ETF, 2014a).

Jordan is a small country with a high population growth rate (2.2% per annum, 3.5 births per woman) (DOS, 2012). The demographic pressure exerted by the under-15 age group, which forms 37% of the population, requires significant public investment in basic education. The 15–29 age group makes up another 30% of the population⁵. Handling the rapid growth of the share of young adults in the population and on the labour market is undoubtedly one of the country's main challenges. The Jordanian population was estimated at 6.4 million in 2012⁶.

Jordan hosts a large population of refugees. Around two million registered Palestinian refugees live in the country, but most of them are not considered foreigners as they have full Jordanian citizenship (World Bank, 2013a). There are 10 recognised UNRWA Palestine refugee camps throughout the country, accommodating nearly 370,000 Palestinian refugees, or 18% of the country total (UNRWA, 2014). Another 57,000 Iraqis are registered with UNHCR⁷, but estimates of the number of Iraqis in the country far exceed 750,000. The current estimates of the number of Syrian refugees exceed one million, according to the local press.

In the early 1990s, the government embarked on reforms to restructure economic activities, focusing on trade liberalisation and privatisation of services to reduce government ownership across major economic sectors, including electricity, transport and telecommunications. Since joining the World Trade Organisation in 2000, Jordan has made significant efforts to open new markets through property rights reforms, tariff reductions and a series of bilateral and regional trade agreements with the United States, Turkey and the EU (including reaching an advanced-status agreement with the EU in 2010).

As a result of the economic and market-oriented reforms and a favourable external environment, Jordan's economic growth averaged 6.5% during the 2000–09 period. Growth mainly occurred in labour-intensive and low-technology sectors (construction, real estate, hotels and restaurants, retail, public education and healthcare). Since 2009, however, as a result of the global economic downturn, growth has slowed considerably, dropping to 2.7% in 2012⁸. Jordan's economy has also been significantly affected by domestic events related to the Arab spring and the ongoing regional unrest. Lower tourism and FDI inflows, higher international energy prices, and repeated disruptions to the natural gas supply from Egypt, which has to be replaced by more expensive fuels for electricity

⁵ DOS, last accessed June 2014 at: www.dos.gov.jo

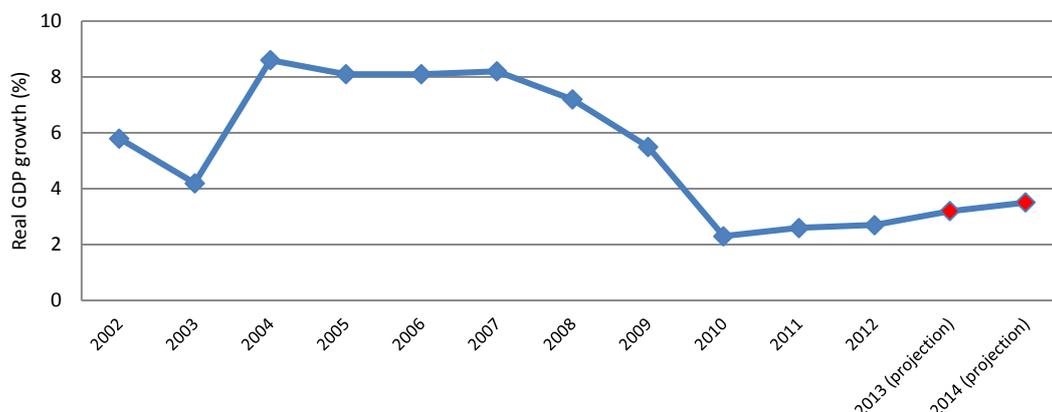
⁶ Ibid.

⁷ UNHCR, last accessed June 2014 at: http://popstats.unhcr.org/PSQ_POC.aspx

⁸ World Bank, World Development Indicators database, last accessed 14 February 2014 at: <http://databank.worldbank.org/data/views/variableSelection/selectvariables.aspx?source=world-development-indicators>

generation, have affected growth. The intensification of the Syrian crisis and the inflow of refugees also have fiscal implications and add to the pressure on the labour and housing markets.

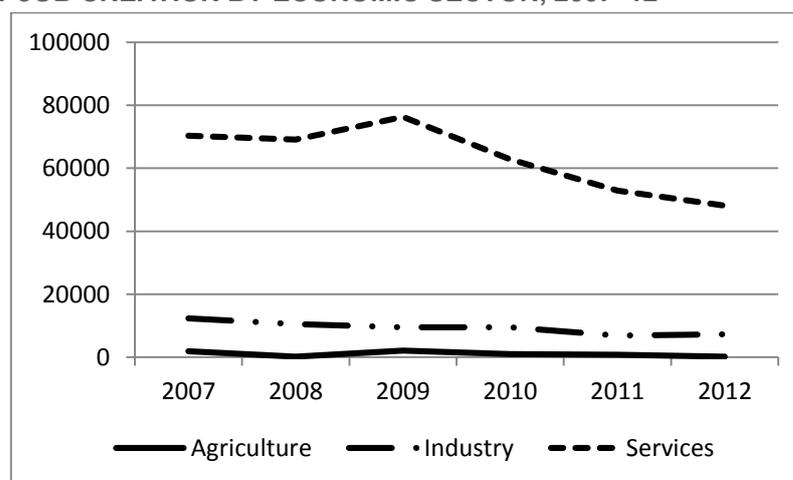
FIGURE 2.1 REAL GDP GROWTH RATES, 2002–14 (%)



Source: Central Bank of Jordan, IMF, *World Economic Outlook 2013*, April 2013

Jordan is increasingly becoming a service economy. In 2012, services constituted 67% of GDP, industry 30% and agriculture only 3%⁹. Correspondingly, 80% of employment was in services, 18% in industry and only 2% in agriculture. In terms of specific sectors, the three biggest contributors to the GDP in 2013 were finance, insurance, real estate and business services (24%), manufacturing (24%), and transport, storage and communications (17%)¹⁰.

FIGURE 2.2 NET JOB CREATION BY ECONOMIC SECTOR, 2007–12



Source: ETF calculations based on DOS, www.dos.gov.jo/dos_home_e/main/

In recent years the government has been promoting investment and innovation in specific sectors with a view to redirecting the economy towards sectors and activities based on knowledge and expertise, such as ICT, pharmaceuticals, business services (including auditing, accounting, legal and architectural services), financial services, and education and health services. These sectors have been chosen for their potential for growth through exports and for their skills-intensity, in the hope of enhancing the employment of skilled individuals and reducing overall unemployment (World Bank, 2012a). However, the sectors that created the most jobs in the first quarter of 2014 were still wholesale and retail trade, motor vehicle and motorcycle repair (20%), public administration and

⁹ Ibid.

¹⁰ DOS preliminary estimates, at: www.dos.gov.jo/dos_home_e/main/sel2/nat_6/1_e.pdf

defence (14%), and manufacturing (14%), and these remain the biggest employers, together with education¹¹.

The public sector employed over half the Jordanian labour force until the late 1990s and continues to be the preferred option for the majority. Public sector employment offers better job security, shorter working hours and guaranteed medical insurance. The average wage is also higher in the public sector than the private sector, for the most part, especially for individuals with secondary education or lower. Male university graduates are an exception, however, earning higher wages in the private sector on average than in the public sector. This imbalance distorts the labour market by discouraging low-skilled workers from seeking employment in the private sector and leading them to queue for public sector employment. It also prevents the public sector from attracting talented male employees. The differential has been slightly diminished by the increase of the monthly minimum wage by 26% from JOD 150 to JOD 190 in early 2012 (ETF, 2014a).

All these factors have made the public sector the preferred option for new entrants to the labour market, particularly women. However, employment opportunities in the public sector are diminishing as a result of a public sector recruitment freeze in 2012 and a reduction in the operating costs of ministries. During the period of economic growth between 2004 and 2008, about 42% of new jobs continued to be created in the public sector (Government of Jordan, 2012), but in 2013 net public sector job creation represented no more than 24% of the total net job creation (48,571)¹². Nevertheless, according to DOS statistics, 39% of employed Jordanians were still government employees, 52% of employed women and 37% of employed men, in the first quarter of 2014.

The phenomenon of 'queuing' for public sector employment is very important in Jordan. The Civil Service Bureau (CSB) is responsible for the recruitment of university and community college graduates (graduates from secondary education are recruited directly by each public institution separately). In 2012, 276,468 people (of whom 75% were females and 73% university graduates) were registered as applicants in the CSB database (30,413 new applicants in 2012 alone) while only 6,430 were recruited (ETF, 2014a). In fact, the CSB sends a misleading message by accepting applications even when no jobs are available. A recent UNDP survey among youth aged 16–26 in eight governorates found that while 43% of the youth sample were neither students, nor working, nor housewives (and therefore 'unemployed'), only 1% were 'actively looking for a job'. This demonstrates the blurred line between being unemployed or inactive and passively waiting or queuing for a job (UNDP, 2014).

It was evident in the youth discussion groups that young people see private sector jobs as a temporary solution while they wait for a civil service position. Most of the young people participating in the youth group discussions were queuing for public sector jobs, even those who already had a job in the private sector. The expectation that the state is obliged to find a job for an individual as part of a social contract seems deeply rooted. The participants complained that they had been registered in the public employment roster for a long time but no jobs were offered. The private sector was said to have a bad image because of low salaries, long working hours, shiftwork, only one day off per week and non-respect of work contracts (e.g. pay below the salary mentioned on the contract, having to sign clauses by which the employee agrees not to claim for compensation if fired).

¹¹ DOS, last accessed June 2014 at: www.dos.gov.jo

¹² Ibid.

The private sector is dominated by small and medium-sized enterprises (SMEs). They represent around 94% of the existing companies, account for more than 60% of economic output and employ half of the labour force (World Bank, 2013b). SMEs face several constraints on their development and growth, such as labour market rigidities and poor access to finance. Jordan is, in fact, a country whose performance is average in terms of ease of doing business. Since the global economic crisis, its ranking as regards doing business has deteriorated from 80th out of 189 countries in 2008 to 119th in 2013 (World Bank and IFC, 2013).

The informal sector is of a significant size. Government research has estimated, on the basis of a 2010 survey, that informal employment represents 44% of total employment, including children and foreigners, in the Jordanian economy. The World Bank estimates the informality rate as 21% of GDP. All informal workers are in the private sector: 59% are employees, 39% are employers and own-account workers and 2% are unpaid household workers (ETF, 2014a). If the tendency is to restrict the number of work permits to foreigners during massive inflows such as the one currently occurring, this could result in a growth of the informal sector. The segmentation between the formal and informal sectors results in young people getting their first job in the informal sector and not obtaining protected employment later (Amer, 2012). More than half of Jordan's youth (53%) are in informal employment (ILO, 2014).

Jordan has one of the lowest economic activity rates in the world: of a working-age population of almost 4 million¹³ only 37% were economically active in 2013¹⁴. Reasons for this high general inactivity are the large numbers of economically inactive women and students, remittances, high reservation wages and early retirement arrangements (e.g. retirement after 16 years of service in military).

Female activity rates are at a record low, with only 13% of women participating in the labour force in comparison to 60% of men (see **TABLE 2.1**). Women's participation increases until their late 20s but then decreases, contrary to the corresponding pattern in men. Many women drop out of the workforce in the first 10 years of their career, especially in the private sector. Other reasons adduced to explain these figures include the shortage of decent jobs deemed suitable for women, lack of affordable childcare and elder care facilities, skill mismatches, and social and cultural factors (Assaad et al., 2012).

Table 2.1 also shows a correlation between education levels and activity rates, in particular female activity rates. These rise from 5% for women with secondary education to 30% for those with an intermediate degree and 56% for those with a university degree; the corresponding increases for men are 25%, 50% and 70%.

¹³ DOS, data for 2012, www.dos.gov.jo

¹⁴ DOS, *Employment and unemployment*, last accessed 3 March 2014 at: www.dos.gov.jo/dos_home_e/main/

TABLE 2.1 ACTIVITY RATES BY SEX AND EDUCATION LEVEL, 2013 (%)

	Total	Male	Female
Total	37.1	60.4	13.2
Illiterate	6.1	20.1	0.9
Lower than secondary	33.9	59.9	3.0
Secondary	25.1	44.7	5.0
Intermediate diploma	50.6	80.2	30.1
Bachelor and above	69.6	81.5	55.9

Source: DOS, Employment and unemployment, www.dos.gov.jo/dos_home_e/main/

Along with very low economic activity rates, Jordan has high levels of unemployment. The unemployment rate has fluctuated over the past decade between 12% and 14%, standing at 12.6% in 2013. This can be partly explained by the fact that many Jordanians are crowded out of the unskilled labour sector by refugees and migrant workers; the fiscal consolidation programme may also be inhibiting the absorption of new labour market entrants into the public sector (World Bank, 2013a).

Unemployment is particularly high for youth (31%) and women (22%), in particular women with higher education (27%). In the youth age group (15–24), the female unemployment rate in 2013 was as high as 55% (see **TABLE 2.2**). On the basis of Jordan's Labour Market Panel Survey 2010 it has been observed that young women (15–34) are inactive, unemployed or working in formal employment (public or private), and informal employment is almost non-existent among young women, even the less educated, which may contribute to the extremely high female youth unemployment (Amer, 2012). Another reason is the structure of the labour market, where the availability of low-skilled jobs is large, whereas economically active women tend to be more highly educated.

TABLE 2.2 UNEMPLOYMENT RATES BY AGE AND SEX, 2013 (%)

	15+	15–24
Total	12.6	31.2
Male	10.6	26.5
Female	22.2	55.1

Source: DOS, Employment and unemployment, www.dos.gov.jo/dos_home_e/main/

Women's unemployment rate rises with education more strongly than men's. Whereas the male unemployment rate is around 10% for all education levels, the female unemployment rate varies between 8% and 27%, increasing for women with bachelor's degrees or higher (see **TABLE 2.3**). This is partly explained by the fact that women with higher education levels (community college and university) are more likely to be active in the labour market (both employed and unemployed) than women with lower education. Unemployment thus seems to follow two trends at once, affecting educated women and less-educated men. Indeed, among the unemployed in 2013, 92% of the women had an intermediate diploma or above and only 6% less than secondary education, while 31% of the men had an intermediate diploma or above and 58% secondary education or less. Overall, 50% of the

unemployed have an intermediate diploma, bachelor's degree or above and 41% less than secondary¹⁵.

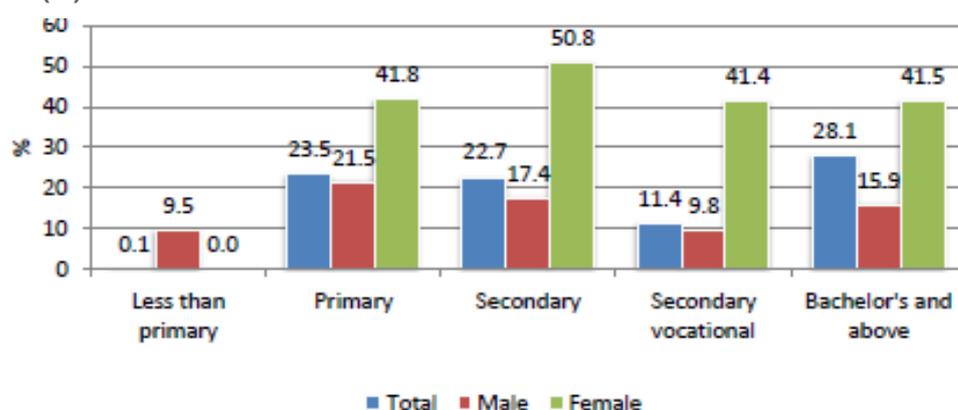
TABLE 2.3 UNEMPLOYMENT RATES 15+ BY EDUCATION AND SEX, 2013 (%)

	Total	Male	Female
Total	12.6	10.6	22.2
Illiterate	7.6	8.5	0
Lower than secondary	10.9	10.8	11.4
Secondary	8.5	8.5	8.6
Intermediate diploma	11.9	7.4	20.2
Bachelor and above	17.8	12.6	26.6

Source: DOS, Employment and unemployment, www.dos.gov.jo/dos_home_e/main/

Among the younger generations, women's disadvantage in finding a job is extended across all levels of educational attainment (ILO, 2014). The unemployment rates for young women are nearly the same at all education levels, showing an increase only for secondary general education; early female school leavers without primary education are entirely inactive.

FIGURE 2.3 YOUTH UNEMPLOYMENT RATES BY COMPLETED EDUCATION LEVEL AND SEX, 2013 (%)

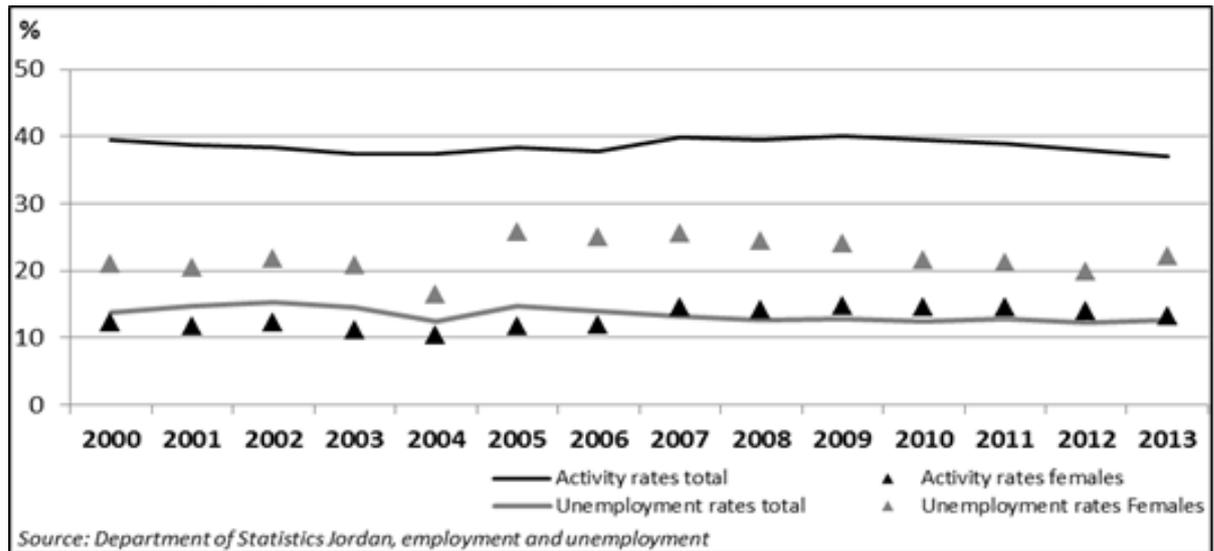


Source: ILO, 2014

The labour market does not create enough jobs to absorb the increasing influx of new job seekers as well as the already existing unemployed. There are 60,000 new entrants to the labour market each year and the number is on the rise, but only about 50,000 jobs have been created annually over the most recent years.

¹⁵ DOS, last accessed June 2014 at: www.dos.gov.jo

FIGURE 2.4 UNEMPLOYMENT AND ECONOMIC ACTIVITY RATES OF THE TOTAL POPULATION AND FEMALES (15+, JORDANIANS ONLY), 2000–13 (%)



In addition to low job creation, high unemployment is explained by mismatches between education outputs and labour market needs, high job expectations, high reservation wages due to remittances from abroad, and specific gender bias in recruitment (Comolet, 2014). The jobs created in the private sector are mainly low skilled and low waged. The composition of the labour force itself, with plenty of unskilled workers and fewer skilled workers (due to the many uneducated foreign workers and the emigration of many more highly educated Jordanians), favours business activities that emphasise unskilled labour (World Bank, 2008). Each year some 40,000 students graduate from Jordanian universities. However, about one-third only of the new jobs created annually are occupied by university graduates, while the remainder are largely taken by workers with basic education or, to a lesser extent, secondary education. Consequently, more than 20,000 new university graduates enter the ranks of the unemployed or economically inactive every year (ETF, 2014a).

The youth discussion groups tended to confirm the exaggerated job expectations of Jordanian youth, something that is often said to be an important factor in high unemployment. When asked to describe their problems in finding a job, the young people started describing private sector working conditions, not the problems of finding a private sector job. This could indicate that unemployment may be partly voluntary, with young people not taking jobs in the private sector because of the working conditions. On the other hand, the DOS statistics for official job creation show that almost 80% of the new net jobs in the private sector are taken by Jordanians, not foreigners.

DOS, last accessed June 2014 at: www.dos.gov.jo/dos_home

Geographical mismatch and low geographical mobility also affect the labour market negatively. There is a continued mismatch between where people reside by governorate and where jobs are being created (World Bank, 2008). Jobs are created principally in the capital and the main cities, while the majority of unemployed people are located outside these areas. Although the difference in unemployment rate between urban and rural areas is not particularly large (11.8% vs 14.2%), unemployment is much higher in certain rural and semi-urban regions. Significantly higher rates are found in the governorates of Madaba (17%), Karak (18%), Ma'an (19.0%) and Tafileh (20%) (DOS, 2012b). The low mobility of Jordanians is probably due to their strong attachment to home, high housing prices in Amman and constraints on mobility for women (World Bank, 2008).

In the youth discussion groups transport emerged as one of the main obstacles for youth making the transition to the labour market. Availability, quality and price were all contributing factors. For people on low salaries transport may represent a bulky share of the salary. Young people might have the right skills and jobs might be available, but the absence of good public transport prevents them from entering the labour market. They noted that local labour markets were saturated, Amman was too far away for commuting, and if you did not have family to host you in Amman the living expenses of the city would be too high. At the same time there seemed to be some selective mobility: moving to another town for public sector employment was possible, but not for a private sector job. For example, a young female university graduate who had been unemployed for a long time looking for a job in her own town finally obtained a public sector job in a town far away and accepted it with pride.

The discrepancy between labour supply and demand is shown also by the high inflows of low-skilled migrant labour and the mass emigration of the most skilled Jordanians. The number of registered migrant workers rose from 111,000 in 2000 to 335,000 in 2009 (EUI, 2013). As a result of the economic slowdown, the formal number has declined significantly from that peak and 286,197 foreign workers were registered in 2013 (NCHRD, 2014). However, the number of unregistered foreign workers is estimated to be between 150,000 and 250,000, bringing the total number of migrant workers to 436,000–536,000 (ETF, 2014a). Thus migrant workers constitute about one quarter of Jordan's formally and informally employed population. At the same time the estimates of Jordanians working abroad are as high as 500,000.

An important challenge faced by the government is that of gradually replacing foreign labour with Jordanian labour. Although the migration of highly skilled workers eases some of the pressure on the local labour market, the long-term developmental implications for the country are problematic. While 60% of Jordanians abroad have a university degree (Comolet, 2014), the main characteristics of foreign workers in Jordan are that they are low skilled (62% have less than secondary education), are mostly men (60%) and work mainly in manufacturing, construction, services (home workers) and agriculture (EUI, 2013). In 2012, Egyptian men alone represented 66% of the registered foreign workers (working in construction) and Philippine, Indonesian and Sri Lankan women (domestic workers) represented 16% (DOS, 2012b). The proportion of Asian foreign workers in Jordan has increased in parallel with the increase in the proportion of foreign nationals employed in the service sector.

2.2 Mechanisms for identifying demand for skills and matching skills supply

Different initiatives exist for analysing skill requirements in the main economic sectors, but no specific system has been set up yet to organise labour market analysis in a more structured way. DOS has started implementing a series of subsector-specific demand and supply surveys and studies, in cooperation with the NCHRD. These surveys, which are to provide specific information about the over- and under-supply of graduates in different occupational areas. They will inform the work of sector teams established by the E-TVET Council in cooperation with the Centre for Accreditation and Quality Assurance (CAQA), which have been set up to develop and review human resources development plans based on the current and prospective needs of the relevant subsectors¹⁶. The teams include representatives from education and training institutions, as well as employers' and employees' representatives from the specific sector. Four sector teams have been established so far and two

¹⁶ Interview with CAQA director, 18 June 2014

more are to be established for the purposes of modelling and testing the concept (E-TVET Council, 2014).

The monitoring of occupations is mainly carried out by DOS, which conducts different economy-related surveys covering both the public and private sectors. There are surveys on employment and unemployment, job creation, employment in establishments, household expenditure and income. These are designed to collect data on occupations and education levels, demographic data and information on a variety of socioeconomic characteristics. With the support of the Canadian International Development Agency (CIDA) AI-Manar project (now closed), the NCHRD also set up reports on students enrolled in higher education and post-secondary vocational training programmes (this initiative should be further expanded to include students of all education levels) and the labour force, divided into the employed, the unemployed, and domestic and permitted foreign workers. The added value of some of this reporting without analysis is questionable, however, taking into consideration the statistics already provided by the DOS.

The TVET system does not have a systematic follow-up mechanism that would accurately indicate the employment rate of the different TVET graduates. Each VTC institute is to have one of its trainers in charge of the follow-up of graduates, but no specific information on this was available. The need for regular studies and surveys collecting data on the employment of TVET graduates is well recognised in the new E-TVET strategy (E-TVET Council, 2014).

As a result of the lack of structured analysis of labour market needs and of systematic follow-up of graduates, the TVET system is unable to plan for matching training programmes to actual employment opportunities in the labour market. The labour market and human resource information sources are fragmented, preventing education and training from becoming more demand-driven and meeting labour market needs. The involvement of social partners is not systematically organised and the needs of the informal sector are not addressed.

The participants to the youth discussion group said they had chosen their studies on the assumption or in the belief that jobs in that field were available, but this had proved not to be the case when they graduated. They mostly received their information from parents, friends and teachers. Some had complemented their original course of studies with several additional trainings (languages, customer service skills, etc.), in order to increase their employability, a sign of serious initiative for self-improvement.

The MoL has made efforts towards intermediation services. The Employment Directorate has 21 public employment offices, but a total staff of only 85. The MoL has also established three one-stop-shop services, in Irbid, Amman and Zarqa, with the objectives of offering:

1. advisory and placement services related to vocational training;
2. information on locally available job opportunities, collected by a local marketing specialist who is responsible both for liaising with the private sector to maintain a database of locally available vacancies and for holding events to link job seekers and employers;
3. employment counselling services;
4. referral to microfinance providers or NET.

Through its services the MoL facilitated the recruitment of over 12,000 job seekers in 2012, but the employment services have not followed up their clients to monitor whether and for how long they stayed in these jobs. In general the work of the Employment Directorate is still hampered by

insufficient capacity in terms of skilled staff in employment offices (ETF, 2014a). In addition to the public employment offices, 45 private employment agencies exist.

The Department of Employment and Training of the MoL operates and maintains the National Electronic Employment System (MoL, 2011), an online platform to match job seekers and employers to each other (MoL, 2011). In mid-2013, about 100,000 job seekers were enrolled in the system and about 17,000 offers were posted on it. However, by 10 June 2014 the platform included only 405 open job offers. Furthermore, the job offers seemed to include only partial information, mainly stating the employer, the job title and the level of education required, and no information was available on the success of the intermediation (i.e. the placement rate). The NCHRD also provided intermediation services through an Electronic Labour Exchange, a web-based platform developed under the Al-Manar project supported by CIDA, where employers could advertise jobs for free and candidates could carry out job searches. Similarly, but in greater depth than the National Electronic Employment System, the Electronic Labour Exchange provided guidelines for CV writing, interview behaviour, and so on. The system has been moved to the King Abdullah II Fund for Development, and no further information is available.

The CSB is encouraging applicants registered in its database to seek private sector employment through its Electronic System for Marketing Employment Applications, which gives selected private sector enterprises and private recruitment agencies access to a database of CSB applicants. This acts as a contact database of prospective employees whom these private sector institutions can contact for recruitment purposes. The database provides private sector institutions with information about the educational and demographic profile of CSB applicants as well as their contact information. It has been operational since 2008 and, according to the latest available figures, has led to the recruitment of 5,100 CSB applicants since that time (ETF, 2014a); but this figure is negligible compared to the overall number of registered candidates in the CSB database in 2012 (276,468).

Regarding the usefulness of intermediation services, the problem of *wasta* (nepotism, or 'who you know') was mentioned several times in all three youth discussion groups. Jobs are very often given to people whom employers know or who are recommended to them. *Wasta* may discourage people from looking for a job and push them more towards waiting for one in the public sector (*wasta* seems to play a less important role in this sector). In addition, the private sector may not get the highest-skilled workers if it bases its recruitment on *wasta* rather than on more modern recruitment processes.

NES includes further development of a comprehensive labour market information system. Such a system is also in the MoL's work plan and budget for the coming years, and the MoL has started to build capacity in this field, in particular with the help of the EU Sector Budget Support Programme, which provides technical assistance for the further development of the National Electronic Employment System.

The sheer number of initiatives shows that institutional coordination between the different agencies is weak. The social partners' involvement in this process has also been fragmented, both the Chamber of Commerce and the Chamber of Industry having worked separately on skills needs analysis for some of the priority sectors. The existing sources need therefore to be developed into a coherent and sustainable system that can be used in a structured and efficient way.

2.3 Potential of the VET system to influence economic and labour market needs

Although Jordan does not yet have a specific national strategy on entrepreneurship skills, initiatives in the country promote the exchange of good practices for lifelong entrepreneurial learning between schools. Jordan organises an annual conference associated with the Queen Rania Award for School Excellence, which recognises schools that show excellence in entrepreneurial learning. UNESCO supports entrepreneurial learning in lower secondary education, and Jordan has also started to integrate entrepreneurial learning into upper secondary education (OECD et al., 2014). In addition, there are various initiatives funded and supported by donors, notably the ongoing activities of the NGO INJAZ. A good example is the INJAZ initiative Economic Opportunities for Jordanian Youth, which funds partnerships between the private sector and educators to help empower young people, introduce them to entrepreneurship and provide them with new employment options beyond the traditional public sector. The initiative builds skills in areas such as communication, entrepreneurship and problem solving, and includes programmes in career guidance and work readiness.

The participation of schools, colleges and training centres in promoting entrepreneurial skills depends very much on the interest and willingness of teachers. One way of mainstreaming entrepreneurial skills would be to include them as employability skills in the occupational standards developed by CAQA (ETF, 2013a). The recent ILO youth transition study found that whereas entrepreneurship is a career decision in urban areas, in rural areas people become self-employed because there are no jobs available (ILO, 2014).

Several training programmes for SMEs are operational throughout the whole country. The Jordan Enterprise Development Corporation (JEDCO), the Chambers of Commerce and Industry, the Business Development Centre and other business associations play a prominent role in organising and coordinating training provision for SMEs around the country. The training projects for small business internationalisation offer a holistic approach to helping small businesses to access international markets. However, important issues such as quality assurance of trainers, training content, and the accreditation and establishment of quality assurance bodies are not dealt with systematically; only ad-hoc solutions, mainly at project level, are in place (OCDE et al., 2014). Multiple financing or governmental lending institutions have been created to support small business creation, for instance the Agricultural Credit Corporation, the Development and Employment Fund, and the Microfund for Women.

2.4 Action and assessment of progress since 2010

Two dimensions of segmentation characterise the Jordanian labour market: gender (very low female participation) and distortion between public and private sector employment. During the past years, the Jordanian government has developed ambitious new strategies and action plans to increase employment, reduce unemployment and the country's dependency on foreign workers, enhance TVET's social image and upgrade its quality and relevance to labour market requirements. Various public initiatives and international projects to improve employability have been implemented. Yet progress in achieving coordinated implementation of the reform process has been limited, mainly due to limited ownership on the part of the different stakeholders, fragmentation of the process, and limited capacity and resources.

The government has not historically been active in the provision of employment services, and until recently limited its role in the sphere of employment to basic regulation of work conditions (e.g. minimum wages, occupational health and safety regulations), providing work permits to foreigners and providing public sector employment. Population growth, declining opportunities to emigrate to GCC countries and the government's financial situation, preventing the expansion of public sector employment, have created a need for government to become involved in the provision of employment

services to facilitate private sector employment (ETF, 2014a). Although intermediation services have been increasingly provided by the public employment offices, the outcomes of these efforts cannot be assessed because there is no follow-up of recruited clients. The lack of institutional coordination and of a comprehensive labour market information system make it a challenge to identify the demand for skills and match skills supply to demand.

Participants at the Torino Process workshop in March 2014 in Amman assessed progress since 2010 in this building block of the review (B), on a scale of 1 to 5 (1 being the lowest), as 3. Participants noted that some particular areas have moved forward, such as entrepreneurial learning and good practices in ICT. Private sector involvement was assessed as still insufficient.

The 17 June workshop participants emphasised as main challenges in the area of building block B market saturation by academic specialisms, lack of work-related training, limited participation by the private sector in curriculum development, certifications, and the like, and the culture of shame in particular as regards TVET and working women.

The recommendations included introducing internships into the curriculum of secondary vocational education, training teachers for entrepreneurial skills and including entrepreneurship in the curriculum, and fighting the culture of shame by awareness campaigns and other means.

3. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING DEMOGRAPHIC, SOCIAL AND INCLUSION DEMAND

3.1 Demographic and social factors that shape demand for VET

Jordan's population has multiplied more than twelvefold in 60 years through natural growth and inflows of population. From fewer than 0.5 million people in 1950, the population rose to nearly 6.4 million in 2012 and is projected to keep growing substantially in the near future. While the proportion of those under 15 has been declining since the 1980s, it is now the young adults that present a challenge for the labour markets (Comolet, 2012). Indeed, Jordan's working-age population is predicted to continue growing fast, reaching 4.4 million (or 67% of the population) in 2020 compared to 4 million today.

This large working-age population creates an opportunity for low dependency rates and high rates of savings and investment. The demographic gift can, however, be a burden if the working-age population is out of work. Currently only 1.4 million people support a population of 6.4 million, meaning that on average one person supports more than four. The large number of excluded youth without real opportunities increases poverty and social unrest, but Jordan needs to build its development on youth. The E-TVET reforms need to succeed in improving the image of the private sector and providing young people with the relevant skills demanded by local private sector employers. According to DOS statistics, of the 50,000 or so jobs created annually over the 2011–13 period, 67% were created by the private sector.

Brain drain through the emigration of qualified youth to the Gulf countries and the inflow to Jordan of low-skilled migrant workers do not support the National Agenda's objective of becoming a competitive, knowledge-based economy. However, the brain drain is often supported by bilateral agreements between Jordan and the Gulf States, while the inflow of migrant domestic workers, for example, is well organised between Jordan and some East Asian countries. Work permits given to foreign workers constitute the main source of funding for the E-TVET Fund for active labour market measures, which is in contradiction to the objective of replacing foreign workers with Jordanians. The non-negligible GDP share of the remittances from Jordanians employed worldwide – the available estimates vary from 12% to 20% of GDP (ETF, 2014a; EUI, 2013) – plays an important part in this context.

It is commonly said that most of the new jobs created are for the low skilled and do not attract Jordanians. This statement is sometimes contested. While it is true that during 2011–13, only 36% of the net job creation was at the level of technician and associate professional or higher, it is also the case that 89% of the total of jobs were taken by Jordanians, and therefore a considerable proportion of Jordanians had to have taken medium-level or low-skilled jobs. A closer look at the statistics reveals that over the same period, 12% of the net jobs created were in elementary (low-skilled) occupations, and 43% of these were occupied by foreigners; in other words, only 7% of the Jordanians occupying the net jobs were in low-skilled jobs, seemingly confirming the statement above. The ILO youth transition study found that young males rejected job offers in the majority of cases on the grounds of low pay (58%), while inappropriate workplace conditions (28%), followed by low pay (26%), were the most important reasons given by young females (ILO, 2014).

In fact, most foreign workers are employed in low-skilled jobs. Employers in the private sector often praise the employment skills of foreign workers and their willingness to work hard, put in long working hours, and be flexible; on the other hand, they complain about the high expectations of Jordanian youth, whose increasing levels of education lead them to expect well-paying desk jobs close to home. Almost half of business owners surveyed by the UNDP in 2011 stated that they employed foreigners

because there was not enough available Jordanian labour willing to perform certain tasks (UNDP, 2011).

The influx of refugees has a labour market dumping effect. About 600,000 Syrians are registered with the UNCHR (UNHCR, 2014), but estimates of the number of Syrian refugees (official and unregistered) in the country are as high as one million, representing an addition of 15% to the population. The number of Iraqi refugees in Jordan is unknown. Some 30,000 Iraqis are registered with the UNRWA, but UNHCR and Fafo¹⁷ estimates are as high as 500,000–750,000 (EUI, 2013). This has an impact on the labour market, especially for lower-level jobs. Refugees accept work for lower salaries, pushing down salaries already considered too low by Jordanians and making these jobs even more unattractive to Jordanians. The Syrian refugees are predominantly male (84%), young (81% younger than 40) and not highly educated (84% have primary education or less), the Syrian middle class probably having resorted more distant and safer destinations (EUI, 2013).

The issue of Syrian refugees getting jobs was raised in all the youth discussion groups and in the Torino Process workshops. The subsidies provided to the refugees by donors and others cover part of their living expenses and allow refugees to take up jobs with very low salaries. However, the young participants' expression of this distress was not accompanied by hostility, which is remarkable in a country where the official population is about 6.4 million and the numbers of refugees and immigrant workers are estimated at two million extra to the official population.

Jordan's open-door policy and the authorities' generous decision to allow refugees access to basic services rendered to nationals have generated large direct fiscal costs. The government decided early in 2012 to allow Syrian refugees access to public services such as health facilities and schools and subsidies for energy, water, bread and gas. Although two camps have been established for Syrian refugees, 70% of them live with host families or in housing rented at low prices or donated by the Jordanian government across the country, with a concentration in the Northern region and Amman (World Bank, 2013a). It goes without saying that the schools in areas with high numbers of refugees have had to stretch their capacities (for example by means of double shifts) in order to provide the refugee children with an education. On the other hand, while the refugees represent a cost for the state, presumably, private consumption is supported by the refugee influx

3.2 Meeting the individual demands and aspirations of learners: access, participation, progression

Despite the increasing need for more technical and vocational skills, TVET careers are not considered attractive for both social and economic reasons, and students whose grades allow it opt for general and academic education rather than vocational or technical streams. In the current situation, where 60% of young people are economically inactive, there is increasing pressure on the labour market to create employment for youth. At the same time there is a need to prepare these individuals so that they have the right skills (at the right levels) to meet the needs of the labour market. However, total participation in TVET has declined in recent years as a percentage of all enrolment in education and training (World Bank, 2013b).

The unattractiveness of TVET is based on the poor image of technical and vocational careers, the wages and labour conditions in them, and the expectations that young and unemployed people have regarding wage levels and their professional careers. Young people prefer higher education that might lead to stable and protected civil servant jobs, even though such jobs are decreasing in number. A

¹⁷ A Norwegian independent research foundation, www.fafo.no/index.php/en/about-fafo

survey by the HPC among youth aged 16–20 years demonstrated that 93% of the students wanted to enrol in universities (HPC, 2012). Indeed, over the past 10 years the total enrolment in higher education has increased by 70% (USAID, 2011).

While women and men are almost equally represented in education overall, women's participation in TVET is much lower than men's. Female TVET participation is particularly low in vocational schools, where they constituted 31% of the total enrolment in 2011/12 (NCHRD, 2013), and in the VTC, where their share was 36% (VTC, 2013). The proportion of women in the VTC has risen, however, from about 25% in 2010. No females are enrolled in NET. A small number of vocational streams at secondary level, generally related to traditional female professions such as hairdressing or nursing, are provided in women-friendly surroundings. The low female participation in TVET can also be explained by the higher female success rate in primary, secondary and tertiary education, which gives females the opportunity of joining more prestigious education paths, and by the preconceived cultural notions against women joining TVET and the labour force in general (Mryyan, 2012).

Only the community colleges have more females enrolled than males: women were 66% (of the total of 23 762) in 2012 (NCHRD, 2013). A partial explanation of this is that community colleges allow for bridging to university and that some of the colleges are female-only: 32% of the women enrolled in public community colleges in 2012 were enrolled in the female-only colleges Irbid University College, Ajloun University College and Rufaida Al-Aslamiah College. However, women are not overrepresented in the private (and UNRWA) colleges, where 50% of the total of 22,694 enrolled in 2012 were females (28% of them in female-only colleges). This could indicate a preference and an opportunity for male students to enrol in private colleges with fees. Women have overtaken men at the university level, at 51% of total enrolment. However, female university students are strongly concentrated in certain fields: in 2012/2013 they represented almost 70% of the students enrolled in humanities, arts and literature and 63% in health and social services, but only 35% in engineering, productive industries and construction (NCHRD, 2013).

In addition to their limited female participation in TVET, most girls encounter problems during the transition from education and training to work for various reasons including employers' perceptions of female productivity, the limited mobility of women and girls, women's role in the family, and the gendered wage gap. Despite the very low female participation rate in TVET and in the labour market, gender is considered as a separate project; it has not been introduced as a mainstream focus of strategies in the field of TVET, and is almost completely absent from action plans. Most of the activities focused on training and employment for girls and women are organised by donors or civil society (ETF, 2013a). A successful donor-led project in this field has been the USAID-funded Sihaya project in tourism.

Women in the youth discussion groups expressed their distress at employers' expectations. Young women are asked to be pretty and take off the headscarf in order to get a private sector job: e.g., 'The job announcement says they are looking for a pretty, pleasant woman'. The fact that the headscarf is acceptable in the public sector contributes to the female preference for working in the public sector. Job announcements on the MoL National Electronic Employment System confirm the discrimination reported by the women in the discussion groups: the majority of employers specify the sex required.

The low economic participation of women excludes them from economic and productive processes; and since younger women are more educated than men, their exclusion is a tremendous loss for Jordan. Fifty per cent of Jordan's unemployed men are under 24, while 50% of the unemployed women are 25–39, because men enter the workforce younger than women and many women remain

inactive if they finish schooling at a younger age, while the activity rate (and therefore the visible unemployment) of women rises with higher levels of education.

Legislation has been put in place to stimulate female employment. The Social Security Law (2010) stipulates fully paid maternity leave (10 weeks maximum) and breastfeeding periods, financed through payroll contributions from both men and women. NES also envisages the expansion of kindergarten services. Today private sector employers are legally obliged to provide childcare services, but no data are available on the number of childcare places available or the extent to which the legislation is respected.

Another problem discussed at length in the discussion groups was geographical distance. Young women are unwilling, or are not allowed by their parents, to work far away from their place of residence. Most often they could not even contemplate the option of working anywhere else than their home town. VET students specialising in the clothing industry were not willing to travel to work in a garment factory in a nearby locality, so the only employment option for the clothing sector students was home-based self-employment.

To improve the image of the TVET sector and to inform students and job seekers better about training and employment opportunities, the E-TVET Council started an awareness and TVET promotion campaign in December 2012. Individually, the MoE, the VTC and NET have developed many promotional activities, including the publication and dissemination of leaflets, brochures and awareness-raising films. Several donor-supported awareness and guidance programmes have been implemented, such as the Save the Children project 'From School to Work' with the MoE, and the Siyaha tourism development project, which supported the VTC and several community colleges. In the MoE, the VTC and NET, centres or units specialising in vocational guidance and education have been established, but they do not coordinate their activities (ETF, 2013a). Meanwhile, the statistics for vocational education enrolment actually suggest a decrease, as previously mentioned.

The culture of shame (for example, about working in the tourism sector) was mentioned in all three youth discussion groups as influencing the choice of studies. In particular, the hospitality sector is seen as 'not for everybody' (depending on the family background) and in particular not for women. Male participants, including a young male VTC hospitality trainee who advocated a better image of the work in hotels, said they would never accept their sisters working in a hotel. The culture of shame regarding certain workplaces is deeply rooted. Parents may allow their daughters to study with men but not to work with them. A young male hotel employee challenged a mother accompanying her daughter to the youth group discussion: 'How can you say your daughter should not work in a hotel when you have never been into a hotel?' 'How can you let your daughter study with males but not to work with males?' Females often face family-based career guidance: 'Ever since I was a child everybody says I will become a doctor or a teacher.'

The Career Guidance Strategy, adopted in 2011, aims at providing young people with realistic, transparent and up-to-date information, but it has not been followed up seriously by concrete action. The purpose of the strategy was to offer a coordinated mechanism of career information and guidance and counselling services, and to empower young people with the employability and career management skills that would increase their self-confidence and enable them to work more positively and productively (E-TVET Council, 2011). The strategy, which was developed with support from the ETF and the Canadian Building and Extending Skills Training (BEST) project, includes an action plan and a timeframe, but no cost estimate. As a result of the lack of funding and of common ownership on the part of the stakeholders, the implementation of the strategy has started very slowly. The intended

Career Guidance Implementation Unit has not been set up, as it requires the allocation of financial and human resources. For the time being, a Career Guidance Committee has been set up, representing the main stakeholders and career guidance service providers. One of the important challenges facing the career guidance process is the lack of an updated, dynamic labour market information system that will relate career guidance to the professions and occupations demanded by the labour market.

Policies, strategies and action plans for adult training in the TVET sector give little attention to lifelong learning and the continuing education system. There is no vision to suggest how continuing training could become an integrated part of the TVET sector and which institutional setting would best fit the needs of the labour force and the private sector. Education and training for adults have been neglected, and all the reforms and restructuring focus on initial training. Institutions and projects such as the E-TVET Fund or NET limit their scope to training for young people. Issues such as the assessment and certification of adult workers have not been taken into account until very recently, when new training policies were implemented (ETF, 2013a).

3.3 Meeting socioeconomic and inclusion demand

TVET is still to be exploited as a means of fighting against poverty. Technical and vocation education is mainly the choice of the poorer segments of the Jordanian population who have limited education options, but in most cases this education does not lead to careers where they can hope to progress towards higher positions. As so few pathways link TVET to universities, VET is perceived as an educational last resort. The subsidies students receive during their training period also play an important part in their decision to join VET (Mryyan, 2012).

According to the last annual official poverty assessment, which took place in 2010, 14.4% of the population in Jordan were living in poverty. A within-year poverty profile reveals, however, that a third of the population lived below the poverty line during at least one-quarter of the year (transient poverty), indicating that the annualised poverty measure underestimated the phenomenon of poverty (World Bank, 2013a). The incidence of poverty is higher in governorates with lower population densities, and poverty alleviation focuses on rural areas although there are more poor people in the urban areas of Amman, Irbid and Zarqa, where 62% of the poor are concentrated (EEAS and EuropeAid, 2014; ILO, 2014).

Youth exclusion is a potential risk. According to the recent ILO youth transition survey, 30% of young people below 29 years of age are not in employment, education or training (NEET) (ILO, 2014). Among young men, NEETs are mostly unemployed, while among women they are mostly inactive non-students. Youth unemployment is higher in urban than in rural areas.

MoL implements active labour market measure focusing on youth and women through cooperation with the private sector, the armed forces and NGOs. Such programmes include training and retraining, including on-the-job and dual system training, internships, employment subsidies paid to employers for the wages and social contributions of interns, self-employment, and entrepreneurship measures. Most of the programmes are supported by the E-TVET Fund and/or donor projects.

The National Employment and Training Company (NET) in the construction sector is by far the biggest active labour market programme (ALMP). It represented over 70% of the E-TVET funds spent in the 2005–12 period (ETF, 2014a). An ILO evaluation in 2012 of the E-TVET Fund's ALMP found that the NET programme had the highest cost per trainee of all E-TVET programmes, 2.3 times more than a VTC trainee of a comparable level. This is due to the high cost of the incentives that NET offers to trainees: lodging for six months, meals, transportation, wages, social security and health insurance for the entire one-year duration of the training (Mryyan, 2012). The employers interviewed believed that the trainees at NET are not interested in finding private sector employment, and therefore most of those who graduate from the programme do not find jobs in their area of training. Some employers

admitted to recruiting on-the-job trainees from NET in order to facilitate their work with the MoL, including for obtaining foreign workers' permits. Despite NET's ineffectiveness and the high cost associated with it, there does not seem to be any intention to abolish the programme while NET acts as a source of welfare support to youth in disadvantaged and politically volatile governorates (ETF, 2014a). Although NET had a mission of five to six years' duration, it has come to be considered as part of the TVET system's regular training providers.

Satellite training and employment projects focused on women are run in rural areas. There are six workplace-based satellite units: five in the garment industry and one in manufacture of concrete products. Factories agree to provide on-the-job training, hire women for 12–24 months upon completion of the training period, and pay them not less than the minimum wage in addition to social security and benefits. In return, during the 18-month training period the employer receives 30–50% wage subsidy, transportation allowance, social security subsidy and a meal a day per trainee, and the satellite unit building rent-free for the first five years of operation. Although the training outcomes of the programme were generally perceived positively by the employers in the ILO's 2012 evaluation, some have argued that employers see the programme as an opportunity for subsidised production rather than for skills development of the workforce. On-the-job training is mainly based on informal 'learning by doing' under the supervision of a senior worker, and the programme does not involve skills tracking, testing or certification. Employers attribute the high dropout rate to the *wasta* system and pressure from local communities to hire unqualified individuals. On the other hand, women feel confident about joining this kind of training because the group participation is perceived as protecting them from an inappropriate mixed working environment (Mryyan, 2012).

The impact of ALMPs on skills acquisition and employment is questionable. The extensive provision of wage subsidies in E-TVET fund training programmes has come under considerable criticism for distorting the training process and for attracting companies that are primarily seeking subsidised labour. Most programmes, to attract young people, use financial incentives, but this can have a negative side effect, for they often attract employed people who prefer the high incentives they can obtain from training courses to the low wages offered in the private sector (ETF, 2013a). The average dropout rate across the programmes was calculated by the ILO evaluation to be 38%. Employers found that many trainees join these programmes for the subsidy and leave before completing the first three months, having no real desire to enter wage employment in their field of training. The majority of employers are not involved at the design stage of the programmes, their role being confined to delivering on-the-job training that consists merely of exposing trainees whom they have not selected to real work experience in their establishments. For all programmes, successful completion is determined only by the trainees' attendance in the programme for its entire duration, rather than by any demonstration of the skills acquired. In fact, the evaluation of trainees by employers is mostly geared towards possible recruitment and not towards certifying trainees for the acquisition of specific skills (Mryyan, 2012). None of the E-TVET-funded ALMPs has kept reliable records of trainees, making it impossible to draw conclusions about their employment-related outcomes. Another evaluation by the World Bank in 2012 found that wage subsidies and soft skills training for young, relatively educated women in Jordan did not appear to have large impacts on generating sustained employment for them: short-term wage subsidies generated significant increases in employment while the subsidies were in effect, but most of these jobs disappeared when the subsidies expired (World Bank, 2012b).

3.4 Action and assessment of progress since 2010

The MoL has started to play an increasingly significant role in the provision of ALMPs and has implemented several new initiatives for increasing employability, mainly focusing on employment opportunities for young people and women. However, the effectiveness of these measures remains to be demonstrated: unemployment rates have not fallen and female participation has even declined.

A recent ALMP is the **Jordan Compact Initiative** (JIC), launched by the government in 2013, which targets youth employment by assisting unskilled, semi-skilled and skilled youth to find jobs through a combination of training, stimulus packages to employers, and SME finance. Another one is the **National Campaign for Employment**, also launched in 2013 by the MoL, with the aim of creating altogether 43,000 job opportunities. It comprises two parts. The first directly employs skilled labourers, while the second offers applicants jobs while training them at the workplace, priority being given to sectors with significant staff vacancies in sectors including manufacturing, wholesale, retail, transport, storage, communication, restaurants, hotels and construction. The MoL is conducting the campaign in partnership with more than 120 Jordanian public and private sector establishments, which undertake to consider candidates from the MoL database of unemployed persons when hiring. A study in spring 2014 reveals that over one-third of the Jordanians employed under the campaign (32,000 in all) quit their jobs six months after recruitment, citing among the most important reasons low salaries, the impact of working hours on their studies, incompatibility with their educational background, and transport¹⁸.

Participants at the Torino Process workshop in March 2014 in Amman assessed progress since 2010 in building block C of the review, on a scale of 1 to 5 (1 being the lowest), as 2 for policy formulation, implementation and effectiveness of results, and 3–4 for the capacity of the TVET system. The participants highlighted that the capacity for change is present but is not used. Communication among actors in the system was judged as in need of improvement. It was strongly recommended to link the National Aid Fund better with the MoL and the VTC to address the socioeconomic and social inclusion needs coherently.

Participants at the 17 June workshop emphasised as main challenges in this building block high population growth due to the high fertility rate and influx of refugees, poor social protection for workers in the informal sector, and low female participation. Their recommendations included, among others, self-employment and entrepreneurship programmes, in particular for females, promotion of the image of TVET and the activation of legislation for gender equality in the labour market.

A strong linkage was seen between high-quality career guidance based on an efficient labour market information system and the creation of support programmes for vulnerable groups who have dropped out of school. This in itself would be a sort of social protection for vulnerable groups currently working in the informal sector.

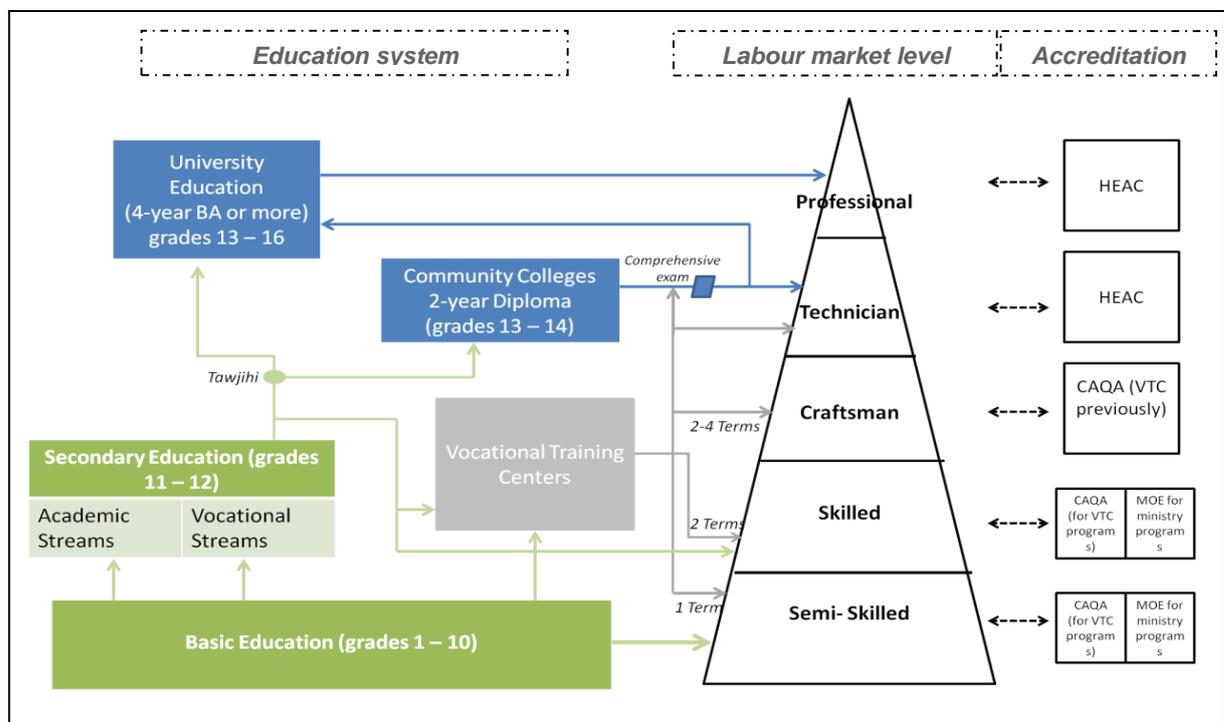
¹⁸ *Jordan Times*, 13 January 2013, 21 May 2014

4. INTERNAL EFFICIENCY OF THE TVET SYSTEM

4.1 Quality assurance

Quality, efficiency and effectiveness in the TVET system are affected by the fragmentation of TVET providers. The sector is characterised by a centralised, top-down approach, with each subsector (vocational education, vocational training and technical education) having bureaucratic systems that work little together to improve relevance, quality and efficiency (ETF, 2013a). Three accreditation and quality assurance systems are operating in the E-TVET sector: the Higher Education Accreditation Commission (HEAC) for technical education, CAQA for vocational training and the MoE for vocational education. However, limited coordination between the providers causes a lack of transparency, various overlaps and a waste of resources.

FIGURE 4.1 THE JORDANIAN EDUCATION SYSTEM, QUALIFICATIONS LEVELS AND ACCREDITATION



Source: World Bank, 2013b

Quality assurance has focused on the internal quality control and internal competence within establishments in terms of inputs, processes and outputs, and has paid less attention to the quality of the education system in terms of the extent to which it provides a skilled and well-prepared workforce that matches the needs of the labour market. Problems of persistent low quality may also be partly attributed to a lack of clear occupational standards validated by employers.

The lack of a system of transparent qualifications and the relative inflexibility of the current pathways for progression are persistent challenges. Indeed, the absence of a framework can discourage Jordanians from being attracted into low-skilled positions in the labour market because of the risk of becoming ‘stuck’ in a career without possible progression. The existing five-level national qualifications framework (NQF), developed by the Arab Labour Organisation, is referred to only by the VTC for its image semi-skilled, skilled and craftsman diplomas. The definition of the levels is broad and there are no defined criteria or procedure for assigning qualifications to them. Given this partial development and its limited use by stakeholders and end users, the framework is arguably not truly an NQF. An

attempt to developing a true NQF was undertaken from 2006 onwards with the support of the ETF, but its development was subsequently stopped because the stakeholders were unwilling to give it priority.

The development of a technical and vocational qualifications framework (TVQF) is ongoing, notably with the support of the EU Sector Budget Support Programme, which gives technical assistance to CAQA. A concept note and a proposal for a four-level TVQF were presented to the E-TVET Council in June 2014 and a task force established to map one sector as a pilot for the proposal. The TVQF is intended to address two particular local factors: first, many current students are trained too narrowly for occupational licences, rather than studying for broader qualifications which would offer them a wider range of employment possibilities; second, the cost of public education is high, although the government is seeking to offset this by encouraging more private provision. However, increasing the number of providers requires a more robust system of regulation, to which the TVQF should contribute. The intention is to transform the draft TVQF, once implemented, into a full NQF applicable to lifelong learning, by integrating it with levels covering qualifications also in general and higher education.

The establishment of CAQA to regulate the quality of the training and certification system for VET is proving to be a useful step. In the E-TVET Council Law CAQA is embedded in the MoL, even though the National Agenda advocated an independent body reporting to the E-TVET Council. Although the by-law had been proposed in 2009, the cabinet only approved it in spring 2012, leaving the organisation without a mandate, or proper staffing and equipment, for three years. According to the regulation, CAQA is in charge of:

- specifying and developing the general and special accreditation standards for VET providers and curricula;
- setting licensing standards for trainers and teachers in the VET sector;
- preparing and developing occupational tests covering the basic work levels (professional worker, skilled worker and unskilled worker) and any subsequent procedures relevant to conducting the tests;
- establishing a theoretical and practical examinations bank;
- issuing practice licences and relevant documents;
- developing quality assurance standards for VET institutions.

CAQA is supervising the development of a series of sector-based occupational standards as a basis for demand-led standards for VET qualifications and curricula. On the basis of a matrix of occupations in a particular sector, drafted by national sector teams, skills committees identify occupational standards in three-day DACUM workshops. Skills committees are composed of private sector representatives and trainers appointed by the Minister of Labour on the recommendation of CAQA and passed through the E-TVET Council. The standards are validated by the employers' sector teams and approved by the CAQA steering committee or board. Standards and associated manuals have been produced for six sectors and seven others are in preparation.

Currently Jordan has no system for the recognition of skills or the validation of non-formal and informal learning. One of CAQA's tasks is to conduct occupational tests for those involved in technical and vocational work and to grant occupational licences. It has, in fact, started to provide occupational licences based on a test to be passed both by graduates from the accredited programmes (300 programmes accredited to date) and by people with professional experience (one year of experience for the semi-skilled level, two years of experience and minimum age of 18 years for the skilled level, and five years of experience and minimum age of 21 years for the craftsman level). This

initiative opens up options to validate skills acquired in the workplace or through other forms of non-formal and informal learning.

CAQA's cooperation with the HEAC and the MoE around the establishment of a system of external quality control for the whole TVET sector is essential as part of an overall external quality assurance approach for human resources development in Jordan. However, CAQA falls under the MoL's oversight and the E-TVET Council's technical operation. To provide greater coherence and independence, the law establishing CAQA should be modified to enforce accreditation and standards across all VET providers, including those under MoE and HEAC oversight.

4.2 Learning and teaching

The relevance of secondary vocational education for labour market needs is limited by the small part (30%) vocational subjects occupy in the curriculum. The rest of the curriculum consists of general subject requirements for the Tawjihi exam and a few basic sciences (mathematics and geography) for those who wish to continue to higher education. The number of practical hours has actually been cut recently as a result of reduced funding opportunities for practical workshops. Practical workshops in schools are poorly equipped, with outdated materials and infrastructure. Work-based learning or internship outside school is not part of the programme. The four streams (industry, hospitality, agriculture and home economics) are subdivided into 23 specialisms, but rationalisation is now being done, reducing this number (ETF, 2013a).

VTC training includes a practical part conducted in the workplace, but the very narrow occupational specialisation of VTC trainees at the semi-skilled, skilled and craftsman levels has been raised as a problem of employability by employers (E-TVET Council, 2014). Also, two recent surveys found that employers do not know enough about the types and levels of training programme offered (HCP, 2012), and only about half are aware of their 'nearby' training institute, resulting in only 38% of the employers being willing to provide apprenticeship (UNDP, 2014). The two-year educational curriculum at the community colleges is divided into university requirements, programme requirements and specialism requirements. It is generally recognised that the community colleges have moved under the umbrella of the BAU so that they can offer more academic and humanities studies and 'bridging' programmes, in order to enable students whose Tawjihi grades did not permit them to attend university to take steps towards university programmes.

In the youth discussion groups, education and training were taken for granted as something useful. Digging in greater depth into the question of usefulness, participants referred to employers who ask candidates to have a qualification/diploma. Many young people said they had studied subjects that were of no use in their jobs. Education was judged too theoretical. 'My teachers said that what we teach has nothing to do with working life' (student of philosophy, preparing for work in childcare). 'We are trained to work in five-star hotels, but there are no five-star hotels in Jerash' (VTC graduate).

Teacher selection is very seldom linked to the specific needs of the training provider since it depends on a roster process operated through the CSB. Any higher-education graduate can join the civil service roster (waiting list) and wait until a position opens up in the teaching profession. According to the Education Act No 3 (1994), teachers of secondary education are required to have at least a bachelor's degree and a one-year postgraduate diploma (World Bank, 2010), but technical qualification is not recognised in the CSB's recruitment procedure. Only community colleges are able to participate in the selection of teachers who are not members of the civil service (World Bank, 2010). In a few training specialisms where there is a shortage of trainers from the civil service who have the

required qualifications, the VTC recruits trainers with practical experience and the necessary skills for technical training, even if they lack formal qualifications in the field.

Teachers are often demotivated by low wages, scarce resources, strict regulations, lack of appreciation and little freedom to introduce changes (ETF, 2013a). Teachers' salaries are not linked to performance but to the length of service. At the top level the salary can be four times the starting salary. A large majority of teachers (60–80%) in Jordan are women. More flexibility is needed in appointing and incentivising TVET qualified instructors, from within or outside the civil service structure, and in paying them according to market rates.

4.3 Efficiency in the use of resources

The TVET system is highly dependent on government financing, although some financing originates from international donations and loans, and to a small extent student fees and income-generating revenues. International donations and loans are allocated to the different establishments, including the MoE, by the Ministry of Planning. Contributions from trainees are symbolic and the sale of products provides some income. The budget is set on an annual basis, which does not help in the financing of strategies that require a multiannual funding plan. Administrative and financial centralisation and too little management authority at the schools and training centres hinders efficiency and development. As the government budget deficit continues, it is predicted that the level of funding for the sector will continue to be low for the next few years.

The E-TVET Fund was established with the aim of improving the efficiency and quality of demand-driven technical skills training in collaboration with the private sector. After a measure to finance the fund through a 1% tax levy from enterprise benefit was abolished in 2009, its resources have been restricted to a deduction of JOD 70 from each work permit granted to a foreign worker. The E-TVET Fund is unlikely to be able to reach its goals and maintain financial viability, and discussions on reintroducing the 1% tax levy have begun. The E-TVET Fund's board was dissolved in 2011, and the E-TVET Council's decision-making on funding is currently based on the proposals of a subcommittee on which training providers are not represented. Increasing proportions of the funding are now being allocated to programmes other than those offered by NET and the VTC.

There is little cost consciousness in the TVET system. There are incentives to spend allocated budgets in full, and the budget allocations are linked to previous spending patterns without incentives to reduce inefficiency or improve outcomes. Low-use factors are also inefficient, and buildings and equipment could also be used for adult and continuing training. The multiplicity of smaller and specialised institutions leads to diseconomies of scale, and completion rates are often low. Lack of available data on costs is one cause of this low cost consciousness (ETF, 2014b).

The annual public budget provides the funding for basic functioning of vocational schools and training centres. The regional offices of the Directorate of Vocational Education distribute forms annually, so that schools can indicate their needs in terms of training, staffing, equipment and material. The estimates are transmitted through the regional offices to the Directorate of Vocational Education at the MoE. After discussion and revision, a final provisional estimate is sent to the Directorate of Planning and Budget of the MoE, which amends and consolidates the ministry's total budget, including that of vocational education, and submits it to the Ministry of Finance. The MoE budget is included in the framework of the total state budget approved by the Ministry of Finance, for submission to parliament and the king. The approval process of the VTC budgets is subject to the same arbitration constraints at the level of the Minister of Finance.

BAU receives budget support from the Ministry of Higher Education and Scientific Research (MoHESR), but is mainly dependent on its own revenues and some foreign loans and donations. The responsibility for the community college system was transferred from the MoHESR to BAU in 1996.

BAU is therefore responsible for the governance and management of public community colleges, including the financing of these institutions. All decisions on investments and budget allocations are made by BAU. BAU uses its own resources to finance technical education programmes utilising tuition fees, including those for bachelor's degrees. BAU allocates funds to public community colleges based on historical trends, the number of students and the staffing level (World Bank, 2013b).

The costs per instructional hour per trainee in TVET are higher than in academic programmes at comparable levels: JOD 365 per academic secondary student, JOD 813 per vocational secondary student and JOD 1,300 per VTC student (ETF, 2014b). The high average cost at the VTC is due to the higher investments in equipment for practical training and the financial incentives offered to students. NET, however, remains the most costly programme due to the substantial financial incentives it offers trainees.

In short, there is a clear funding gap in the TVET sector, leaving little space for innovations in VET provision. Over 80% of the education budget goes to teachers' salaries (World Bank, 2010). The multiplicity of smaller and specialised institutions leads to diseconomies of scale. Infrastructure, buildings and equipment are not used for adult and continuing training. The low demand for secondary vocational education, in addition to the public perception of 'academic failure', is also influenced by the poorly equipped and outdated materials and infrastructure of the practical workshops in vocational schools.

4.4 Action and assessment of progress since 2010

The establishment of CAQA is a big step towards setting up a quality assurance system for TVET. However, to play its role in full and to be able to coordinate beyond VTC, CAQA needs further resources and political empowerment. The fragmentation of TVET providers has a negative impact on quality assurance that needs to be seriously addressed.

The recent steps towards designing a qualifications framework for TVET create an opportunity to reinforce quality assurance and at the same time make it sector-wide (not split into three subsystems). Quality assurance needs to move its focus from inputs and control to outcomes and employability for students and the performance of teachers and TVET institutes. The current method of budget allocation based on spending could be replaced with one based on a new, coherent, sector-wide quality assurance system with appropriate monitoring and evaluation systems feeding into performance-based budgeting. The future of the TVET institutions' clients, the youth of Jordan, depends on the relevance and quality of the training they receive, for which the training providers and teachers should be accountable, having been provided with the appropriate tools and incentives by the government.

Participants at the Torino Process workshop in March 2014 in Amman assessed progress since 2010 in this building block of the review (D) as 3, on a scale of 1 to 5 (1 being the lowest). The group noted the absence of evidence on quality and quality assurance and the need to have a more inclusive dialogue around quality. Participants noted that some particular areas, such as entrepreneurial learning and good practices in ICT, have moved forward. Private sector involvement was assessed as still insufficient.

Participants at the 17 June workshop emphasised the following main challenges in the area of building block D: lack of an NQF; lack of national awareness of the importance of the quality of VET graduates; weak certification and accreditation system; weak career guidance and career counselling system; wide gap between output of TVET and labour market requirements; small number of tracer studies; lack of evaluation of graduate quality output; weak financial incentives for quality. The recommendations mentioned included the involvement of a neutral and recognised body for certification, setting up the NQF, spreading the culture of quality, supporting CAQA in the implementation of a certification and quality assurance programme, and the creation of a national body for career counselling and guidance.

5. GOVERNANCE AND POLICY PRACTICES IN THE TVET SYSTEM

This section was drafted by the Jordanian working group (E-TVET Council, E-TVET Fund, VTC and NET).

5.1 Governance of the E-TVET sector

The governance of the E-TVET sector is characterised by fragmentation. Since the introduction of the National Agenda reform process, the TVET system has been part of a wider E-TVET system, which is managed by the E-TVET Council under the patronage of the Minister of Labour. At the same time, there are three separate subsectors in the TVET sector within the government, and no single effective leading body. **FIGURE 5.1** below shows the general framework of the sector’s governance.

The apex institution foreseen for human resources development in Jordan has not been created. Although it was already envisaged in the National Agenda as the umbrella for the three councils (E-TVET, Education and Higher Education), no political will exists to create a Higher Council for Human Resources Development. This institution could serve as a champion to introduce and enforce measures for creating a coherent system, and act as an inter- and intra-sectoral coordination body. Its key tasks are identifiable as: (i) comprehensive assessments of national economic prospects and their implications on skills supply and demand; and (ii) alignment of policies, systems and processes in training, education, higher education, labour, the economy and trade (ETF, 2014b).

FIGURE 5.1 GOVERNANCE OF THE E-TVET SECTOR

Sectoral level	E-TVET Council	Education Council	Higher Education Council
	Setting general policies for E-TVET	Setting general policies for vocational education	Setting general policies for higher & technical education
Institutional level	MoL	MoE	HEAC
	E-TVET Fund		BAU
	CAQA		
	VTC		
Executive level	Vocational training institutes	Vocational education schools	Community colleges
	Employment offices/ MoL		
	E-TVET institutes in the private sector		

Source: Jordanian working group

The sector is managed at the higher level by three councils that do not cooperate enough to be able to support the overall common objective of planning and maximising the utilisation of human resources in Jordan. At the middle level of the sector’s management, there has been very limited coordination and cooperation between the various institutions (stakeholders) of the sector: MoE, MoHESR and BAU, VTC, NET, CAQA, HEAC, E-TVET Fund, and the non-governmental sector. The failure of coordination

is obviously reflected at the executive level (vocational schools, colleges and training institutes). Overall, cooperation and coordination in this sector, at both the middle and executive levels, is neither institutional nor supported by the councils managing the sector. Although legislation and agreements amongst stakeholders exist to promote coordination, many players operate in isolation, each governed by different laws and with a high degree of overlapping mandates.

MATRIX 5.1 below shows the distribution of responsibilities for the formulation, the implementation and the monitoring of the progress of the vision and strategy for the sector.

MATRIX 5.1 DISTRIBUTION OF RESPONSIBILITIES

Process/ type of responsibility	Objective setting	Strategy implementation	Monitoring and follow-up
Responsible body	<ul style="list-style-type: none"> E-TVET Council 	<ul style="list-style-type: none"> MoL VTC CAQA MoE MoHESR E-TVET Fund 	<ul style="list-style-type: none"> E-TVET Fund M&E
Accountable body	<ul style="list-style-type: none"> E-TVET Council by the Minister of Labour 	<ul style="list-style-type: none"> E-TVET Council 	<ul style="list-style-type: none"> E-TVET Council
Consulted	<ul style="list-style-type: none"> Private sector/ chambers Higher Education Council Education Council NCHRD Economic and Social Council 	<ul style="list-style-type: none"> Trade and industry Partners (donors) and executive departments in ministries and institutions 	<ul style="list-style-type: none"> Concerned ministries (labour, education and HESR)
Informed only	<ul style="list-style-type: none"> External consultancy entities Prime Ministry Parliamentary education and training committees 	<ul style="list-style-type: none"> Prime Ministry Parliamentary committees 	<ul style="list-style-type: none"> E-TVET Council

Source: Jordanian working group

The decision-making process in the E-TVET sector is highly centralised. Political instability and the constant change of ministers prevents the effective implementation of decisions concerning the sector reform, and there is considerable resistance to change and reform in the sector. At the same time, each institution of the sector has independent strategic goals and undertakes its planning process individually, without the involvement of other concerned institutions (this is often called the ‘silo system’). Coordination is not effective in a manner that serves the decision-making process in the sector, and neither is the lack of clarity as to roles.

The laws and regulations of the sector’s institutions are based on the principle of centralisation rather than giving free space for movement and adaptation. This applies to both the E-TVET Council Law and the CAQA Law. In turn, the lack of autonomy undermines their effectiveness.

The E-TVET Council consists of 15 members: six from the private sector, one from the trade unions, and eight from the public sector (ministries, public agencies and education providers). At the time of its creation the E-TVET Council was intended to address the inadequate coordination of the various parts

of the TVET system and coordinate both public (MoE, BAU, VTC) and private training provision. It is considered the 'national reference in drafting general policies for the sector' and should lay down the foundations for the E-TVET Council's decisions, but no concrete steps have been taken to strengthen the Council so that it can play its role as the main coordination body for the sector. The E-TVET Council Law has fallen short of an appropriate legal provision that would effectively engage MoE, MoHESR and BAU representatives in a sectoral policy dialogue beyond the MoL, the E-TVET Fund and the VTC.

Some of the major achievements in the sector's governance are the establishment of the CAQA and supervision over the E-TVET Fund. However, the Council has focused its work on operational and implementation issues involving the VTC and the E-TVET Fund rather than on strategic and policy issues affecting TVET more generally. It did not produce any decisions or policies pertaining to vocational or technical education in 2012 and 2013, because of the absence of any coordination channels with the other two relevant councils. It is also evident that the Council's affiliation with the MoL and its consequent lack of independence has reduced its effectiveness. The Council is operating without the clear standards for external effectiveness and internal efficiency upon which its performance could be measured. Furthermore, the E-TVET fund and its associated matters exhausted most of the Council's time, meetings and decisions in 2012 and 2013, leaving only very limited time to be allocated to the rest of the tasks and goals for which the Council was established.

The establishment of CAQA is one of the most important steps taken in the reform of the sector. Over the past two years, CAQA has managed to develop a vocational teachers' manual together with a number of vocational standards, carry out facilitation workshops, accredit and license a number of private institutions and programmes, and adopt a participatory approach with public and private institutions through which it was able to raise the levels of coordination among these institutions. In spite of its short-term operation, an observer of the Centre's achievements could see the hard work and the promising proper approach. However, the regulation governing CAQA stipulates its financial and administrative affiliation with the MoL, and this creates an adverse effect on its performance, since CAQA's mandate is to work under the umbrella of the E-TVET Council, to whom it reports. The CAQA regulation has failed to expand the legislative umbrella of CAQA to cover vocational and technical education (see Section 4.1). Additionally, the CAQA regulation has given the advantage to training providers in the public sector at the expense of providers in the private sector. These are some of the issues that must be corrected. The CAQA has a steering committee of eight members, six of whom are from public sector provision and two of whom are named industrialists. The chambers of commerce and industry and the General Federation of the Jordanian Trade Unions (GFJTU) do not have direct representation.

The E-TVET Fund was established in 2005 with the objective of financing and expanding on-the-job training and demand-driven technical and vocational training by both public and private providers, as well as to improve the efficiency and quality of programmes. Prior to the amendment of the Income Tax Law, its financing came from a tax levy of 1% on private enterprise profits (which constituted 72% of funding), revenues from foreign workers' permits, and government contributions. However, the Tax Law of 2009 eliminated the tax levy, leaving the fund reliant on a deduction of JOD 70 from each permit granted to a foreign worker. This raises questions about the Fund's financial viability. Furthermore, this source of funding contradicts the national objective of replacing foreign workers with Jordanians, as the E-TVET Fund is one of the main sources of funding for ALMPs (ETF, 2014b).

As regards TVET implementation in colleges, schools and training institutes, centralisation and attachment to senior management are the predominant features of governance. Executive managers must obtain the approval of higher management for all matters pertaining to training and education. This means that they cannot respond to the needs of local communities and markets quickly and flexibly. This factor can be added to the lack of standards of accountability and transparency that

allows senior management to delegate powers and responsibilities to the executive level, which ultimately reflects on the quality of graduates.

The VTC is undergoing a restructuring, launched by the World-Bank-funded Employer-Driven Skills Development Project, to become an autonomous service provider with a clear mandate, governance, management and organisational structures (World Bank, 2013b). Employer-driven business, training and governance models were piloted in three VTC institutes and a modular approach towards VTC training programmes developed. However, the introduction of the revised organisational structure to the VTC and implementing the employer-led training models in all the VTC institutes depends on the by-laws to be adopted by the Cabinet (World Bank, 2014). The introduction of Model Centres for Excellence into the restructuring process has been a benchmark in the transformation of the VTC's service delivery model, enabling it to respond better to local market needs.

Regarding the private sector and social partners, the regulations of the chambers and the GFJTU stipulate their responsibility towards supporting the E-TVET sector and representing employers and employees. Consultation and engagement at the planning stage has grown. The social partners are nowadays engaged in broad policy initiatives such as the development of the national employment strategy, but they have not yet become involved in the management, evaluation and assessment of the E-TVET sector and its provision in matters such as setting standards, designing content and testing competencies. The employers and their organisations lack the skills and capacity needed. Employers are also often viewed as guests by government, rather than as stakeholders with identified roles and responsibilities. Hence, the E-TVET system is not based on employer-determined standards but tends to be supply-oriented and mainly focused on initial training to reach disadvantaged and other target groups. Furthermore, Jordan lacks a coherent set of arrangements and incentives to encourage skills upgrading by employers in the formal and informal sectors. A recent survey found that Jordan's companies were ranked among the lowest of the Arab countries in terms of providing training to their employees, where the percentages of companies training existing employees and new hires are 38% and 47% respectively (Government of Jordan, 2012).

5.2 Action and assessment of progress since 2010

In recent years valuable work has been done on developing some laws and establishing procedures in the TVET sector's institutions to enable the implementation of strategic objectives. However, the Higher Council for Human Resources Development, which might monitor the work of sector institutions and ensure effective coordination among them, has not yet been established. The role of the E-TVET Council's secretariat is still limited in terms of sector planning and monitoring the performance of its institutions; and the role of the private sector is still very limited in contributing to the development of strategies and policies.

Regarding effectiveness and efficiency in addressing economic and labour market demand, identification of the skills required and harmonising such skills with those existing in the labour market is a broad and complex process, and the TVET system is only one of several partners responsible for development in this area. Many initiatives and studies serve the sector, but they are still under way or have yet to enter into the implementation phase. What is currently required is to unite and align the efforts and initiatives of the parties working in the E-TVET sector and implement them in a thoughtful and orderly manner through a clearly tasked umbrella institution that will undertake the necessary coordination and follow up on implementation. Several councils and commissions were established for the purpose of coordination between the ministries and the private sector, but they are either still not fully performing the roles assigned to them, or those roles were not firmly established in the first place.

At the middle level, the most prominent relevant events of 2012–13 were the restructuring of the VTC; taking a new approach towards implementing training in partnership between the VTC and NET; the inauguration of CAQA; and the BAU's new approach towards working with the rest of the sector's institutions in a serious and effective manner and increasing the share of technical education in its affiliated colleges over the share of humanitarian disciplines.

Participants at the Torino Process workshop in March 2014 in Amman assessed progress since 2010 in this building block of the review as 3, on a scale of 1 to 5 (1 being the lowest). There has been a great deal of support for analysis of governance, but the focus still needs to move to decision-making and implementation of actions. The involvement of social partners should be made more important.

If an apex organisation such as the Higher Council for Human Resources Development will not be created as foreseen in the National Agenda, alternative solutions must be identified and assessed.

ANNEX: SCORING FOR CONSULTATION PHASE

Building block A – Vision for the national VET system

On a scale of 1 to 5 (1 being lowest, 5 being highest), assess the level of ownership in the system or the readiness to develop ownership for the vision described in Section A. (Please explain your response.)

On a scale of 1 to 5 (1 being lowest, 5 being highest), how do you assess the feasibility of the strategy, its relevance and its timing? (Is there an action plan for its implementation? If yes, is the action plan equipped with a budget, and is there clarity and agreement on the distribution of responsibility and financial burden for implementation between the central and local levels of governance? Has implementation already commenced?)

On a scale of 1 to 5 (1 being lowest, 5 being highest), how do you assess progress in the formulation of policies that are based on the strategy, in the implementation of those policies, and in how adequate the results are when considered against the background of longer-term strategic goals for VET?

Building block B – Effectiveness and efficiency in addressing economic and labour market demand

Based on the result of the analysis relating to building block B, on a scale of 1 to 5 (1 lowest, 5 highest) how do you assess progress since 2010 in policy formulation, policy implementation and effectiveness of results?

Overall, how do you assess the capacity of the VET system for change in this area?

Building block C – Effectiveness and efficiency in addressing demographic, social and inclusion demand

Based on the result of the analysis relating to building block C, on a scale of 1 to 5 (1 lowest, 5 highest), how do you assess progress since 2010 in policy formulation, policy implementation and effectiveness of results?

Overall, how do you assess the capacity of the VET system for change in this area?

Building block D – Internal efficiency of the VET system

Based on the result of the analysis relating to building block D, on a scale of 1 to 5 (1 lowest, 5 highest), how do you assess progress since 2010 by the VET sector in policy formulation, policy implementation and effectiveness of results?

Building block E – Governance and policy practices in the VET system

Based on the result of the analysis relating to building block E, on a scale of 1 to 5 (1 lowest, 5 highest), how do you assess progress towards effective, multi-level participation in VET management and policy making since 2010?

ACRONYMS

ALMP	Active labour market programme
BAU	Al-Balqa' Applied University
CAQA	Centre for Accreditation and Quality Assurance
CIDA	Canadian International Development Agency
CSB	Civil Service Bureau
DOS	Department of Statistics
ETF	European Training Foundation
E-TVET	Employment and technical and vocational education and training (may also be abbreviated as ETVET)
EU	European Union
GCC	Gulf Cooperation Council
GDP	Gross domestic product
GFJTU	General Federation of the Jordanian Trade Unions
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GSEC	General Secondary Education Certificate
HEAC	Higher Education Accreditation Commission
ICT	Information and communication technologies
ILO	International Labour Organisation
IVET	Initial vocational education and training
JOD	Jordanian dinar (currency)
KAFD	King Abdullah II Fund for Development
MoE	Ministry of Education
MoHESR	Ministry of Higher Education and Scientific Research
MoL	Ministry of Labour
NCHRD	National Centre for Human Resources Development
NEET	(Young people) Not in employment, education or training
NES	National Employment Strategy
NET	National Employment and Training Company
NGO	Non-governmental organisation

NQF	National qualifications framework
SME	Small and medium-sized enterprise
TVET	Technical and vocational education and training
TVQF	Technical and vocational qualifications framework
UNDP	United Nations Development Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
USAID	United States Agency for International Development
VET	Vocational education and training
VTC	Vocational Training Corporation

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CONTACT US

Further information can be found on the ETF website:

www.etf.europa.eu

For any additional information please contact:

European Training Foundation
Communication Department
Villa Gualino
Viale Settimio Severo 65
I – 10133 Torino

E info@etf.europa.eu

F +39 011 630 2200

T +39 011 630 2222

