



MOROCCO

EDUCATION, TRAINING AND EMPLOYMENT
DEVELOPMENTS 2016



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KEY EDUCATION, TRAINING AND EMPLOYMENT DEVELOPMENTS IN MOROCCO

- The Council of Government adopted the National Strategy for Vocational Training (2016–2021) on 29 July 2015 and this was officially signed in a ceremony chaired by the Prime Minister at the end of March 2016.
- The strategy is based on contract-programmes and cooperation agreements with all ministries, major providers, social partners and the civil society. The strategy sets a wide reform agenda and prioritises apprenticeship development and increased employability of vocational education and training (VET) graduates.
- The Vision 2030 for education was endorsed in 2015 by the Higher Council for Education, Training and Scientific Research.
- The new National Employment Strategy was approved in 2015. It aims to strengthen coherence between economic and social policies and to act both on supply and demand. Social inclusion and human capital development are among the priorities of the strategy.
- The National Labour Market Observatory was established in 2014 to monitor, anticipate and analyse trends and processes in the labour market. Capacity building and methodology development is underway.
- A financing agreement for a three-year EU sector programme supporting the vocational training sector was signed in late November 2016.

1. Key demographic and economic characteristics

The population of Morocco was approximately 32.5 million in 2011 and rose to 34.4 million in 2015. Population growth stood at 1.4% as an annual average (UNDP). The age distribution is gradually changing, with an expected increase in the population over 60 from 9.6% in 2014 to 15.3% in 2030¹, while the number of under 15s is decreasing. This demographic change means that pressure on the capacity of the school system will be reduced following a doubling in size of the working-age population over the last three decades. The youth population 15–24 was estimated at 28.9% of the total population in 2011 and slightly decreased by 2015 to 26.6% (UNDP). The youth dependency ratio moved from 42.1% in 2011 to 40% in 2014, while the old-age dependency ratio remained at a stable 9.1% (2011 and 2014).

Morocco has a long history of emigration and this fact strongly shapes the socioeconomic panorama. Official data indicate that the primary destination for workers is the European Union (EU) – France 67.7% and Spain 25.1%². There are also approximately 4.5 million non-worker emigrants³.

The economic performance of Morocco improved mainly as a result of a good performance in the agricultural sector in 2015. The GDP followed an upward trend between 2014 and 2015, with a growth rate increasing from 2.4% to 4.5%. Whereas the GDP growth rate – excluding the agricultural sector – remained fairly stable (3.1% in 2014 and 3.4% in 2015)⁴.

GDP share per sector has remained fairly similar over the years with a slight increase in the industry sector (from 28.9% in 2011 to 29.3% in 2014) and services (from 56.9% in 2011 to 57.7% in 2014

¹ MEAS (Ministry of Employment and Social Affairs), *Bilan social 2015*, 2016

² Ibid., p. 38

³ ETF, *Mesures de soutien aux migrants en matière d'emploi et de compétences (MISMES): Maroc*, 2015

⁴ MEAS, op. cit., p. 10

(World Bank)), and a slight decrease in agriculture (from 14.2% in 2011 to 13% in 2014). Morocco moved up to 72nd position in the Global Competitiveness Index in 2015 (compared to 73rd in 2011).

2. Education and training

2.1 Trends and challenges

Morocco maintained a high education budget to GDP ratio of 6.6% in 2013⁵. VET expenditure as a percentage of GDP has remained fairly stable at around 0.2%⁶. The VET tax ('taxe sur la formation professionnelle') paid by the business sector represents 66% of the VET budget.

Gross enrolment rates at all levels of education have improved significantly, but the persistence of considerable school dropout rates (between 3.2% (ISCED 1) and 11% (ISCED 3)⁷) remain a serious challenge in terms of social inclusion, preparedness for lifelong learning and labour force competitiveness. The share of the working-age population with low educational attainment also remains large despite some progress. The *Bilan social 2015* published by the Ministry of Employment and Social Affairs on socio-economic data and trends, indicates that 45% of the population of 25+ has no diploma, 21.2% has only a primary education certificate, 12.3% a secondary level diploma, 10.2% an upper secondary diploma and 8% a higher education diploma. In rural areas, 66.4% of the population have no education. These indicators show a marked difference from the EU28 figures. Total illiteracy for the population aged 15+ remained at 32% in 2014 with a large gender gap: the *Bilan social 2014*⁸ showed illiteracy to be 25% for men and 48% for women⁹. Illiteracy also remains high among young people and therefore has a heavy impact on activity and employment rates.

Participation in IVET continued to increase in 2014, in particular in the public sector led by the key operator – OFPPT (Office de la formation professionnelle et de la promotion du travail) 60.4%)¹⁰. Over half of all graduates are concentrated in the three sectors of management and commerce, metallurgy-mechanics and construction¹¹. VET students made up 6% of all students in secondary education and 11.6% in upper secondary education in 2012. The aim to increase the share of apprenticeships has not yet been met, and stakeholders and the government will need to implement more effective measures in order to expand apprenticeships and improve their quality and relevance.

2.2 Education and training policy and institutional setting

The vision set out in the National Strategy for Vocational Training (2021) approved in July 2015 and officially signed in March 2016, states the leading objective as 'quality VET for all and throughout life, to support development, to increase the value of human capital and boost competitiveness'¹². The strategy foresees a governance structure involving the establishment of specific national, regional and sectoral commissions, along with a steering committee to monitor and evaluate implementation of the strategy. Work has started to define the role, functions and operational details of these commissions that will effectively come into force once shared objectives and leadership are confirmed. Experience

⁵ Instance nationale d'évaluation (2014), in ETF, *Processus de Turin 2014: Maroc*, 2015, p. 45

⁶ Data from the Ministry of National Education and Vocational Training (INE-CSEFRS estimates)

⁷ Ministry of National Education, 2012

⁸ MEAS, *Bilan social 2014*, 2015

⁹ Illiteracy rates in 1960 were 96% for women and 78% for men (MEAS, 2015).

¹⁰ MEAS, *Bilan social 2015*, 2016 (OMT calculation on the basis of DFP data)

¹¹ MEAS, *Bilan social 2015*, 2016, p. 23

¹² Ministry of National Education and Vocational Training, *Stratégie nationale de la formation professionnelle 2021*, <http://dfp.gov.ma/images/pdfdocs/2016/Strategie%20Formation%20FR.pdf>

shows that the establishment of VET commissions alone is not a guarantee of their effective functioning.

The EU will be backing these efforts through a sector reform contract signed in November 2016. Its three main components cover: (1) the extension and inclusiveness of vocational education; (2) the quality of vocational education, especially better matching with labour market needs through improved anticipation and planning, and the professional development of teachers; and (3) enhanced sector governance and coordination. This sector reform contract will provide incentives for National Strategy for Vocational Training implementation and will include complementary measures to support the steering committee for Strategy monitoring and evaluation and regional development among other issues.

The department responsible for vocational training – DFP (Département de la formation professionnelle) – is attached to the Ministry of National Education and Vocational Training and enjoys relative autonomy. The DFP, however, faces problematic issues of staffing and capacity, a situation which may hamper the achievement of the objectives enshrined in the newly adopted National Strategy for Vocational Training. Initial steps are being taken to reorganise and strengthen the DFP, but these need the support of adequate resourcing.

In the 2014/2015 academic year, the DFP launched the professional baccalaureate through a joint initiative with the employers' confederation – CGEM (Confédération générale des entreprises du Maroc), the Ministry of National Education and Vocational Training and several large companies. The new qualification aims to improve links between upper secondary school and vocational training, enhancing permeability and curbing early school leaving. This pilot focuses on few sectors (industrial maintenance, mechanical industry, the aeronautical industry and management of agricultural land) in five cities.

The concept of an integrated system of evaluation for VET schools was completed and tested in mid-2015, and wider dissemination has been initiated. The system covers the areas of quality assurance along with teaching, administrative and financial components, and it will provide comparable information and data for policy monitoring and evaluation. This initiative has the potential to harmonise quality assurance in VET and make the results of evaluation more visible for public use.

In 2015, the Presidency of the Government took a particular commitment in the development of a national qualifications framework (NQF) and it is currently coordinating the dialogue and consultation process. The establishment of the NQF institutional arrangements progressed and the NQF National Commission officially met for the first time in May 2016. The governance structure has been adopted but the official legislative framework has still to be put in place. Further work is needed to support institutional capacities, relevant working instruments and methods.

3. Labour market and employment

3.1 Trends and challenges

Despite government policies, economic growth has not translated into the creation of decent jobs for all new entrants in the labour market. In fact, the employment rate decreased for the age group 15+ from 45.1% to 42.8% in the 2010–2015 period¹³.

Job creation has mainly grown in services and construction while it has decreased in agriculture and industry¹⁴. The share of wage employment has grown, including in rural areas. In 2015, the percentage of underemployment was 10.8% (12.4% men and 6.6% women)¹⁵. This phenomenon is stronger in the construction sector (16.9% in 2015), but also exists in agriculture and fisheries (10.8%), services (10.1%) and crafts (8.2%)¹⁶.

The activity rate decreased from 49.2% in 2011 to 47.4% in 2015 (Haut Commissariat au Plan (HCP)) and shows a substantial gender disparity (71.5% of men and 24.8% of women), which places Morocco among the lowest performers in the Middle East and North African region as far as female activity is concerned. The majority of the active population is young: 30.5% in the 15–24 age range and 61.1% in the 25–34 age range¹⁷. At the same time, the active youth population has been declining, particularly in the 15–24 age range, falling from 45.8% in 2000 to 30.5% in 2015. A similar fall in activity has been seen among women over the same period, from 25.8% to 17.6%. Low activity affects urban areas more severely than the rural areas, although there has been a slight decrease over the years. The total activity rate in rural areas remains at over 50%¹⁸. These trends can be explained by a number of factors including the discouragement of women and youth, the expansion of years of schooling for youth and a growing share of women involved in household activities (58.5% in 2013)¹⁹.

Unemployment remains stable at around 10% (9.7% in 2015 and 9.9% in 2014²⁰). Evident disparities can be seen in the comparison of unemployment rates in rural and urban areas (4.1% vs 14.6% respectively in 2015), with a slight difference seen between men and women (9.4% vs 10.5% respectively in 2015), and a significant poorer rate of 20.8% for young people (15–24) (HCP, 2015).

The HCP estimates a NEET (not in employment, education or training) rate of 27.9% (2015) for the 15–24 age group with an accentuated difference between men and women, at 11.4% and 45.1% respectively²¹. Three quarters of NEETs are women occupied in household activities²².

Information on the labour market is available and monitored following the creation of an observatory for the labour market (Observatoire national du marché du travail) and efforts to move towards an integrated system of data collection and analysis. However, more work is needed to develop an integrated system, improve local and sub-national data collection and analysis, and establish structured mechanisms for systematic use of the information produced in shaping the education and training offer.

¹³ MEAS, *Bilan social 2015, 2016*, p. 30

¹⁴ *Ibid.*, p. 32

¹⁵ *Ibid.*, p. 36

¹⁶ *Ibid.*, p. 36, all data refer to 2015.

¹⁷ Haut Commissariat au Plan, 2015 data

¹⁸ *Ibid.*

¹⁹ MEAS, *Bilan social 2015, 2016*, pp. 21–22

²⁰ Haut Commissariat au Plan, 2015 data

²¹ MEAS, *Bilan social 2015, 2016*, p. 23

²² MEAS, *Bilan social 2015, 2016*

3.2 Employment policy and institutional setting

The Ministry of Employment and Social Affairs (MEAS) is the main public institution in charge of labour market regulation, employment and social protection policies. MEAS staffing decreased by an annual average of 2.7% between 2010 and 2014 affecting central services far more than the regional equivalents. The ratio of labour inspectors per 10 000 wage-employed has constantly diminished in the same period, from 1.1% to 0.8% in 2015²³.

ANAPEC (Agence nationale de promotion de l'emploi et des compétences), the agency in charge of implementing active labour market policies (ALMPs) and intermediation, is a MEAS subsidiary. Other MEAS agencies include the national social security fund (Caisse nationale de sécurité sociale (CNSS)) and the national fund for social security entities (Caisse nationale des organismes de prévoyance sociale (CNOPS)). In 2015, ANAPEC consisted of 79 agencies. There are also 55 private recruitment agencies authorised for intermediation in recruitment, 65% of which are based in Casablanca, most specialised in interim jobs²⁴.

MEAS and ANAPEC stepped up action towards regionalisation in 2014–2015. This was particularly visible in the 2014 launch of the Regional Initiatives for Employment Development with effective starts made in four districts: Errachidia, Guercif, Sidi Slimane and Taza. This new programme is based on the three pillars of development of proximity and innovative services for employment promotion, employability and support for self-employment.

The four pilot initiatives feature different approaches, but all rely on local partnerships with enterprises, NGOs and professional associations and each one includes measures for the development of professional skills of job seekers in line with local employment needs. The pilot in Errachidia includes a strong component on women and entrepreneurship. Analysis at this initial stage of implementation is not yet available.

Development and monitoring of employment policies is reliant upon a number of consultative councils, most significantly, the Higher Council for Employment Promotion, and the regional and provincial councils, although some of these fail to meet their objectives due to poor coordination. Implementation of the ALMPs is dependent upon specific committees charged with assessing regional needs and defining the selection criteria for projects.

ALMPs are implemented through a set of emblematic programmes with specific objectives. In 2011, a comprehensive study was completed to assess all of these programmes by the then Ministry of Employment and Vocational Training. There are three main programmes.

1. The Taehil programme aims to increase employability through contractual training for employment, qualifying training or reconversion training, plus training in emerging sectors.
2. The Idmaj programme supports the transition of youth from school to work through placements in companies.
3. The Moukawalati programme supports self-employment through the creation of micro-enterprises.

The *Bilan social 2015* shows details of trends in these three programmes, including the number of beneficiaries. The programmes have been evaluated with qualitative and quantitative measurement of their performance.

²³ Ibid., p. 100

²⁴ Ibid., p. 50

The Moukawalati programme has had achievements below the ambitious quantitative targets originally set and the difficulties in programme implementation can be explained in terms of: (1) the programme was not based on a diagnostic survey of the current situation or on the feasibility of the assigned quantitative targets; (2) a simplified vision of entrepreneurship was used in formulating the plans; (3) a complex organisational architecture is in place and this is not well coordinated; (4) there was insufficient implication of the banking sector; and (5) counsellors at the one-stop shops who came into contact with the candidates were given insufficient preparation.

The new Tahfiz programme, brought in during 2015, aims to promote employment by addressing newly-created enterprises. Any enterprises recruiting new employees on indeterminate contracts using the 'adaptation-insertion' mechanism will receive State support in the form of payment of medical insurance and exception from the VET tax. Information on performance is yet not available as the programme is very new.

The government approved a new National Employment Strategy in 2015 to address these issues in an integrated and articulated manner, working on the basis of a comprehensive diagnostic study and findings from the evaluation of some active labour market programmes. This strategy was developed with technical support from the ILO and financial support from the Spanish and Swedish development agencies.

The National Employment Strategy addresses four main pillars: (1) promoting employment creation; (2) increasing the value of human capital; (3) improved performance of ALMPs and the reinforcement of labour market intermediation; and (4) development of the labour market governance framework²⁵. It includes some innovative features, such as informal support to SMEs via skills development programmes to help micro and small entrepreneurs improve their productivity.

The second thread involved specific measures regarding women, particularly concentrating on specific training, better intermediation services and against gender discrimination. This can be interpreted as a promising sign for the cause of women, although time will be needed to evaluate the impact and efficiency of the efforts.

The Strategy's third axis intends to support territorial initiatives for employment in line with the advanced regionalisation process ('régionalisation avancée') in Morocco. The aim is to undertake coordinated actions involving the various actors engaged in employment to counter precarious employment and social exclusion, and to promote skills development. Synergies will be created between ALMPs in order to develop regional and territorial diagnosis of the labour market and to identify opportunities for employment creation in niches at local level.

This approach aligns with EU and ETF strategies to improve employability and fight social exclusion, that have already been partly addressed through the ETF FOREG project in Tanger and Tetouan, and the EU-funded Governance for Employability in the Mediterranean (GEMM) project, implemented by the ETF. Both aimed to encourage local development of capacities to work in partnership on the issues of employability and better governance.

Another interesting planned action of the Strategy is to open the ANAPEC services to low-skilled people after previously targeting only the highly skilled. Unemployment among those who have no diploma or a medium-level diploma (primary and secondary school or VET qualifications) is 27.7% and 44.5% respectively, showing how crucial it is for there to be outreach to this population.

²⁵ www.ilo.org/wcmsp5/groups/public/---ed_emp/---ed_emp_msu/documents/project/wcms_420202.pdf

The governance issue (axis 4 of the Strategy) clearly emphasises the need to collect and handle data appropriately. In particular, the observatory will be charged with producing projections of demand and offer from a medium-term perspective and this will facilitate work on forecasting the evolution of competence needs in the longer-term. Specific tools will be put in place, allocated to the observatory function dependent upon adequate resourcing being available.

Finally, the focus on the need to develop an integrated skills anticipation and matching system, reveals the importance attributed to this aspect in Morocco. A number of key actions and methodologies have been developed on this score.

- Regular surveys are performed by the national statistical institution (Haut Commissariat au Plan), in particular the labour force survey.
- Regular annual enterprise surveys are run to identify demand for jobs, and skills profiles are performed by ANAPEC offices at regional level. The results of these surveys inform ALMP training strategies, but should be more widely disseminated to employers and education and training providers.
- The establishment of the National Labour Market Observatory could help integrate various sources of information and data on the labour market, and disseminate this information in relevant formats for different users.
- Sector studies are performed analysing economic and technological trends in priority sectors, and these are complemented by specific sector studies on training needs and profiles (DFP, sector ministries). These sector studies can be used strategically in shaping VET policies and decisions on adjustments to the provision of training. There is a general consensus on the need for more frequent updates of such analyses and for more effective dissemination of the findings.
- Employment-occupations classifiers and employment-competences classifiers have been elaborated for 13 economic sectors since 2008. These classifiers present highly-valuable content on the tasks and competences needed for various occupations and qualifications. However, they could be more effectively disseminated via existing online resources, in particular institutional portals and websites for the employers' confederation (Confédération générale des entreprises du Maroc). The Ministry of Tourism is one of the few entities that publishes the respective sector classifiers.
- Tracer studies of VET graduates (DFP) are regularly performed at nine months and three years from graduation. The most recent reports are for graduates of 2011, and these showed a decline in the employment rate of VET graduates nine months after leaving school (54% compared with 64% in 2008). The tracer study methodology underwent refinement in 2015. Few higher education institutions carry out their own tracer studies.
- The Tanger and Tetouan initiative, supported by EU-funded GEMM project, tested a methodology package for the analysis of skills at regional level focused on the car manufacturing and logistics sector. This analysis covers the supply of training, demand for jobs and skills and analysis of mismatch, including recommendations for action in the form of matching. The methodology is based on nationally accepted approaches, but it also included new elements for analysis of mismatch and placed emphasis on qualitative analysis.

ANNEXES

Statistical annex

This annex reports annual data from 2011 and 2015 or the last available year.

Indicator		2011	2015
1	Total population (000)	32 532 ^e	34 378 ^e
2	Relative size of youth population (age group 15–24) (%)	28.9 ^e	26.6 ^e
3	Youth dependency ratio (%)	42.1	40.9
4	Old-age dependency ratio (%)	9.1	9.3
5	Global Competitiveness Index	Rank	73
		Score	4.2
6	GDP growth rate (%)	5.2	4.4
7	GDP per capita (PPP) (current international \$)	6 746.9	7 821.4
8	GDP by sector (%)	Agriculture added value	14.2
		Industry added value	28.9
		Services added value	56.9
			13.0 (2014)
			29.3 (2014)
			57.7 (2014)
9	Poverty headcount ratio at \$2 a day (PPP) (%)	M.D.	M.D.
10	Gini index (%)	M.D.	M.D.
11	Educational attainment of adult population (aged 25–64 or 15+) (%)	Low*	82.1
		Medium	9.9
		High	7.4
			82.1 (2014)
			10.1 (2014)
			7.5 (2014)
12	Gross enrolment rates in secondary education (%)	65.8	69.1 (2012)
13	Share of VET students in secondary education (%)	6.0	6.0 (2012)
14	Gross enrolment rates in upper secondary education (%)	51.3	53.1 (2013)
15	Share of VET students in upper secondary education (%)	11.7	11.6 (2012)
16	Low achievement in reading, mathematics and science – PISA (%)	Reading	N.A.
		Mathematics	N.A.
		Science	N.A.
			N.A.
			N.A.
17	Participation in training/lifelong learning (age group 25–64) by sex (%)	Total	M.D.
		Male	M.D.
		Female	M.D.
			M.D.
			M.D.
			M.D.
18	Early leavers from education and training (age group 18–24) by sex (%)	Total	M.D.
		Male	M.D.
		Female	M.D.
			M.D.
			M.D.
			M.D.
19	Activity rates (aged 15+) by sex (%)	Total	49.2
		Male	74.3
		Female	25.5
			47.4
			71.5
			24.8

Indicator		2011	2015	
20	Employment rates (aged 15+) by sex (%)	Total	44.8	42.8
		Male	68.0	M.D.
		Female	22.9	M.D.
21	Unemployment rates (aged 15+) by sex (%)	Total	8.9	9.7
		Male	8.4	9.4
		Female	8.9	10.5
22	Unemployment rates (aged 15+) by educational attainment (%)	Low**	6.1	7.1 (2014)
		Medium	18.7	18.6 (2014)
		High	18.2	19.9 (2014)
23	Youth unemployment rates (aged 15–24) by sex (%)	Total	17.9	20.8
		Male	18.1	20.6
		Female	17.4	21.4
24	Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)		64.8	65.3
25	Long-term unemployment rate (aged 15+) (%)		4.8	5.9 (2013)
26	Incidence of self-employment (%)		33.2	32.9 (2013)
27	Share of the employed in the public sector (%)		8.0	7.9 (2014)
28	Employment by sector (%)	Agriculture	39.8	39.4 (2014)
		Industry	21.8	20.3 (2014)
		Services	38.3	40.2 (2014)
29	Employment in the informal sector (%)***		37.3 (2007)	M.D.
30	Proportion of people aged 15–24 not in employment, education or training (NEETs) by sex (%)	Total	M.D.	27.9
		Male	M.D.	11.4
		Female	M.D.	45.1
31	Public expenditure on education (as % of GDP)		5.4 (2009)	M.D.
32	Public expenditure on education (as % of total public expenditure)		17.3 (2009)	M.D.
33	Skill gaps (%)		30.9 (2007)	31.8 (2013)
34	Contribution of SMEs to GDP (%)		M.D.	M.D.
35	Share of SMEs in employment (%)		21.6 (2002)	M.D.

Sources: Indicators 1, 2 – UNDP_WPP15; 3, 4, 6, 7, 8 – World Bank, World Development Indicators database; 5 – World Economic Forum; 11, 22, 26 – Eurostat; 12, 13, 14, 15, 31, 32 – UNESCO Institute for Statistics; 19, 20, 21, 23, 24, 25, 27, 28, 29, 30 – Haut-Commissariat au Plan; 33 – OECD statistical database; 35 – International Financial Corporation

Legend: N.A. = not applicable; M.D. = missing data

Notes: ^(e) Estimates. ^(f) Includes illiterate people. ^(g) Does not include agriculture. ^(h) Up to 199 employees.

Definition of indicators

	Description	Definition
1	Total population (000)	The total population is estimated as the number of persons having their usual residence in a country on 1 January of the respective year. When information on the usually resident population is not available, legal or registered residents can be considered.
2	Relative size of youth population (age group 15–24) (%)	The ratio of the youth population (aged 15–24) to the working-age population (usually aged 15–64 or 15–74).
3	Youth dependency ratio (%)	The ratio of younger dependents (people younger than 15) to the working-age population (those in the 15–64 age group).
4	Old-age dependency ratio (%)	The ratio of older dependents (people older than 64) to the working-age population (those in the 15–64 age group).
5	Global Competitiveness Index	The Global Competitiveness Index assesses the competitiveness landscape, providing insight into the drivers of countries' productivity and prosperity. It is expressed as a score on a 1 to 7 scale, with 7 being the most desirable outcome.
6	GDP growth rate (%)	The annual percentage growth rate of GDP at market prices based on constant local currency.
7	GDP per capita (PPP) (current international \$)	The market value of all final goods and services produced within a country in a given period of time (GDP), divided by the total population and converted into international dollars using purchasing power parity (PPP) rates.
8	GDP by sector (%)	The share of value added from agriculture, industry and services.
9	Poverty headcount ratio at \$2 a day (PPP) (%)	The percentage of the population living on less than \$2.00 a day at 2005 international prices.
10	Gini index (%)	A Gini index measures the extent to which the distribution of income (or, in some cases, consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution. A Gini index of 0 represents perfect equality, while an index of 100 implies perfect inequality.
11	Educational attainment of adult population (aged 25–64 or 15+) (%)	Educational attainment refers to the highest educational level achieved by individuals expressed as a percentage of all persons in that age group.
12	Gross enrolment rates in secondary education (%)	The number of students enrolled in a given level of education, regardless of age, expressed as a percentage of the official school-age population corresponding to the same level of education.
13	Share of VET students in secondary education (%)	The proportion of VET students in secondary education out of the total number of pupils and students in secondary education (general + VET).
14	Gross enrolment rates in upper secondary education (%)	The number of students enrolled in a given level of education, regardless of age, expressed as a percentage of the official school-age population corresponding to the same level of education.
15	Share of VET students in upper secondary education (%)	The proportion of VET students in upper secondary education out of the total number of pupils and students in upper secondary education (general education + VET).
16	Low achievement in reading, mathematics and science – PISA (%)	The share of 15-year-olds failing to reach level 2 in reading, mathematics and science.
17	Participation in training/lifelong learning (age group 25–64) by sex (%)	The share of persons aged 25–64 who stated that they had received education or training in the four weeks preceding the (LFS) survey.

Description	Definition
18 Early leavers from education and training (age group 18–24) by sex (%)	The percentage of the population aged 18–24 with at most lower secondary education who were not in further education or training during the four weeks preceding the (LFS) survey. Lower secondary education refers to ISCED 1997 levels 0–3C short for data up to 2013 and to ISCED 2011 levels 0–2 for data from 2014 onwards.
19 Activity rates (aged 15+) by sex (%)	Activity rates represent the labour force as a percentage of the working-age population.
20 Employment rates (aged 15+) by sex (%)	Employment rates represent persons in employment as a percentage of the working-age population.
21 Unemployment rates (aged 15+) by sex (%)	Unemployment rates represent unemployed persons as a percentage of the labour force.
22 Unemployment rates (aged 15+) by educational attainment (%)	Educational levels refer to the highest educational level successfully completed. Three levels are considered: low (ISCED levels 0–2); medium (ISCED levels 3–4); and high (ISCED 1997 levels 5–6 and ISCED 2011 levels 5–8).
23 Youth unemployment rates (aged 15–24) by sex (%)	Youth unemployment rates represent young unemployed persons (aged 15–24) as a percentage of the labour force (15–24).
24 Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)	The number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of unemployed persons aged 15+.
25 Long-term unemployment rate (aged 15+) (%)	The number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of the labour force aged 15+.
26 Incidence of self-employment (%)	The share of self-employed as a proportion of the total employed. Self-employment includes employers, own-account workers, members of producers' cooperatives and contributing family workers.
27 Share of the employed in the public sector (%)	The share of those employed in the public sector as a proportion of the total employed.
28 Employment by sector (%)	The share of those employed in agriculture, industry and services.
29 Employment in the informal sector	The share of persons employed in the informal sector in total non-agricultural employment.
30 Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	The percentage of the population of a given age group who are not employed and not involved in further education or training.
31 Public expenditure on education (as % of GDP)	Public expenditure on education expressed as a percentage of GDP. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans, as well as by transferring public subsidies for educational activities to private firms or non-profit organisations. Both types of transactions together are reported as total public expenditure on education.
32 Public expenditure on education (as % of total public expenditure)	Public expenditure on education expressed as a percentage of total public expenditure. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit organisations. Both types of transactions together are reported as total public expenditure on education.
33 Skill gaps (%)	The percentage of firms identifying an inadequately educated workforce as a major constraint.
34 Contribution of SMEs to GDP (%)	The share of value added from small and medium-sized businesses.
35 Share of SMEs in employment (%)	The share of persons employed in small and medium-sized businesses.

FOR FURTHER INFORMATION ABOUT
OUR ACTIVITIES PLEASE CONTACT:

COMMUNICATION DEPARTMENT
EUROPEAN TRAINING FOUNDATION
VIALE SETTIMIO SEVERO 65
I - 10133 TORINO

E: INFO@ETF.EUROPA.EU

T: +39 011 6302222

F: +39 011 6302200

WWW.ETF.EUROPA.EU