



## ETF COUNTRY INFORMATION FICHE

# ALGERIA

### BASIC COUNTRY DATA

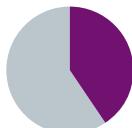
Total Population:

**38,297,000** 

(Last available year: 2013, Office National des Statistiques, Démographie algérienne)

Youth dependency ratio:

**41.07%**



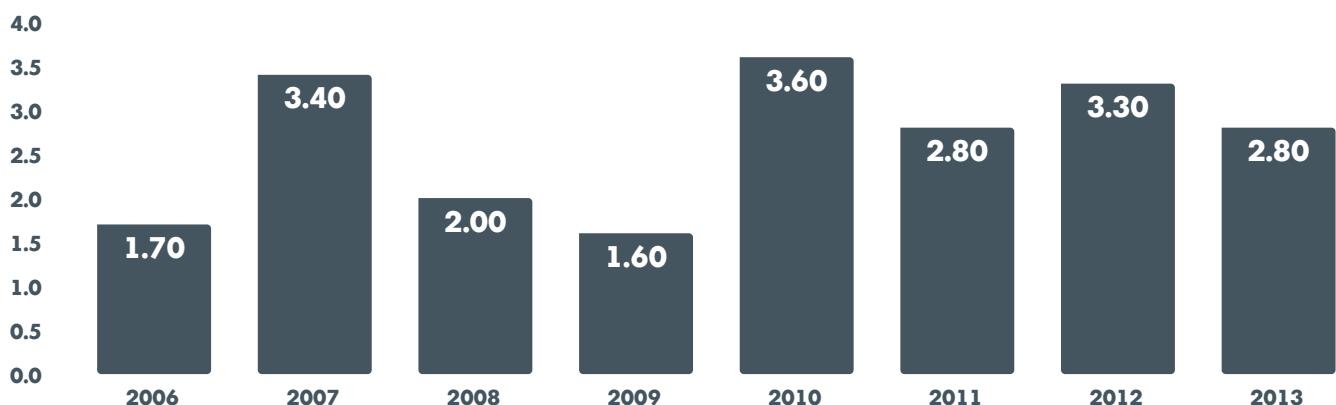
(Last available year: 2013, World Bank)

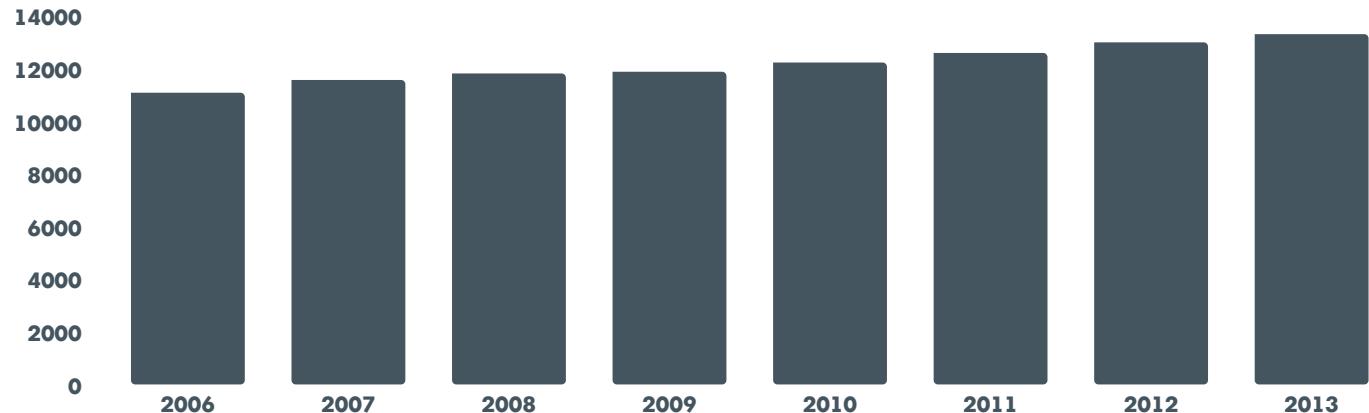
Public expenditure on education as share of GDP:

**4.34%**

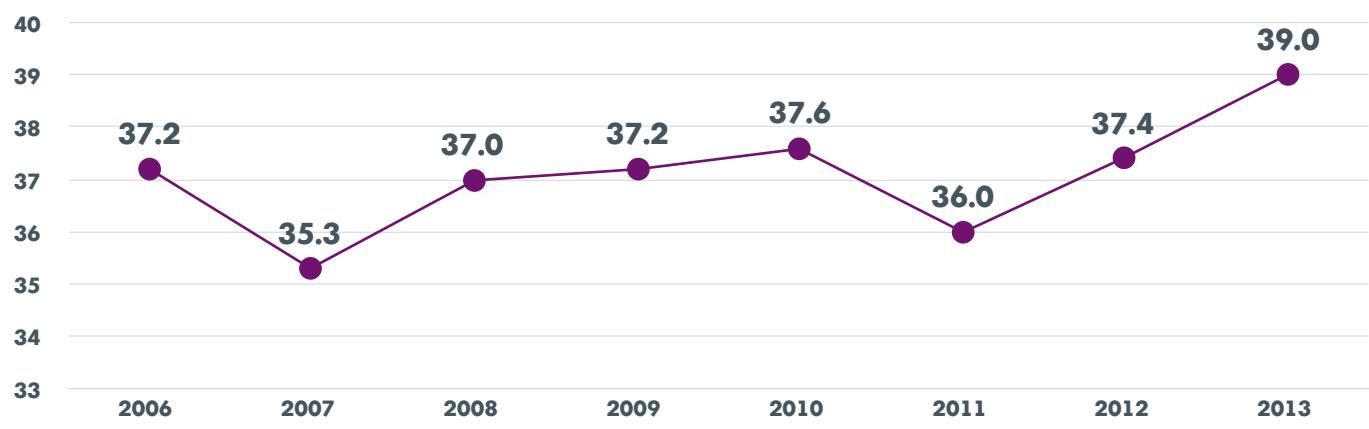
(Last available year: 2008, UNESCO Institute of Statistics)

### GDP ANNUAL GROWTH RATE (%)



**GDP PER CAPITA (CURRENT INTERNATIONAL \$)**

Source: World Bank.

**EMPLOYMENT RATE 15+ (%)**

Notes: Data refers to last quarter of the year.

Source: Office National des Statistiques, "Emploi et chômage"

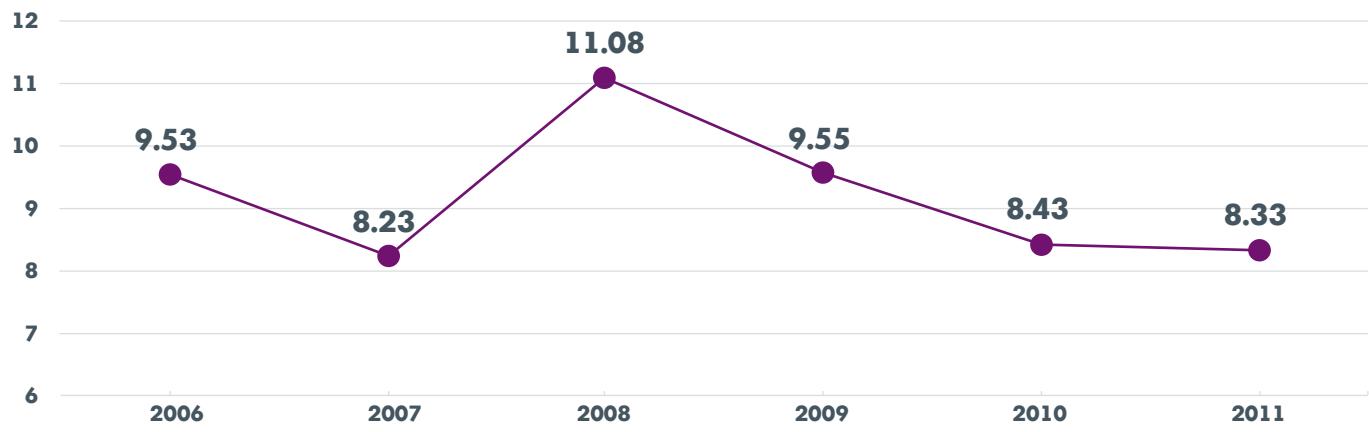
**UNEMPLOYMENT RATE (%)**

Note: Data refer to last quarter of the year.

Source: Office National des Statistiques, "Emploi et chômage"



## SHARE OF VET IN SECONDARY EDUCATION (%)



Source: UNESCO

**Algeria's population of 39.9 million (as estimated by the National Statistical Office, ONS) is unevenly spread over the country, with 63% of inhabitants living in the north. Since 2007 the annual population growth has increased from 1.7% to 1.8%. The population is young, with around 60% of the population under 30 and 27% in the 0–14 age group.**

Algeria is a middle-income country with a steady GDP growth since 2000 which has decreased slightly in recent years. The economy remains highly dependent on the hydrocarbon sector, which accounts for about a third of GDP and 98% of exports.

The majority of employees are in the services sector (59.8%), followed by industry (29.6%) and agriculture (10.6%).

As a result of the privatisation process that started in the 1990s, the percentage of people employed in the public sector has decreased, although it remains quite high (around 40% in 2011).

Long-term economic challenges remain, in particular reducing dependence on state subsidies, improving the business environment, diversifying the economy, and promoting the creation of jobs in the private sector.

In 2013, the total economic activity rate was 42.9%. This low activity rate imposes a heavy burden on the active labour force. There is a significant difference between male and female activity rates. In 2013, they were 68.9 % and 16.5% respectively. In 2013, the total employment rate was 41.9% (68.3% for males and 15.0% for females).

Considerable disparities are observed between age groups, gender, and education levels. The groups that are hardest hit by unemployment are youth and educated women. The youth unemployment rate reached 24.8% in 2013 (21% for males and 39.7% for females). The number of unemployed people by education level shows that the rate is lower for those with a lower education level and increases with the level of education, reaching 14% for those with higher education. The situation is more critical for women, as the unemployment rate for those with higher education reaches 19.2%. This situation is somewhat paradoxical given the low education level of workers in the economy: only 12% of the employed labour force has a higher education degree.

Public spending on national education is 7.34% of GDP and on VET 0.76% of GDP. Thanks to extensive efforts in preceding decades, the education and training system has undergone considerable development. The number of people over the age of 15 who are without education is gradually declining but remains significant (22.5%).



## VET and employment policy: Progress since 2012<sup>1</sup>

While a number of reforms have been undertaken to raise the quality of the education system, this has so far has little effect on improving the employability of students leaving the system. Algeria did not participate in any international tests such as OECD PISA or TIMMS.

A substantial proportion of students (38%) leave school after their compulsory lower-secondary education and some of them subsequently return to vocational education and training (VET) through initial or continuing training. The size of vocational enrolment at the upper secondary level is small (9.7%). Initial vocational training takes two forms, college training and apprenticeships. Although legislation provides the option of private education, most VET is provided by the state, free of charge. The training system offers four special training pathways: evening courses, distance learning, training for housewives, and training for women in rural areas.

In 2008, a law to reform the VET system was passed. In its application, 12 new schools have been created. These are institutes of vocational education (*instituts d'enseignement professionnel*), dedicated to initiating a new modality of VET and to raising its image. The new institutes will deliver training in occupations primarily in big sectors (industry, agriculture, agro-food, hospitality and tourism, construction, management and accountability, and commerce), organised in close cooperation with enterprises.

## Country priorities for VET and employment reforms<sup>2</sup>

The government's five-year plan states the following priorities:

- Improvement in the quality of the VET system, including the development of a quality assurance system touching also on administration and financing; upgrading of teaching staff; reinforcing career guidance and orientation; reorganizing curriculum development and updating processes; establishment of centres of excellence in specific sectors.
- Improvement in links and partnership with the business sector, including greater involvement of enterprises in the training process and better concertation with the partners to achieve better matching.

## ETF interventions

Algeria participates in the regional EU-funded GEMM (Governance for Employability in the Mediterranean) project and in the Qualifications for the Mediterranean project.

## Key donors in VET

- The European Union's Programme d'appui jeunesse emploi (PAJE) started activity in 2015 and includes three components, one of the on job creation and youth employability.
- The Projet d'appui au secteur d'emploi (PASEA) programme started in 2012 and comes to an end in March 2016. The total allocation for this project was EUR 14 million. PASEA provides institutional support to the ANEM (Agence national secteur d'emploi) to enhance its services through modernising its IT and communication systems and through capacity-building activities for its staff.
- The ILO is active, with a project to promote decent work (Promotion de l'emploi décent pour les jeunes par la création de micro et petite entreprise et la consolidation des petites entreprises existantes). The project is funded by the Spanish cooperation agency and has a duration of four years (2012–2015). In 2016, the ILO also implements a project of one year's duration on women's entrepreneurship.

## Key publications

*Employment policies and active labour market programmes in Algeria:*

[www.etf.europa.eu/web.nsf/pages/Employment\\_policies\\_Algeria](http://www.etf.europa.eu/web.nsf/pages/Employment_policies_Algeria)

## ETF Country Desk

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<sup>1</sup>

<sup>2</sup> Ibid.