

ALGERIA

COUNTRY STRATEGY PAPER 2017-20

2018 UPDATES



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A. COUNTRY CONTEXT

Algeria is the most populous country in the Maghreb with 39.9 million inhabitants, as estimated by the National Statistical Office (ONS, 2015).

The population is unevenly spread over the country. Since 2010, annual population growth has been around 2%, with the total fertility rate per woman at about 2.9 children for the period 2010-2014 (ONS). The country has a young population, although the share of youth has slightly decreased from 19.81% in 2011 to 17.47% in 2014 for the age group 15-24 (ONS). Looking at the relative size of the youth population (comparing the ages 15-24 to 15-64) data for Algeria show that the size of youth population has significantly decreased in 5 years from 31% in 2010 to 25% in 2015 (UNDP).

Algeria is a middle-income country. GDP has been steadily growing since 2000. Real GDP growth slowed down at 2.8% in 2011, but increased again to 3.9% in 2015 (World Bank). In 2015, the share of GDP by sector shows that the industrial and service sectors are similar (47.9% and 39.0% respectively), followed by agriculture (13.1%) (World Bank). Employment by sector indicates that the trade and service sector absorbs the majority of employees (61.4%), industry employs one third and agriculture around 9% (ONS, 2014). There is a clear pattern in Algeria towards a more service-oriented economy (a increase 9 percentage points in GDP and more than 6 percentage points in employment from 2011 to 2015, World Bank). Agriculture contributes a larger share of GDP but a lower share of employment, indicating more industrialised agricultural sector than in the past¹.

Algeria is highly dependent on the hydrocarbon sector that remains the dominant feature of the economy, accounting for about a third of GDP and 98% of exports. The transition to an open economy has resulted in the need for a restructuring and the country has adopted a five-year plan that foresees privatisation and diversification of the economy. Nonetheless, the public sector still employs a large proportion of people (around 42% in 2015 according to ONS, an increase from 2011) and most enterprises are still micro (only one person) enterprises. The limited diversification and the slow growth of the private sector have a negative impact on sustainable job creation and therefore represent a further challenge for unemployment.

Algeria has a low skilled labour force and 30% of adults older than 25 years have not attended any school and fewer than 10% have higher education. The recent trend in upskilling² the workforce can also be observed through the educational attainment of the population. In six years (from 2006 to 2012 (the last year for which data is available) there was a decrease of 22% in the number of adults that did not attend any school, while there was an increase of the same percentage in those attending lower secondary education. Particularly important was the increase in tertiary graduates that grew from 6% to 10% over the same period.

In Algeria, around 10% of the students in upper secondary education participated in vocational programmes (data from 2011, last available year), indicating that VET remains an unattractive solution for many youth in the country who might prefer to get a tertiary general degree. This pattern has remained mostly stable, the enrolment in tertiary education almost doubled from 2001 to 2014³.

The returns for the labour market on upskilling the female workforce are still very small, and the activity rates of females have only slightly increased, reaching 16.4% in 2015 (up from 13.9 in 2009). The activity rate

¹ Contribution to GDP in 2011 and 2015 was 8.6 and 13.1 respectively, while contribution to employment was 10.8 and 8.7 for the same years.

² Educational attainment is frequently used as a proxy measure of the skills associated with a given level of education and available in the population, and to the labour force. Higher levels of educational attainment are associated with several positive individual and social outcomes (see also OECD *Education at a Glance*, 2015)

³ The enrolment in tertiary education per 100.000 inhabitants was 1.7 thousand in 2001 according to UIS estimations, and reached 3.2 thousand in 2014.

peaks for women aged 25 to 29 and then gradually reduces up to old age. In 2015, the total employment rate was 37.1% (60.2% for males and 13.6% for females). Considerable disparities exist between age groups, gender and education levels.

Although the average unemployment rate is relatively low at 11.2%, most are long-term unemployed (72%). Youth Unemployment is a big problem. The unemployment rate reached 29.9% in 2015 (26.7% for male and 45.3% for female), placing increasing pressure on Algerian society and the economy⁴. In addition, one in five youth (one in three females) is not in employment, education or training (NEET) (OECD).

The unemployment rate is lower for those with lower education and it increases according to education level, reaching 15.4% for those with higher education (ONS). This shows that higher education generates the highest rate of unemployment, mostly due to the lack of high skilled jobs. This pattern could increase the skills mismatch in Algeria, since graduates might choose jobs below their qualification and compete with lower skilled for the same jobs. There are also large regional differences, as unemployment is significantly higher in the southern provinces and urban areas, posing a specific challenge.

EU Relations and cooperation

Following years of negotiation, in 2014 the European Union and the government of Algeria signed an action plan for cooperation in 2014.

Since the signature of the action plan, relations between Algeria and the European Union have increased and two high level visits took place in 2015 by the High Representative of the European Union for Foreign Affairs and Security Policy) and in 2016, by the Commissioner for the Neighbourhood and Enlargement Negotiations). New financing agreements were signed during each of the visits, signalling the start of new actions (see section C below).

The EU Single Support Framework 2014-2017 for Algeria identifies the following priorities:

- Justice reform and strengthening citizen participation;
- Labour market reform and employment creation; and
- Support to the management and diversification of the economy.

B. VET AND SKILLS IN THE COUNTRY: OVERVIEW, PROGRESS AND MID-TERM PRIORITIES

In 2012, the budget allocated to the education and higher education sector was of 871 billion Dinars, corresponding to 19% of the total state budget. Of the total budget for education, 1.07% was allocated to VET. Unesco data for 2008 indicate that the total expenditure on education as percentage of the GDP was 4.34%.

Thanks to extensive efforts in the preceding decades, the education system has undergone considerable development, mainly in terms of literacy and coverage of compulsory education. Illiteracy has been a

⁴The Algerian government monitoring and evaluation mechanisms (The core of employment policy in Algeria has been the implementation of active labour market programmes by various public agencies. Each agency runs different programmes and has access to considerable resources. Despite the substantial amount of resources they absorb, however, limited information is available about their operations and results. For example, little is known about the number and characteristics of beneficiaries, dropout rates, follow up of beneficiaries and evaluation of policy effectiveness in terms of job placement rates, impact on duration of unemployment and quality of employment (e.g. average earnings, formality, etc.) For further information see ETF, M.S. Musette, Employment policies and active labour market programmes in Algeria, 2014.

problem for many years, and literacy campaigns (alphabetisation) have been launched with good results (in 2008, 77.4% of the population over the age of 10 was literate).

While a number of reforms have been undertaken to raise the quality of the education system, this has not yet impacted the improvement of employability of students leaving the system. International quality measurement indicators do not exist as the country has not participated in any international tests such as OECD PISA⁵ or TIMSS. A substantial number of students (38%) leave school after their compulsory lower-secondary education and some of them subsequently return to VET through initial or continuing training.

Initial vocational training takes two forms: school- based training and apprenticeships. Although legislation provides for the option of private education, most vocational education and training is provided by the state free of charge. The training system offers four special training paths: 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. The law provided, among others, for the opening of new type of schools or vocational education institutes (instituts d'enseignement professionnel) as the start of a new modality of VET and to increase its image. They target 30 to 40% of students admitted to the post-compulsory cycles and provide training lasting two to four years. Students can also choose to continue on to higher education. However, to date no reports are available to assess the progress of this initiative and if the centres have been created and are functioning.

The government plan for 2014-18 is the basis for the reform of the education and training system that include the following priorities⁶:

- Access to education will be increased through the construction of new schools.
- Specific training programmes will be developed to target specific social groups, particularly population in rural areas.

Regarding quality of training, the plan includes:

- Quality assurance mechanisms for pedagogical activities, as well as financial and administrative management;
- Training of educational staff, particularly trainers;
- Enhanced career guidance and orientation services;
- The reorganisation of the curricula in VET;
- Setting up centres of excellence in the field of agriculture, construction, car mechanics, renewable energies and knowledge based technologies;
- Follow up exchange and cooperation programmes; and
- Follow up of the computerisation and the creation of school networks.

Regarding partnership with the business sector:

⁵ Algeria participated in the PISA tests for the first time in 2016. Results will be integrated in the next updates of this country strategy paper.

⁶ Algeria has not participated to any of the Torino process editions.

- Developing the apprenticeship system (alternance) to involve more enterprises in the training process⁷;
- Reinforcing the coordination with partners in the socio-economic sector to adapt the offer to the needs of the labour market;
- Opening the pedagogical development network to research institutions and the economic sector.

The progress towards these mid-term objectives is difficult to assess as no official progress reports are available. When the plan was officially presented on 1 June 2014, the Prime Minister announced the intention to set up mechanisms to regularly monitor progress.

Continuing training remains limited. The funds collected by the Ministry of Finance through a tax amounting to 1% of an employer's pay bill and disbursed through the National Fund for the Development of Apprenticeships and Continuing Training (FNAC) are to date largely unused mainly due to the administrative and complicated procedures of reimbursement. In 2014, the FNAC, in agreement with the Ministry of vocational education and training, developed a five-year plan to relaunch its activities and structure in order to make more efficient and improve its services to the enterprises. Some activities have started to be put in place, in particular the training of FNAC training advisors to strengthen their capacities to provide advice to the enterprises in both training skills analysis and development of tailored training plans. The training was organised in 2015 with the support of the EU funded GEMM project⁸.

The National Employment Policy was drafted in 2008 and adopted by the government within the 2010–2014 five-year plan. Its main goal is to reduce unemployment to below 9% and create three million new jobs by 2014. To date, this remains the only strategy to boost employment. Since 2010, the government has been allocating specific resources to increase access to youth employment measures (including tax exemptions, hiring subsidies, government-backed credit guarantees for start-ups and micro-credit for poor households). These measures are putting pressure on the state budget (13.6% of GDP in 2012; ETF, 2014) and seem to provide only temporary solutions to the problem.

As a result of the national employment policy, Algeria has developed specific employment measures over the years, and these are implemented by five agencies.

Under the Ministry of Employment, Labour and Social Security:

- ANEM (National Employment Agency): DAIP – temporary work contracts and internships for youth;
- ANSEJ (National Agency for Supporting Youth Employment): creation and expansion of micro-enterprises by young people aged 19–35;
- CNAC (National Unemployment Insurance Fund): unemployment benefits and support for creation of micro-enterprises for unemployed individuals aged 30–50;

Under the Ministry of National Solidarity:

- ADS (Social Development Agency): public works programmes for the poor;
- ANGEM (National Agency for Management of Microcredit): micro-credits to the poor.

The agencies and the measures put in place are difficult to evaluate in terms of results and impact on employment as limited information is available about their operation and results (ETF, 2014).

⁷ A new law on apprenticeship is in preparation.

⁸ Following this training, a methodological guide and tools have been developed.

The main counterpart in Algeria for ETF activities has traditionally been the Ministry for VET, however the interest and potential engagement of this Ministry remains low, partly due to limited absorption capacity. Recently the Ministry of Labour (Ministere du Travail, de l'Emploi et de la Solidarité Sociale) has been progressively more involved in European Union projects and programmes and expressed interest in receiving more capacity building support particularly in the field of monitoring and evaluation of policies.

Algeria has not participated in any rounds of the Torino Process exercise.

C. EU AND OTHER DONORS SUPPORT IN VET AND SKILLS

The EU Delegation (EUD) has just concluded a large programme to support employment *Programme d'Appui au Secteur d'Emploi* (PASEA) with a budget of EUR 14.1M, whose main beneficiary was the National Employment Agency (ANEM). The aim of PASEA was to enhance the services of the ANEM in order to support employment in particular of young people. The project included support specific to infrastructure development (particularly for an IT platform supporting the matching between job seekers profiles and vacancies), specific capacity reinforcement actions, and communication and visibility.

The ETF has been involved in the evaluation of the programme component aimed at reinforcing the capacity of the ANEM personnel to increase the level of the services offered to both unemployed and enterprises, in particular with regard to intermediation. The evaluation showed promising results although more work for the further specialisation of the staff would be needed.

This task will be partly taken forward by a new project to move the skills offer closer to demand through, among others, a closer and reinforced partnership with enterprises. The project is called *Adequation Formation Emploi Qualifications* (AFEQ) and has a budget of EUR 9M. It is designed to last three years and focuses on the local level (selected wilayas)⁹. It includes four components:

- Developing mechanisms to adapt the skills of unemployed people for their integration into the Labour Market;
- Reinforcing the role of apprenticeships and the capacity of the local committees for apprenticeships (CAAL);
- Developing mechanisms to reintegrate dropouts younger than 18 year old in the education and training system;
- Developing/strengthening relations between universities and enterprises to foster employability of university graduates (through *stages, applied research projects, entrepreneurship, promotion of women employability*).

A further on-going project is *Programme d'Appui Jeunesse Emploi* (PAJE) with a value of EUR 21M. The project focuses on strengthening the capacities of civil society for an increased and more active involvement in policy-making and also includes a component on job creation through enterprise creation. The project is due to come to an end in 2017. The main counterpart of this initiative is the Ministère de la jeunesse (coordinator) with participation of eleven other Ministries including the Ministry of Labour and the Ministry of VET.

Other donors in the country active on skills development and employment issues are limited. The Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) and the International Labour Organization (ILO)

⁹ The AFEQ programme should start in 2017 for four years.

are the main ones. The GIZ has been involved over the past four years in the project *Innovation Développement Durable Entrepreneuriat Emploi* (IDEE) funded by the European Union and implemented together with the Ministry of Industry. The project came to an end at the beginning of 2016.

The ILO had some projects in place that came to an end in December 2015. These projects were country based and regional for the Maghreb. These included:

- *Promotion de l'emploi décent en Algérie par le développement de la micro et petite entreprise en faveur des jeunes* designed to support micro and small enterprises for young unemployed; and
- *Promouvoir l'emploi productif et le travail décent des jeunes en Algérie, Mauritanie, Maroc et Tunisie*, a regional project with the objective of tackling unemployment of young people in the selected countries.

The African Development Bank defines its strategic cooperation with Algeria through the Country Dialogue Note 2011-2012, concentrating on three areas:

- Strengthening the capacity of the public administration;
- Private sector development; and
- Regional integration.

The United States Agency for International Development (USAID) opened career centres at university level to support the transition of students from school to work. The project has been concluded.

D. ETF MID-TERM INTERVENTION STRATEGY IN THE COUNTRY

ETF-Algeria cooperation has, in recent years, mainly focused on regional (cross-country) activities and actions to support the EU. Algeria has not participated in any of the previous rounds of the Torino Process.

The **ETF priority of intervention for the period 2017-2020** is to support and complement EU external assistance in Algeria. In particular, this corresponds to the objective 2 of the Single Support Framework *Marché du travail – emploi: Promote socio-economic reforms through the implementation of an integrated employment strategy and the reinforcement of the social dialogue*.

The ETF intervention strategy has been drawn up on the assumption of continuity in:

- the priority given to the country in terms of EU external assistance,
- the level of political, economic and social stability,
- the high level of commitment in the country among key stakeholder from the national and regional authorities and among civil society to take forward the reform process in line with the national vision and strategy for human capital reform in particular in the selected areas of intervention

Particular assumptions, or conditions for the achievement of impact from ETF interventions where relevant are included under the specific objectives below.

Objective 1: Support to the European Union Delegation (EUD) in the different phases of the programming cycle put in place in line with objective 2 of the Single Support Framework (Labour market and Employment)

Rationale – The state and status of EU- Algeria relations, the considerable amount of EU support to the employment and skills development sectors in the country and the limited visibility and analysis on the country priorities (no Torino process) has made the support to EU intervention the most impactful option for

the ETF. The ETF knowledge of VET and the employment sector in Algeria combined with the knowledge of EU aid instruments results is a qualitative advantage in project design/formulation, monitoring and evaluation.

Expected Results by 2020 – Contribute to the relevance, efficiency and effectiveness of EU interventions in labour market and employment in Algeria are enhanced by the ETF's support to the different phases of the programming cycle (according to the EUD specific requests)

Objective 2: Support to capacity building and coaching the Ministry of Employment, Labour and Social Security and the National Employment Agency (ANEM) in reinforcing their capacities to analyse labour market needs with a specific focus on local skills needs analysis to improve matching of demand and offer and employability.

Rationale - The second objective builds on the country context and the need identified in the EU Single Support Framework. It takes into consideration high youth unemployment rates (29.9%) particularly among high skilled educated people (15.4%) and the percentage of NEETs in the country (21.5%) particularly women (34.6%). It also builds on the outcomes of the evaluation of the EU PASEA project (see above) that the ETF carried out in 2016 and the ETF review of Active Labour Market Policies in Algeria.

The PASEA evaluation indicates that more support and capacity building is needed in the field of labour market analysis, particularly at local level where data is missing/limited. In particular, additional efforts are required to enhance the capacity of the relevant authorities to support policy decision making in relation to employment policies and measures to be put in place/reformed. This is particularly the case in the context of a country where large funds have been allocated to support employment, while their impact is difficult to evaluate (ETF, 2015). This support provides a continuation to the efforts started with the PASEA programme. The AFEQ project due to start in 2017 will address the need to better understand the needs of the labour market at local level (one of the main activities is the analysis of labour market needs in two wilayas). The work of the ETF in reinforcing analytical capacities could target in parallel the central level and the local level, in complementarity of the actions foreseen in the AFEQ project.

The main assumption for the success of this intervention is the openness, and readiness to embark on this cooperation by the Ministère du Travail de l'Emploi et de la Solidarité Sociale (MTESS), and the commitment shown by the responsiveness and availability of resources/staff for this cooperation.

Expected Results 2020 – The Ministry of Employment, Labour and Social Security as well as ANEM have improved their capacities to monitor and evaluate their employment policies and programmes.

Other areas of intervention

In addition to activities related to the specific objective of the ETF mid-term intervention strategy in Algeria 2017-2020, the ETF will support **EU external assistance and related bilateral policy dialogue**, regular and ad-hoc requests from the EUD or the European Commission. This includes the delivery of an annual country fiche to DG Employment, monitoring the education and skills components of the European Neighbourhood Policy (ENP) Action Plan (upon request and if the plan is adopted), and replying to ad hoc requests by EUD or the European Commission corresponding to ETF expertise, etc.

In the context of ETF **corporate initiatives**, the ETF will continue to offer Algerian authorities the opportunity to take part in the Torino Process. The 2017-2020 period will cover the closure of the 2016 round and the implementation of the fifth round in 2019. The specific modalities for national implementation in 2019 will be agreed according to the country context and the specific development of the monitoring processes in the country. In between the two rounds, ETF will continue the policy dialogue on policy analysis and system wide progress monitoring through VET monitoring, forums at regional and international levels.

In the period 2017-2020, the ETF will continue to support the EC (DG GROW) with analysis and reporting on the Small Business Act for Europe (SBA) assessments. In 2017, an update of the **SBA assessment** will

focus on a policy framework for entrepreneurial learning, training for women's entrepreneurship and SME skills intelligence, including the identification by the country of good practices in all three areas. A report from the SBA assessments and dissemination will follow in 2018-2019. Follow-up of the report recommendations could feature in ETF support 2018-2020.

Algeria will also participate in ETF regional actions such as the **Forum for Quality Assurance in VET** and the follow up actions to the joint UNESCO-ETF review of work based learning policies and programmes.

E. 2017 ACTION PLAN

Objective 1: Support to the European Union Delegation in the different phases of the programming cycle put in place in line with objective 2 of the Single support framework (Labour market and Employment).

Strategic Project Support to EU Assistance in the context of EU external policies (with thematic expertise from Strategic Project Employment and Skills)

The main activities in 2017 will be the mid-term evaluation of PAJE programme and support to content and methodological advice for the implementation of the AFEQ programme, both at the request of the EUD.

Objective 2: Support to capacity building and coaching the Ministry of Employment, Labour and Social Security and the National Employment Agency (ANEM) in reinforcing their capacities to contextualise and apply methodologies and tools for labour market analysis with a focus to the local level.

Strategic Project Employment and Skills

In 2017, at the request of the Ministry of Employment, Labour and Social Security, the ETF will provide support to strengthen capacities of staff in the Ministry of Employment and the regional directorates in contextualising and applying tools and methodologies for labour market analysis, with a focus to analysis of labour market needs at local level (Wilayas). The support will include ad hoc training session in presence and at distance. The work will be carried out in close cooperation and in complementarity with the actions put in place by the EU through the AFEQ project.

F. 2018 UPDATES

1. Short update on key country developments in the field of VET and skills and on EU and donor cooperation

For 2018 there are no major updates to report. The legislative elections in May 2017 have confirmed the majority to the *Front de libération nationale* (FLN) party, followed by the *Rassemblement national démocratique* (RND). At the end of May, a government reshuffle has been announced, including the replacement of the Prime Minister and of a few Ministries, including the Ministry of Labour and the Ministry of Industry and Mines, which are key counterparts in EU bilateral relations with Algeria.

There is a clear intention to reinforce EU-Algeria relations. In March 2017 a high level meeting took place in Brussels on the occasion of the Association Council and the High Representative for External Relations and Security visited Algeria in May 2017. During the Association Council, a joint communication EU-Algeria was published, confirming the intention to reinforce the cooperation around key priorities identified in the Association Agreement that will support the shaping of priorities and axes of cooperation for the period 2018-2020. These priorities include:

- political dialogue, governance, the rule of law and the promotion of fundamental rights;
- cooperation, socio-economic development, including trade and access to the European single market;
- energy, the environment and sustainable development;
- strategic and security dialogue;
- the human dimension, including cultural and inter-religious dialogue, migration and mobility.

The European Union Delegation is currently preparing for the next programming period (2018-2020).

Despite the limited number of donors active in the VET sector, exchanges are regularly organised, in particular with the ILO.

The ILO manages a project (on-going) “From University to the labour market” (*De l’Université au monde du travail*) that, even if not directly linked to VET, touches upon issues of skills mismatch and labour market analysis with the objective to boost employability. Complementarities are being explored with the ETF activity with the Ministry of Labour on labour market analysis at a local level, on one side, and the EU project AFEQ (*Adequation Formation Emploi et Qualifications*) that has just started and that includes a component on better university-enterprise cooperation through a series of actions that are aimed at boosting employability of higher education graduates.

2. Assessment of the progress towards achievement of the ETF mid-term objectives and results with horizon 2020

Objective 1: Support to the European Union Delegation in the different phases of the programming cycle put in place in line with objective 2 of the Single support framework (Labour market and Employment).

The activities in support to the European Union Delegation have been carried out in line with the strategic objective 1 of this document.

In 2017, the ETF supported the finalisation of the Terms of Reference of the programme AFEQ (*Adequation Formation Emploi Qualifications*) whose overall objective is to improve employability of young people through the development of closer relations with the business sector and a better analysis of skills needed at local level. The ETF also supported the drafting of a call for proposals for grants within component 3 of the AFEQ

programme targeting young drop outs through actions aiming at their reintegration in the education system or through VET or ad hoc continuing training.

The ETF also carried out the mid-term evaluation of the component 3 of the programme PAJE (*Programme d'Appui Jeunesse Emploi*) aiming at boosting young people's employability through job creation by promoting and better structuring the associative movement in the field of Social Economy and through specific guidance support (information on training opportunities, job placements, creation of enterprises and associations, micro-credits).

In 2018, the cooperation with the EU Delegation will also include specific expertise advice on introducing employability as a mainstreamed component in EU interventions not specifically targeting the Employment or VET sector but covering also other sectors such as agriculture, environment, etc. The idea is to target the objective of raising employability of Algerians through specific actions. This new approach has been tested in 2017 with a programme in the Agricultural sector.

Objective 2: Support to capacity building and coaching of the Ministry of Employment, Labour and Social Security and the National Employment Agency (ANEM) in reinforcing their capacities to contextualise and apply methodologies and tools for labour market analysis with a focus to the local level.

Activities linked with this objective focus on awareness raising of the staff of the Ministry of Labour (at central and local levels), on different methodologies and tools to analyse labour market and skills needs at local level, also drawing from the experience in other neighbouring countries from the GEMM project¹⁰. This activity also includes awareness raising about different options to build labour market information systems, in particular at a local level, conditions, challenges and steps to set up functioning systems. In parallel, the links to the AFEQ programme are explored to maximise synergies in terms of target group and wilayas involved. As mentioned above the progressive merging of objective 1 and objective 2 will be discussed at the end of 2018.

The ETF cooperation activities in the field of employment could be linked up to the EU interventions, in particular the AFEQ programme, component 1 in support to the development of a mechanism of "adaptation and placement" (adaptation-insertion" that include analysing skills needed by enterprises in two selected wilayas. The progressive merging of objective 1 and objective 2 could be discussed towards the end of 2018 and after assessment of the progress made on objective 2 related activities.

3. 2018 Action Plan

Objective 1: Support to the European Union Delegation in the different phases of the programming cycle put in place in line with objective 2 of the Single support framework (Labour market and Employment).

Strategic Project Support to EU Assistance in the context of EU external policies (with thematic expertise from Strategic Project Employment and Skills)

Activities in 2018 will include the discussion and guidance to the EU Delegation on the integration of employability in sector programmes. It will also include the monitoring of AFEQ, whose launching will probably not take place before end of 2017.

¹⁰ GEMM governance for employability in the Mediterranean is an EU funded regional project managed by the ETF and ended in 2016.

Other possible activities may include participation in formulating missions of sector programmes as a follow up of the work on integrating employability enhancement actions.

Upon **request from the European Commission** or the **EU Delegation**, support will be provided to:

- the ENI programming;
- the EU-Algeria bilateral policy dialogue:
 - Inputs to relevant bilateral sub-committee meetings;
 - Delivery of annual country fiches to DG Employment.

Objective 2: Support to capacity building and coaching of the Ministry of Employment, Labour and Social Security and the National Employment Agency (ANEM) in reinforcing their capacities to contextualise and apply methodologies and tools for labour market analysis with a focus to the local level.

Strategic Project Employment and Skills

In 2018, the ETF will finalise activities of awareness raising and support in contextualising tools and methodologies for labour market analysis, with a focus to analysis of labour market needs at local level (Wilayas). The work will be carried out in close cooperation and in complementarity with the actions put in place by the EU through the AFEQ project. In particular, the work done with the Ministry will be devoted at improving the staff's knowledge about different labour market information tools and methodologies, so to contribute to the implementation of AFEQ.

Other areas of intervention

The ETF will continue its support in the area of **evidence based policy analysis** and system wide progress monitoring. All countries will be invited in early 2018 to kick off preparations for the 5th Round of the Torino process, with the scope of agreeing on terms of implementation by end of 2018. The preparation phase will involve countries primarily through online consultations and capacity building activities involving appointed national coordinators and key working group members. All countries will be invited to join the kick-off meeting which will take place in Q4 of 2018 in Turin. Countries aiming at implementing the Torino process at sub-national level too will be followed by specific activities in 2018 in view of preparing regions and cities for the round of analysis. A **new national data collection exercise** aimed at acquiring more in depth data, mapping gaps, sources and recurrence of data collection in the area of VET and Skills will be launched in 2018.

Also as part of evidence based policy analysis, the results from the 2017 **SBA assessment** which addressed entrepreneurship promotion in VET, women's entrepreneurship training and skills for SME internationalisation, will be published and disseminated in 2018 through a ministerial meeting and ETF networks.

Algeria will also participate in ETF regional actions, such as the **ETF Forum for Quality Assurance** in VET and the follow-up actions to the joint **UNESCO-ETF review of Work based learning** policies and programmes for young people in the region.