



**POLICIES FOR
HUMAN
CAPITAL
DEVELOPMENT
TUNISIA**

AN ETF **TORINO PROCESS**
ASSESSMENT

**EXECUTIVE
SUMMARY**

PREAMBLE

The European Training Foundation (ETF) assessment provides an external, forward-looking analysis of the country's human capital development issues and vocational education and training (VET) policy responses in a lifelong learning perspective. It identifies challenges related to education and training policy and practice that hinder the development and use of human capital. It takes stock of these challenges and puts forward recommendations on possible solutions to address them.

These assessments are a key deliverable of the Torino Process, an initiative launched by the ETF in 2010 aimed at providing a periodic review of VET systems in the wider context of human capital development and inclusive economic growth. In providing a high-quality assessment of VET policy from a lifelong learning perspective, the process builds on four key principles: ownership, participation, holistic and evidence-based analysis.

For ETF, human capital development is the provision of support to countries for the creation of lifelong learning systems that provide opportunities and incentives for people to develop their skills, competences, knowledge and attitudes throughout their lives for the sake of employment and realisation of their potential, and as a contribution to prosperous, innovative and inclusive societies.

The purpose of the assessments is to provide a reliable source of information for planning and monitoring national education and training policies for human capital development, as well as for programming and policy dialogue in support of these policies by the European Union and other donors.

The ETF assessments rely on evidence from the countries collected through a standardised reporting template (national reporting framework) through a participatory process involving a wide variety of actors with a high degree of ownership by the country. The findings and recommendations of the ETF assessment have been shared and discussed with national authorities and beneficiaries.

EXECUTIVE SUMMARY

This European Training Foundation (ETF) assessment provides an external, forward-looking analysis of the country's Human Capital Development (HCD) issues and Vocational Education and Training (VET) policy responses in a lifelong learning perspective. It is based on evidence provided from a national and eight regional Torino Process reports for Tunisia (2020), using a standardised questionnaire (National Reporting Framework), as well as additional information sources.

Context

In Tunisia in 2011, thousands took to the streets amid frustration of poverty, joblessness and corruption. Millions of people hoped it would inspire change in Tunisia. Since then, the country has been successfully undertaking a democratic transition of its policies and institutions. A new constitution was adopted in 2014 (JORT, 2015). However, challenges stemming from the dire socio-economic situation, security concerns, and frequent political changes now risk overshadowing the significant progress achieved so far.

Tunisia is a lower middle-income country. The country is engaged in a process of integrating into the world economy, such as through Association Agreements and negotiations with the European Union (EU) for a Deep and Comprehensive Free Trade Agreement, the Agadir Agreement, and talks with the World Trade Organization. However, the impact on the country's economy has so far been low. Gross Domestic Product (GDP) grew at 1.0% in 2019, down from 2.5% in 2018 (Institut National de la Statistique – INS).

Balghouthi (2018) claims that the Tunisian economy suffers from several structural dysfunctions, including inequalities, corruption, deindustrialisation and a prevalence of low value-added sectors. According to the Global Competitiveness Index 2019, on which Tunisia ranked 87th out of 140 economies, government bureaucracy and political instability are factors that impact negatively on the business environment. The vast majority of big enterprises remained state-owned, and public administration is looming. Outside the public sector, there is a high level of informality and a large number of micro, small and medium-sized enterprises (MSMEs). They offer rather low-skilled jobs and have little capacity to grow and innovate. Job creation has been low, even in periods of sustained GDP growth of 2.5% to 5% annually before 2019.

Tunisia's economy has been severely hit by the COVID-19 outbreak. The large tourism sector and exporters who supply the European automotive and textile industries have felt a strong negative impact. More stress is expected to happen as the crisis spreads through the domestic economy. Migrants' remittances have dropped due to the economic crisis in Europe. Households have drawn down savings and cut consumption. An unprecedented contraction of economic activity of 21.6% occurred during the second quarter of 2020 (INS). In July 2020, inflation was up by 5.7% over the previous year (INS). Unemployment will rise further, incomes will fall, and import prices will increase. Many businesses face cash flow shortages because of temporary closures and lower revenues from consumption and exports. The World Economic Outlook by the International Monetary Fund (IMF) from October 2020 expects GDP to drop by 7% in 2020, the lowest level since Tunisia's independence in 1956 (TAP, 2020b).

According to Oxford Business Group (2019), the Information and Communication Technology (ICT) sector has the most potential for growth and attracting foreign investments, followed by energy and mining, industry and tourism sectors.

Tunisia has a young population, with 39% being under 25 years of age in 2018 (Eurostat, 2020, p. 19). Developing a meaningful career path for these young women and men and helping them into gainful economic activity is a major concern for Tunisia. The weak economy hampers people's participation in the labour market and leads to rising unemployment, informal sector jobs and migration, which affects young people and women disproportionately (UNECA, 2019). In view of the high unemployment levels, more than 100 000 young people have left Tunisia since the revolution.

Tunisia's overarching strategy is the National Development Plan 2016–2020 (MDICI, 2017). Strategies for the education and training sector include the Strategic Plan for the Education Sector 2016–2020 (Ministère de l'Éducation, 2016), the National VET Reform Strategy 2016–2020 (Ministère de la Formation Professionnelle et de l'Emploi – MFPE¹), and the Strategic Plan for the Reform of Higher Education and Scientific Research 2015–2025 (Ministère de l'Enseignement Supérieur et de la Recherche Scientifique - MESRS). In May 2019, the MFPE and social partners, in collaboration with the International Labour Organization (ILO), launched discussions for a new National Employment Strategy for the period 2020 to 2030. Prior to that, a first background analysis had been published (ILO, 2018a).

Public institutions have taken ownership of these strategies. However, the pace of taking concrete actions has been slow, despite substantial funding support from the EU and other donors. Frequent changes of governments and their political agendas present barriers to implementing reforms in a consistent manner. Also, it is important how local actors are able to contextualise the new concepts and pilots introduced with support from donors.

Most national strategies are close to their expiry dates, which provides an opportunity to undertake in-depth analyses of the state of play and redefine Tunisia's post-2020 policy priorities; it is also a chance to look at what local budgets and capacity can absorb. For donors, there might be an issue of moving from coordination to closer cooperation, for example through joint programming and implementation exercises.

Findings on human capital

Public sector jobs are scarce and the private sector does not create sufficient jobs to absorb the growing number of young, educated labour market entrants. Jobless growth resulted in an annual deficit of around 19 000 jobs between 2011 and 2017 (ILO, 2018a). With ongoing deindustrialisation, Tunisia's employment structure has been shifting towards the services sector. The latter accounted for the largest share of employment (54%), followed by industry (33%) and agriculture (13%) in 2019 (ILO, 2018a, estimates). There are huge regional differences: jobs exist mostly in the capital city Tunis and coastal areas, and less so in inland regions.

¹ The MFPE functions have meanwhile been absorbed into the Ministère de la Jeunesse, du Sport et de l'Intégration Professionnelle (MJSIP).

Challenge 1: Activity and employment rates, especially of women and young people, are low despite increasing levels of education

The Tunisian labour market is characterised by a low and slightly declining annual rate of the active population – 51.3% in 2019 versus 52.5% in 2015 for those aged 15 to 64 (Eurostat, 2020, p. 38) – but also a growing share of people with higher education degrees in the active population, especially females. Despite females' increasing levels of education, their labour market participation remains one of the lowest in the world. The employment rate for those aged 15+ is low, at 39.7% in 2019 (INS), with females, and especially young females, generally having fewer employment opportunities than males. Some changing trends are, however, evident: young females are more present on the labour market than their older peers. Also, the share of female labour market participants increases with their level of education. Employment rates of females with tertiary education are consistently higher than for those with a low level of education (but similar to those with medium-level qualifications). It is important that such trends are consolidated and that the higher female activity rates translate into more jobs for women and lower levels of female unemployment.

Challenge 2: Many people work in precarious jobs without decent wages and social protection

Jobs are created in agriculture, manufacturing, construction and service sectors such as tourism and trade. However, many of these jobs are of an informal and/or vulnerable category. The ILO estimates that 20% of employed Tunisians were in vulnerable employment in 2019, which includes 'own-account workers' (i.e. self-employed people) and contributing family members. This also concerns women who often work in agriculture, the textile industry or trade. Informal employment was estimated to account for almost two-thirds of total employment, involving more males and young people. Overall, 84% of the jobs held by young people aged 15 to 19 and 42% by those aged 20 to 24 were informal (ILO, 2018b, using 2014 data). This often implies low-skilled jobs, poor working conditions, low pay and a lack of social protection, and ultimately leads to a devaluation of human capital.

Challenge 3: Unemployment particularly affects young people, especially females and even educated people, pointing to inefficiencies in the development and use of human capital

Unemployment presents a persistent challenge in Tunisia, with slight improvements in recent years (15.3% in 2019 versus 18.3% in 2011, INS). The biggest gains were made with regard to youth unemployment (aged 15–24), which decreased from 42.3% in 2011 to 34.4% in 2019. However, unemployment still affects young people and females disproportionately. It also affects people with medium and high levels of education, especially females. In view of the low technological level of most MSMEs, employers often still prefer to hire semi-skilled or unskilled labour. In 2019, 36.7% of highly educated women were looking for jobs, compared to 16.2% of their male peers, although there have been improvements in this indicator since its peak in 2012. The fact that many university graduates are unemployed is particularly alarming, as it suggests problems with the types of studies they pursue (but also the low level of jobs offered), which leads to a low return on public and private investments in human capital formation.

Where people reside strongly determines their level of unemployment. Unemployment rates were lowest, at 9.9%, in the centre-east of the country, and highest, at 26.2%, in the southwest (ETF, 2017;

ILO, 2018a²). Geographical factors also determine gender disparities: while differences between young women and men in dynamic urban areas are small, they are much more pronounced in the less dynamic and rural areas. Young women living in the northern, central or interior areas are more vulnerable to unemployment, while those living in southern areas are often completely outside the labour market (Mansuy and Werquin, 2015).

Challenge 4: Young people experience a difficult transition from school to work – one in three are Not in Employment, Education or Training (NEET)

Young Tunisians generally experience a difficult transition from education to work. Many first-time jobseekers face unemployment for several months, if not years. The weak business environment, territorial disparities, the lack of relevant basic and technical skills of young people, and weak job information and matching services are all factors that complicate the labour market integration of young people. A slow and difficult transition to the labour market can have a lasting and discouraging impact on the careers, skills and future income of individuals. However, tracer studies show that young people who graduated from VET centres have better prospects on the labour market. Among the 2012 graduates, two-thirds of the surveyed individuals were in employment four years after graduation, while just under one-third of all VET graduates were unemployed (ONEQ, 2017). In 2018, only 22.1% of the surveyed VET graduates cited themselves as unemployed (ONEQ, 2020).

What is concerning is the fact that, in 2019, one in three young people aged 15 to 24 (or 32% in total; male rate: 31.0%; female rate: 33.0%, INS) who did not complete secondary education were NEETs. The NEETs rate has not improved over recent years. Traditionally, the NEETs rate has been higher for females. However, in 2019, females were able to considerably narrow the gap with males, with their NEETs rate improving by 5.1 percentage points over the previous year.

Challenge 5: Skills mismatches point to an inefficient use of human capital

Closely linked to the above are the existing skills mismatches. High unemployment coexists with a high number of unfilled job vacancies. Three out of four enterprises reported difficulties in finding suitably qualified candidates (ITCEQ, 2018). It is skilled workers and specialised technicians who are being sought, particularly in the textile, hotel and catering, construction and ICT sectors. Medium- and high-skilled profiles are also particularly affected by the 'brain drain' phenomenon (migration of highly skilled people). The pertinent skills mismatch on the Tunisian labour market, in its multiple dimensions, continues to hamper further economic development and a more efficient use of human capital. Some initiatives have been taken to employ young graduates. This includes the Tunisie Digitale 2020 plan, which aims to develop the ICT infrastructure throughout the country and services linked to ICTs.

The dramatic downturn due to the COVID-19 pandemic is expected to further aggravate existing economic and labour market challenges. With a view to containing the state budget, the Tunisian government announced the freezing of public sector recruitment, except for some priority occupations (TAP, 2020a). The United Nations Development Programme (UNDP, 2020) estimates that the recession could put at stake as many as 275 000 jobs in micro and small businesses, while unemployment could rise to 21.6%. In the second quarter of 2020, unemployment stood at 18% (INS).

² INS data for 2016 quoted in ETF (2017), but largely confirmed by INS data for the second quarter of 2017, as used in ILO (2018a).

People, especially in disadvantaged regions, could give up job searches and become further alienated from the labour market. All this could lead to a further underutilisation of existing human capital.

Challenge 6: Educational attainment rates are improving but basic skills levels are of major concern

Tunisia has managed to keep up its high level of public expenditure in education – 6.1% of GDP in 2017 (INS) – and greatly improved the literacy and educational attainment rates of its population. Many of Tunisia’s young people are educated, which includes a considerable number of people with higher education degrees. However, these positive trends contrast with the persistently high early school leaving rate, which concerns more than one in three young people aged 18 to 24 (37.1% in 2019). This is due to a lack of appropriate programmes, facilities, transport, and pedagogical and family support. There is a close link with the NEETs rate, as cited above. The Tunisian education system continues to be selective, leaving fewer choices to students from poorer education and family backgrounds.

Furthermore, there are concerns with the quality of education. In 2017, the learning-adjusted years of schooling corresponded to only 6.3 years (World Bank Human Development Index 2018). The Organisation for Economic Co-operation and Development’s Programme for International Student Assessment (PISA) test in 2015 showed a sharp decline in reading skills: as many as 71.6% of students aged 15 were low performers (compared to 50.2% in 2009). Under-achievement in science increased to 65.9% (53.7% in 2009) and in mathematics to 74.8% (73.6% in 2009). This is serious because poor basic skills prevent young people from further learning and acquiring higher-level skills. Low-skilled people are typically also more vulnerable to changing economic conditions.

Challenge 7: VET enrolment numbers are low due to the lack of attractive VET offers and missing pathways to higher education

VET is generally seen as leading to jobs with low social status and pay. It presents a dead-end street, despite previous attempts to create pathways from VET into higher education. The share of VET students in secondary education in Tunisia decreased from 13.9% in 2011 to 9.1% in 2016. This low number of young people enrolling in VET programmes is exacerbated by the high level of dropouts from VET at 22.3% (ITCEQ, 2018, p. 16).

High-quality VET is by and large missing, which would train the skilled workers and technicians who are in great demand on the labour market, instead of turning out a high number of university graduates in fields with limited job prospects. Financial mechanisms for continuous training and active labour market programmes are in place for both employees and unemployed jobseekers (e.g. *droit de tirage, credit d’impôt*). However, opportunities are limited, including for young unemployed graduates, to upgrade their skills or retrain in fields sought after by the labour market. VET has lacked overall reform despite the earlier recognition by the MFPE of its general weaknesses, the existence of the ambitious National VET Reform Strategy 2016–2020 and small improvements in pilot areas. To a certain extent, this has something to do with the low esteem in which VET is held by society and political elites.

Challenge 8: Opportunities for continuing VET are underutilised

There is a demand for continuous education, skills upgrading and retraining. Of the active population aged 25 to 64, 2.9% participated in training in 2019, a significant increase from 1.3% in 2015 (INS, Labour Force Survey – LFS). A policy for continuing VET exists, detailed at the level of the reform, as follows:

- Governance of the financing mechanism
- Efficiency and effectiveness: quality approach/labelling and professionalisation of actors

Further to these aspects, the National centre for continuing training and professional Promotion (Centre National de Formation Continue et Promotion Professionnelle (CNFCPP) operates to:

- Digitalise training dossiers
- Develop counselling and guidance for enterprises, social partners and providers,
- Favouring lifelong learning through the Labour higher Institutes (Instituts superieurs du travail)

However, despite structural reforms and the existence of a training levy system in Tunisia³, continuing VET presents still some issues. Red tape (bureaucracy) and complex application processes are the main reasons for the fact that the training fund remained underutilised for continuing VET, with only 10% of the available funds used in 2018 (ILO, MFPE and CNFCPP, 2017). Discussions are underway on how to simplify the use of fund mechanisms to improve access to lifelong learning.

Recommendations for action

Chapter 3 concentrates on the VET sector, as many of the professions that form the backbone of economic and social developments hinge on vocational qualifications (see e.g. OECD, 2020). In addition, vocational skills have shown to improve the labour market chances of Tunisian graduates. VET, as used in the context in this report, denotes a broader field, embracing initial to continuing VET for young people and adults, at different levels of qualifications, and incorporating the basic skills and competences essential for exercising one's profession and for further learning.

Relevant strategies and action plans are in place to comprehensively reform the VET sector. However, necessary reforms have not gone ahead to the desired degree. We will analyse the key challenges and priorities that could help system reform with the ultimate aim to better serve the economy, individuals and society. We summarise these challenges under 'external consistency' and 'internal consistency', which are key concepts in any system reform.

Improved external consistency or relevance of VET through ...

The first major challenge of the Tunisian VET system is related to the lack of external consistency, i.e. a system that to a certain extent is not in line with the expectations and needs of its clients. It requires a structured skills identification system; a revision of governance and financing arrangements at all levels, involving relevant actors; a more comprehensive approach to overhaul legislation and implementation practices; and an adjustment, over time, of the network of training providers and offers in line with existing and future skills requirements.

... skills anticipation and career guidance for better labour market outcomes

Demographic, social, labour market and skills data would need to be gathered more systematically at national, sectoral and regional levels and inform a restructuring of the network of VET providers and programmes. Public funds for training could be used more efficiently by preparing learners for their integration in society and the labour market. In the absence of a sophisticated – and, admittedly, costly

³ It should be noted that a "system of training levy" exists in Tunisia, as well as drawing rights over private enterprises: i) newly created (less than 3 years of activity), ii) exempted or excluded from paying the training tax; iii) SMEs in specific sectors identified on an annual basis; iv) Where the training levy/tax corresponds to less than 1000 D.

– system of labour market intelligence at national and regional levels, informed discussions with economic think tanks, experts and employers on the future needs of the economy at national, sectoral and regional levels may be helpful. The ultimate aim would be to devise, and implement over time, a mid- to long-term plan for the gradual adjustment of the network of (publicly funded) training providers and courses to better suit identified needs. Regularly collected information on the satisfaction levels and career paths of VET graduates could also serve as useful inputs. Furthermore, more (online) opportunities for career information as well as counselling and guidance in and outside schools would help young people determine their future education and professional careers. Related digitalisation efforts of employment offices are a step in the right direction and could be a useful source of information.

... new and coherent multi-level and multi-stakeholder governance arrangements at central, sectoral and regional/local levels

It is recognised that the currently highly centralised governance and financing of VET are among the main factors that hamper more relevant VET provision in Tunisia. The high youth unemployment and huge differences between the regions in Tunisia call for new arrangements in the field of managing education, training and employment policies that incorporate the concepts of ‘decentralisation’ or ‘regionalisation’. A comprehensive and coherent approach, which has the potential to answer socio-economic and related skills needs more efficiently, is needed to foster a multi-stakeholder governance and financing system at national, sectoral and regional/local levels.

With the Social Pact, an overall tripartite structure to advise on VET policies is in place. However, there is an issue of operationalising the provisions of the Social Pact and creating all kinds of public–private partnerships. Social partner organisations at national and sectoral levels should be able to participate in the dialogue on skills development policies on an equal footing with government. Bipartite sector skills councils, bringing together VET curriculum experts and employers, could be set up for priority sectors to analyse skills and training needs and develop respective qualifications and curricula. It is clear that all partners to the various forms of dialogue and expert work would need to become familiar with their new roles and enhance their capacity.

The roles and responsibilities for overall strategy design, system planning, management, monitoring and evaluation of the Ministry of Youth, Sports and Professional Integration (Ministère de la Jeunesse, du Sport et de l'Intégration Professionnelle – MJSIP), the Tunisian VET Agency (Agence Tunisienne de la Formation Professionnelle – ATFP), the social partners, the Ministry of National Defence (as training provider) and the private providers would need to be strengthened. The MJSIP, into which VET functions have now been integrated, would have to facilitate overall reform and increase the relevance and quality of VET for young people and adults in Tunisia. Furthermore, there is a need for the MJSIP, ATFP and their partners to design and implement common national frameworks for qualifications, quality assurance, transparency and accountability, under which sector-specific training agencies – such as the Tourism Training Agency (Agence de Formation dans les Métiers du Tourisme – AFMT), the Agricultural Extension and Training Agency (Agence de la Vulgarisation et de la Formation Agricoles – AVFA), and all regional and local actors – can act autonomously.

Active involvement of regional and local stakeholders in the design and implementation of VET and employment policies – as piloted for example through the Programme d'Appui à la Formation et à l'Insertion Professionnelle (PAFIP: Programme to support training and job integration) and the EU-funded Initiative régionale d'appui au développement économique durable (IRADA: Regional Initiative

for Sustainable Economic Development) projects – is key to unlocking the economic, employment and social development potential of the regions. That is to say that, also at regional and local levels, roles and responsibilities have to be redefined for the different actors, including the Regional Directorates for VET and Employment (Direction régionale de la Formation Professionnelle et de l'Emploi), local offices of the National Agency for Employment and Self-Employment (Agence Nationale pour l'Emploi et le Travail Indépendant - ANETI) and the social partners. Adequate resources, approaches and tools are necessary to strengthen the capacity of actors in the regions and allow for efficient and effective management of the new tasks, as well as the monitoring and evaluation of policies (see e.g. ETF and MFPE, 2017).

However, one of the major preconditions for a functioning decentralised system for managing VET and employment policies is their embeddedness in an overall, well-prepared administrative reform of the country. Such a reform would need to reduce today's weak and inefficient administrative structures and regroup them into bigger, potentially self-sufficient, self-governing units. It would need to assign not only more responsibilities, but also more resources to regional and local administrations. It requires a national plan and new legislation that stipulates how functions shall be divided between the state, governorates, districts and municipalities in a future decentralised system, which resources shall be transferred from the state, and which types of local taxes regional or local authorities would be able to collect. Without a proper financial base, any decentralisation will just remain a piece of paper.

In the meantime, the ATFP and other VET agencies can go ahead and pilot new approaches for decentralised management of VET with the help of donor projects. The ATFP and the other VET agencies could deliberately promote the formation of networks involving all relevant stakeholders to identify skills needs and create partnerships for employment and skills at regional/local levels. The regions are encouraged to do their own planning, based on prior identification of skills and training needs in the given region or governorate or a specific sector (e.g. tourism in Médenine).

Communities, employers' and employees' associations, as well as individual employers are key players in all aspects mentioned above. Recognising the importance to promote local economic and social progress, they are encouraged to be involved in economic, labour market and skills needs analyses, as well as the design, delivery and monitoring of training policies. Initial training for young people plays an equally important part as second-chance education, skills upgrading or retraining measures for adults. In this context, an earlier report for the Education For All Global Monitoring Report 2012 (Walther, 2011) highlights the significance of building skills required in the informal sector, which is widespread in Tunisia.

Building on the Government decree no. 2019-802, there is a need to strengthen the autonomy of VET providers, which in turn are managed by competent school boards and collaborate with relevant actors in the region (see also below). Further efforts could be taken to turn some providers into centres of excellence, with additional functions of national or sectoral relevance and possibly funded jointly with the private sector.

More autonomy of regional actors and VET providers will have to be accompanied by functioning national frameworks that ensure quality and accountability, and efficient use of public funding. Such frameworks typically include quality-assured qualifications and/or programmes (frame curricula) that have been approved by national or economic sector bodies and to which VET provision would be adjusted. Various other quality assurance mechanisms, including self-assessments and inspections of VET providers, would have to be put in place to set the quality standards for VET provision and

encourage VET providers to continuously develop and improve. This could include linking public VET funding partially to student retention and skills outcomes.

... a monitoring and evaluation system to assess progress and inform policy design

In addition, to enable national-level monitoring and evaluation of the system, VET providers and regional actors would need to report regularly against a nationally agreed set of indicators, for which a number of management tools and guidelines would be needed. This would include, among others, a comprehensive VET management information system to help the regional and national levels to monitor processes and outcomes of autonomous providers and design and plan VET policies overall. Respective data would need to be translated into, for example, enrolments, the number and qualifications of personnel, the purchase of equipment and materials, and the number of accommodation places.

While the MJSIP and their partners have the leadership for revising VET governance and financing arrangements, the ownership of suggested reforms clearly increases when the actors concerned are consulted from the outset. A major dialogue process involving a multitude of actors will have to be instigated, which requires a great deal of strategic oversight and planning, technical, legal and communication skills, and last but not least human and financial resources inside the MJSIP, ATFP and their dialogue partners. Any changes to governance and financing arrangements will need to be reflected in changes to legislation. Tunisian actors are recommended to take a more comprehensive approach to overhauling the legal framework for initial and continuing VET, including base laws and secondary legislation. Enshrined in the new legislation should be a funding model that underpins the new governance arrangements and promotes education and training in a lifelong learning perspective.

An undertaking of this size is by no means a quick fix. Even if all actors agreed to and made use of appropriate management tools and capacity, the new arrangements would require years to prepare and take root. They necessitate support across the political spectrum, a clear roadmap, financial and technical support, as well as close monitoring in a constant cycle of designing, implementing, evaluating and redesigning policy.

Improved internal consistency or quality of VET provision through ...

The second major challenge relates to improved internal consistency of the VET system, i.e. the improvement and better alignment of key elements, such as curricula, teaching and learning materials, teachers' skills and opportunities for work-based learning (WBL), with a view to helping young and adult learners acquire the practical, work-related skills as required by the labour market and specified in qualifications. Quality assurance mechanisms in this context are to cover all elements of the system.

... strengthening the capacity of autonomous VET providers

Strengthening the autonomy of training centres, within agreed national frameworks and with support from partners, could potentially lead to increasing the relevance and quality of VET provision. Under a revised legal framework for VET that incorporates governance and financing within a decentralised setting and within national frameworks for qualifications, quality assurance and accountability (reporting), authorities, agencies, regional directorates, vocational training centres and their local partners could practise new forms of cooperation and authority. Even with the existing legal framework, Tunisia could take further steps to operationalise VET school autonomy, delegating more responsibilities to training centres and their partners and finding pragmatic ways to incentivise their entrepreneurial spirit. Local actors could be entrusted to participate in key decisions relating to the

choice of their training offers; the recruitment and (extra) remuneration of staff; the management of all affairs of the training centre, from marketing its own courses, enrolments and the development of curricula integrating WBL to teaching and learning resources; career guidance activities; the signing of agreements with companies; the signing of other contracts (such as for renting out premises or producing products or delivering services for the local community); and the generation and use of budget. Social partners, students and family representatives can make useful contributions to the management and development of training centres.

The role of principals and teachers, alongside their economic partners, needs to be strengthened in relation to the development of the curriculum and teaching. Teacher training centres could support and coordinate teachers to develop up-to-date instructional materials in a collaborative manner. There is also an issue of nurturing evaluation practices at the level of training centres.

By diversifying the sources of funding (state, region/municipality, employer, centre's own resources), training centres may be put in a position to acquire up-to-date equipment and consumables.

... the continuous professional development (CPD) of VET teachers and trainers

The MJSIP and different stakeholders should work together to agree on CPD strategies, to improve the normative framework for VET teachers and trainers, to set objectives in the 2025 National Strategy for Vocational Education and to define a feasible action plan. The Centre National de Formation de Formateurs et d'Ingénierie de Formation National (CENAFFIF – National Centre for the Training of Trainers and Training Engineering), perhaps through a collaboration with industry and other professional CPD providers, may review their programmes and introduce modern and varied methodologies. Tools need to be developed to identify needs and funding mechanisms for the technical training of teachers. Better coordination between regional structures and training centres and their partners is key to providing the required materials and human resources. Training centres have an important role in analysing their training needs and sharing and using this information for the planning and coordination of CPD.

The MJSIP is also asked to consider or revise the status, compensation, training and recognition offered to teachers with mentoring roles at training centres. Mentorship might be used more generally as a form of CPD for VET trainers and principals. CPD opportunities should be linked to improvements in teaching, which are identified through feedback, and to career development. Where possible, CPD should be designed to prepare trainers and principals to take on enhanced responsibilities and to gain recognition through promotion. National aggregated records of CPD participation could be published (ETF, 2019).

... extending and improving WBL arrangements

Evidence suggests that, where WBL in companies is made a structural element of training provision, a smoother transition from school to work is achieved, rather than studying first and then working (OECD, 2010; ETF, 2013, among others). Sectors where WBL is deemed to have some potential for development in Tunisia include aeronautics, automotive components, computers, textile and clothing, tourism and crafts. On the other hand, agriculture and the Professional Technician Certificate (Brevet de Technicien Professionnel), for which WBL presents a major problem, would require specific national support measures.

It is recommended that learning under the 'F0 apprenticeship' scheme is complemented with training at a centre. Employers may also contact private training centres who offer relevant complementary

theoretical and soft skills training. The success of such an approach requires a flexible funding mechanism that ensures the activities of private operators. Funding might be granted only when a company is ready to take care of the intern during the training. The participation of private sector professionals in the management of training centres, reduced teaching loads and the reimbursement of travel expenses of school coordinators are essential for enabling WBL. Company training periods need to be carefully planned, ideally as an integral part of the VET curriculum. It is necessary to have trained tutors instruct in companies. With a view to implementing workplace training support units, professional and trade union organisations could be entitled to certain funding, which would allow them to play their part in supervising members and be a credible and representative intermediary with the MJSIP. The training support units could be remunerated for the continuing training activities that they organise.

Conclusion

In conclusion, without a more favourable environment for business growth and job creation, Tunisia's human capital potential is likely to remain underutilised. There is a wide national consensus that the further integration of Tunisia into global value chains could help generate activities with a higher added value and jobs for a more highly qualified workforce. Policies are needed to adjust the business environment and modernise enterprises to help them grow. At the same time, more and higher-quality jobs require people with the right professional skills and competences. Vocational skills and qualifications are a key pillar of Tunisia's human capital stock, which is why the upgrading of initial and continuing VET deserves more political attention.

Addressing the above-described challenges and recommendations in a sustained, systematic manner can have an impact in the mid to long term on the efficiency and effectiveness of the initial and continuing VET system. It will improve the relevance and quality of its outcomes in terms of employable skills of young and adult people. It will help make better use of public, private and donor investments. Including more people in skills development schemes, preventing early dropouts and equipping workers with relevant labour market skills will strengthen Tunisia's human resource potential, improve the school-to-work transition and contribute to the country's goals of economic development and labour market and social inclusion.

The ETF launched the Torino Process in 2010 as a periodical review of vocational education and training (VET) systems in the wider context of human capital development and inclusive economic growth. While providing a quality assessment of VET policy from lifelong learning (LLL) perspective, the process builds on four key principles: ownership, participation, holistic and evidence-based analysis.



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