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LEBANON

EDUCATION, TRAINING AND EMPLOYMENT DEVELOPMENTS 2020

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT
(SEPTEMBER 2019–AUGUST 2020)

On 4 August 2020, of the largest non-nuclear explosions in history wreaked havoc on Lebanon's capital city, Beirut. Nearly 200 lives were lost and more than 6,000 people were injured. An estimated 300,000 people were instantly left homeless. The blast obliterated homes, schools, medical facilities and the port of Beirut, from where nearly 85% of the country's food is supplied.

Moreover, a towering inferno at Beirut's port caused widespread panic in the Lebanese capital just two days after another fire was put out at the site of the enormous explosion. In addition to further destroying a large part of Beirut's already decimated port, this last fire appears to have incinerated aid destined for those who survived the blast the previous month. The full extent of the damage from these three incidents remains to be established.

The Lebanese government resigned amid growing public anger over the blast, which was seen by many as the fatal result of years of corruption and mismanagement. The government's plans to investigate the cause of the explosion were not enough for most people, who have lost all faith in the political elite. Before the cabinet's resignation, a number of ministers had offered to step down. Nevertheless, people took to the streets, resulting in clashes between protesters and police.

The dynamic of government resignation and formation of a new one has played out twice in two years, both times on the basis of the same accusations of corruption. Protests in 2019 led to the formation of the government that was subsequently forced to step down in 2020, following the Beirut blast. Protests in 2019 led to the formation of the government that was subsequently forced to step down over the same accusations of corruption.

Even before this catastrophe, Lebanon was already on the verge of a humanitarian crisis. In 2019, the country's economic collapse threw hundreds of thousands into poverty and exacerbated an already spiking unemployment rate, especially among the youth. The Covid-19 pandemic and subsequent lockdown further deepened the hardship, including for more than one million Syrian refugees. Lebanon's public debt-to-gross domestic product (GDP) ratio is the third highest in the world and nearly half its population lives below the poverty line. As a result of the lockdown in March, many businesses were forced to lay off staff or put them on leave without pay; the gap between the Lebanese pound's value on the official and black markets widened, and banks tightened capital controls.

Unemployment and high levels of informal labour were already serious problems pre-crisis, with the World Bank suggesting that the Lebanese economy would need to create six times as many jobs just to absorb the regular market entrants. Unemployment is particularly high in some of the country's poorest localities – nearly double the national average in some, which puts considerable strain on host communities.

The World Bank estimates that Lebanon will need up to USD 2 billion for recovery. The institution appears to be taking the corruption issue seriously, calling for a series of anti-corruption measures as part of the rebuilding process, including a new national anti-corruption commission and Lebanon's participation in the Open Government Partnership.

The Bank has also floated the idea of a new type of financing facility that could channel resources directly to non-governmental organisations (NGOs) engaged in recovery.

Sectors such as transport and energy need urgent overhauling – especially Lebanon's infamous electricity infrastructure. The country has been unable to meet local demand for decades now and so has had to resort to rationing electricity, leading most citizens to use back-up generators for several hours during daily national blackouts. Moreover, the recent incidents in the port of Beirut indicate that Lebanon needs to rapidly prioritise investments in construction and the transportation and logistics sectors. The Covid-19 crisis has also highlighted the need for qualified staff in the health sector.

Learning had already been significantly interrupted during the widespread demonstrations in October and November 2019. Owing to the Covid-19 emergency in 2020, more than 1.2 million school-aged children have been affected by school closures in Lebanon, including public, private and semi-private schools, as well as those run by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). In addition, nearly 30,000 children and young people in non-formal education have had their education disrupted. The fact that many families have seen their income reduced to zero could be reflected in lower enrolment levels next year. For many children, there is a risk of them being out of school indefinitely unless they and their families have the support they need to continue their education.

For the academic year 2020–21, the third and secondary-level VET students returned on 28 September, with other levels following later. Online options are still being considered for some grades, depending on how the Covid-19 situation evolves.

1. KEY DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

Lebanon's total population increased by 38.4% in nine years – from 4.95 million in 2010 to around 6.90 million in 2019. Lebanon is undergoing a demographic transition, characterised by a sharp reduction in fertility rates and a significant increase in life expectancy. The middle phase of the transition has seen a drop in the size of the under-14 population, a bulge in the size of the working-age population (15–64 years) and considerable growth in the cohort aged 65+[1]. Lebanon thus has an age-distribution profile that is somewhere between the regional average and that of more developed regions of the world. There are proportionally fewer children and more elderly people than in nearby countries.

Population growth has significantly exceeded natural population growth, owing to a net inflow of migrants to the country. Lebanon has historically been a country of immigration, and diversity is one of its main characteristics. However, the Syrian crisis, which is now in its tenth year, continues to have a significant impact on the demography of the country. As of November 2019, the Government of Lebanon estimated that the country was hosting 1.5 million people who had fled the conflict in Syria (including 918,874 people registered as refugees with the United Nations Refugee Agency (UNHCR), as well as 27,700 Palestinian refugees from Syria and a pre-existing population of an estimated 180,000 Palestinian refugees from Lebanon living in 12 camps and 156 gatherings). According to the United Nations Development Programme (UNDP) database, the total number of immigrant stock at mid-year in 2019 was 1.9 million and the main countries of origin were: Syrian Arab Republic (1.16 million), Palestine[2] (0.5 million), Iraq (0.1 million) and Egypt (0.08 million).

At the same time, owing to previous conflicts and the current socioeconomic situation, Lebanon is also a country of emigration. Well-educated Lebanese tend to look for employment opportunities abroad. Of the 15,000 to 20,000 Lebanese who emigrate every year, most go to the Gulf countries (27%), followed by North America and Australia (46% combined). Most emigrants (76%) are aged between 15 and 34[3]. One impact of emigration has been the development of a large and steady stream of remittance income.

Lebanon is a middle-income country with an open and largely service-oriented economy. It has a strong commercial tradition of domestic free trade and investment policies. According to World Bank estimations, in 2019, the services sector accounted for 75.9% of GDP, followed by industry (12.8%) and agriculture (5.3%). Small and medium-sized enterprises (SMEs) remain the main form of business organisation, particularly micro and small enterprises. There is also a large and growing informal sector in the country, especially in agriculture, which represents a serious risk to the national economy.

The crisis in Syria is having a profound effect on the Lebanese economy, as are the financial crisis and the consequences of August's explosion, including the street protests it provoked. All these

[1] https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_633487.pdf
[2] This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue
[3] https://www.etf.europa.eu/sites/default/files/m/0DEB50C5BB6ACEC9C12581530038CDD7_Lebanon%20MISMES.pdf

situations occurring at the same have severely impacted key drivers of growth, i.e. the real-estate, industry, services and tourism sectors. Other sectors, such as transport and energy, need urgent overhauling – especially Lebanon's infamous electricity infrastructure. Moreover, the recent incidents in the port of Beirut indicate that Lebanon needs to prioritise investments quickly in the construction, transportation and logistics sectors. The Covid-19 crisis has also highlighted the need for qualified staff in the health sector.

Consequently, Lebanon's real GDP growth fell from an average of 9% during the 2007–2010 period to an average of 0.5% during the 2011–2019[4] period. In 2019, GDP growth was negative, at -5.6%. Given the socioeconomic developments of 2020, it will be difficult for the economy to achieve any improvements in the short term.

Poverty levels are also on the rise: of the 1.3 million Lebanese assessed as living below the poverty line, i.e. on less than USD 3.84 per person per day, according to the Multiple Deprivation Index (MDI), an estimated 58% (800,000 individuals) are concentrated in densely populated and poor neighbourhoods within the main urban areas, where a high number of displaced persons from Syria has been registered[5]. Without any reforms, or if priority is not given to covering people's essential needs, including food, electricity, health and education, there is a strong likelihood that vulnerable Lebanese, migrant workers and refugees will be pushed further into poverty and extreme poverty[6].

2. EDUCATION AND TRAINING

2.1 Trends and challenges

Owing to the school closures necessitated by the Covid-19 pandemic, the Ministry of Education and Higher Education (MEHE) launched a distance-learning plan for all public and private schools in the context of the *Education Sector Short-Term Response to Covid-19*, which contains general guidance on three learning delivery methods:

- media: the use of (mainly) national TV to deliver classes and raise awareness, together with other media outlets for raising awareness and providing psychosocial support for parents/caregivers and learners. Here, the focus has initially been on learners due to sit official exams;
- online platforms: Microsoft Teams is the official application being used by public schools, while some private schools are using their own platforms. Other online platforms, such as WhatsApp, Telegram, etc. have also been set up by school principals in primary and secondary schools to facilitate access by children (including refugee children) to learning materials;
- non-ICT methods: focusing mainly on paper-based materials.

It is important to emphasise the scale of the impact of the latest devastating developments on the country. The explosion in August 2020 caused damage ranging from minor to severe to at least 163 public and private schools, which urgently require rehabilitation, repair and replacement equipment. This is affecting continuity of learning for at least 85,000 students. Five technical and vocational

[4] The World Bank, World Development Indicators database – https://databank.worldbank.org/source/world-development-indicators

[5] Government of Lebanon/UN, *Lebanon Crisis Response Plan 2017–2020 (2020 update)*, January 2020

[6] UN News, 'Lebanon "fast spiralling out of control" leaving many destitute and facing starvation, warns Bachelet', 10 July 2020.

compounds have also been affected, including 20 technical and vocational education and training (TVET) schools and institutes. The negative impact on education goes beyond physical damage, however. The increased risk of dropping out from school, high vulnerability of marginalised children and those with special needs, and post-traumatic effects on learners all threaten the continuity of education[7].

The MEHE set up the MEHE Beirut Blast Committee with the aim of following up the school rehabilitation process, mechanism and outcomes. The United Nations Educational, Scientific and Cultural Organisation (UNESCO) has been mandated to coordinate rehabilitation efforts, encompassing partnership development, finance, implementation, monitoring and reporting. Assessments of the damage to schools are being carried out by the MEHE and the United Nations' Children's Fund (UNICEF) in public schools, by the UN in private schools and by UNICEF in TVET schools and institutes[8].

Based on the latest available data (from 2012), Lebanon has a relatively low-skilled labour force, with 66.5% of the adult population having a low level of education and only 17.9% having a high level of education. However, an overall improvement across generations can be observed: adult literacy increased from 89.6% in 2007 to an estimated 95.1% in 2018, while youth literacy rose from 98.7% in 2007 to an estimated 99.8% in 2018[9].

According to the Lebanese Ministry of Finance, in 2016 total expenditure on the education sector was around USD 1.2 billion annually, of which USD 900 million was spent on general education, USD 225 million on tertiary education, and USD 90 million on technical and vocational education and training. The ministry also declared that public expenditure on the general education sector during the 2013–2015 period – excluding vocational and tertiary education – was around 1.8% of GDP and 5.5% of total public expenditure. This means that public expenditure on general education during the period was around USD 900 million, which is double the amount of expenditure in 2005[10]. However, the share of education expenditure as a percentage of total public expenditure has remained more or less constant.

Lebanon has both a private and a public (government) education system. The former charges for admission, while the latter is essentially free of charge. Private schools, the overwhelming majority of which are dependent on various religious communities, have a long and strong tradition in Lebanon. This has led to a great variety of educational institutions in the country, which can be seen as openness, on the part of the government, to the international community, but it also represents fragmentation in the vocational education and training system.

One of the main deficiencies in the education sector remains the lack of reliable national education data that can be meaningfully used for programming policy interventions. A lack of timely information and insufficiently detailed disaggregated enrolment figures hampers evidence-based programming. Since 2018, the Ministry of Education and Higher Education (MEHE) has been in the process of digitalising data collection – both centrally and at school level – yet no real developments can be

[7] MEHE & UNESCO, Fact Sheet on School Rehabilitation, September 2020.

[8] *idem.*

[9] UNESCO data.

[10] Abdul-Hamid, Husein and Yassine, Mohamed, *Political Economy of Education in Lebanon: Research for Results Program. International Development in Focus*, Washington, DC: World Bank, 2020.

reported, especially considering that since October 2019, when the street protests began, the country has been essentially paralysed.

Overall, there are 631,209 Syrian children (aged 3–18) living in Lebanon[11]. These children, in addition to 447,409 vulnerable Lebanese children in the same age bracket, are in need of education assistance. Despite efforts by the MEHE and education partners, it is estimated that 40% of the Syrian children – more than 250,000 – remain out of certified education (formal and non-formal). The enrolment rates drop significantly in lower secondary education, and the out-of-school rates are highest among 15 to 18-year-old Syrians, with only around 6% of registered Syrian refugees in that age group enrolled in formal education (secondary schools and TVET public schools)[12].

Research conducted in 2020 by the World Bank, in cooperation with relevant ministries and other stakeholders present in the country, reveals how the public sector has increased its relevance and presence for the refugee children from Syria. Post 2018, the number of non-Lebanese students was almost the same as the number of Lebanese students present in the public system. In that year, 220,498 non-Lebanese children were enrolled in public schools in Lebanon, i.e. approximately 45% of all the students in the public system. This demand for education was accompanied by the need to increase the capacity of the public education system within a very short period of time. Second shifts is one of the solutions introduced in public schools.[13] In parallel, the number of donors present in the country aiming to finance education services for Syrian refugees increased steadily. Between 2014 and 2018, the annual average amount provided by donors to finance the public education system was USD 250–USD 300 million, which was more than 25% of the finance attributed by the public system to education. The MEHE has adopted different strategies to ensure that Syrian children receive formal certification and recognition for their education achievements, but, as yet, no real results have been achieved at national level.

Despite the rapid expansion in the provision of training courses and students' enrolment, the current TVET system in Lebanon does not meet the personal aspirations of young people or the needs of local and regional labour markets. TVET is still associated with academic failure and poor-quality provision. The association of TVET-level jobs with low wages, poor working conditions and lack of career prospects has discouraged young Lebanese people from enrolling in VET courses at secondary and post-secondary levels. The 2020 update to the *Lebanon Crisis Response Plan* highlights that enrolment in post-basic education remains low, with only around 8% of secondary school-age non-Lebanese youth enrolled in public schools and another 8% enrolled in private secondary, technical and vocational education schools[14]. Furthermore, most public TVET schools in Lebanon suffer from poor facilities, obsolete equipment and outdated learning materials that are no longer in use in specific trades. Deteriorating security conditions have adversely affected all economic sectors and caused huge pressure on the labour market[15].

The system also suffers from an uneven geographical distribution of schools across the country. Moreover, although the conditions for entering the VET education system are transparent, the process

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[11] Total number of children known to UNHCR as of September 2018.

[12] Government of Lebanon/UN, *Lebanon Crisis Response Plan 2017–2020*, 2019 – https://reliefweb.int/sites/reliefweb.int/files/resources/67780.pdf

[13] Abdul-Hamid, Husein, and Yassine, Mohamed, *Political Economy of Education in Lebanon: Research for Results Program. International Development in Focus*, Washington, DC: World Bank, 2020.

[14] Government of Lebanon/UN, *Lebanon Crisis Response Plan 2017-2020*, 2020 – https://reliefweb.int/sites/reliefweb.int/files/resources/74641.pdf

[15] MEHE & UNESCO, Fact Sheet on School Rehabilitation, September 2020.

for advancing to higher education is far from smooth and often perceived as restrictive by VET graduates wishing to continue their studies.

In 2018, Lebanon participated for the second time in the Programme for International Student Assessment (PISA) exercise. Participants did not perform particularly well in any of tested areas: low scores were achieved by 67.8% of students in reading, 59.8% of students in mathematics and 62.2% of students in science. Overall, the PISA results showed the need to tackle underperformance, address the issue of dropping out from school and assist those struggling with school performance in earlier grades. Revision of pedagogical methodologies and practices, curriculum contents and approaches, and excellence in pre-service teacher training and teacher recruitment is key.

2.2 Education and training policy and institutional setting

The National Strategic Framework (NSF) for TVET 2018–2022 is the main policy document adopted for improving the TVET education system. The strategic framework confirms the government's commitment to promoting the TVET system, which provides young people and workers with the competencies and skills required to access decent work, and allows businesses to recruit the workforce they need for growth. The framework is structured along three main axes: i) expanded access and service delivery; ii) enhanced quality and relevance of TVET provision; and iii) improved TVET governance and systems. These axes will be followed via eight building blocks. The framework also represents an important step towards better collaboration between government institutions and stronger partnerships with the private sector.

In this context, and in light of the delays that had occurred the previous year, 2020 was supposed to be the crucial year for defining how the NSF would be implemented, with the development of its Action Plan and the establishment of cooperation between relevant ministries and the international community in charge of supporting the preparation of that plan. So far, however, only the action plan of the MEHE and the Directorate-General of Vocational and Technical Education (DGVTE) has been drafted with the support of the international community – but even this is still waiting for final endorsement by the DGVTE.

There has also been increasing socio-political awareness of the importance of education and training for sustainable and cohesive socioeconomic growth in recent years. In 2017, with the support of the international community and civil society, the Lebanese government developed the second phase of a multi-year, multi-stakeholder national response plan entitled Reaching All Children with Education (RACE II 2017–2021). Based on RACE I, which ensured the progressive mainstreaming of refugee children into the national education system, RACE II aims to further ensure inclusive education for the most vulnerable children in Lebanon by increasing access to education, improving the quality of service delivery and strengthening the national education system. So far, most programmes for young people have focused on access to formal secondary education and life-skills education. In 2020, stronger focus was supposed to have been placed on enrolling adolescents and young people in technical vocational education (TVE), including short technical courses implemented in MEHE TVE schools under the guidance of the DGVTE, as well as on non-formal education and remedial support[16].

The education system is governed by the MEHE. A number of bodies work under the auspices of the ministry: Directorate General of Education, Directorate General of Higher Education and Directorate

[16] Government of Lebanon/UN, *Lebanon Crisis Response Plan 2017-2020*, 2020 – https://reliefweb.int/sites/reliefweb.int/files/resources/74641.pdf

General of Vocational and Technical Education (DGVTE). The development and modernisation of the TVET sector are under the aegis of the DGVTE. In addition to managing the public provision of TVET, the DGVTE also supervises the performance of private educational institutes and training providers, including NGOs. The DGVTE organises public TVET examinations, issues diplomas and certificates, and coordinates with line ministries and other bodies that provide different types of TVET. The public VET training providers (representing around 40% of the overall training offering) do not have enough autonomy to take management decisions at a local level and depend fully on DGVTE management. At the same time, large numbers of private training providers have management and funding independence, providing they use the state examination system and submit to certain DGVTE quality-control measures.

In addition, a number of ministries and government agencies is responsible for vocational training provision for unemployed people and other specific target groups, especially Syrian refugees. The main institution offering adult education and continuing training courses is the National Employment Office (NEO), which operates under the auspices of the Ministry of Labour. The chambers of commerce also offer training courses through their own centres. As a result of all the recent crises, including the ongoing Syrian situation, there has been a proliferation of service providers offering private accelerated training. These comprise NGOs or companies that have their own curricula and training schemes, and thus are not connected to or directly supervised by the DGVTE. All of this creates significant fragmentation in the TVET system and manages to shift the focus from formal to informal TVET.

While there is no national quality assurance system for the TVET sector, the DGVTE has established some measures of quality control, such as accreditation of TVET providers and programmes. Also, students in public and private TVET must take the national examinations endorsed by the DGVTE.

The Lebanese National Qualifications Framework (NQF) developed in 2012 has still not been endorsed, despite many attempts in recent years on the part of the national authorities and the international community to make it operational. The challenge remains to develop a formal definition of VET in Lebanon – together with standards to govern such a definition – adapt it to suit the context of initial vocational education and training (IVET) and continuing vocational education and training (CVT), and establish mechanisms to measure and assure quality in VET. Although the NSF includes the implementation of the national qualifications system for TVET, there can be no action at national level without a legal framework.

The ProVTE[17] project is a practical example of how the quality, relevance and responsiveness of the VET system can be adapted to the needs of the labour market – specifically the construction sector, in this case. As part of the project, which was launched in February 2017, job-related competencies were assessed and certified by an independent professional body, with employers involved in the identification and definition of the occupations required. It is an example that will be replicated in a new EU-funded initiative called VTE4all, due to start in September 2020. This will build on the ProVTE experience in designing and delivering competence-based training by aiming to enhance the capacities of vulnerable individuals in Lebanon to pursue pathways to a decent livelihood through improved access to quality TVET.

[17] 'Technical Assistance for More Practice Oriented VTE in Lebanon' was an EU-funded project implemented by the German international development organisation GIZ to promote the practice-orientation of VTE, while, at the same time, encouraging a strategic shift towards practice orientation (work-based learning) in the mainstream VTE system – https://www.giz.de/en/worldwide/83483.html

The main challenge for Lebanon remains the implementation of reforms. The decision-making system is closely linked to the established balance of powers between religious groups at all levels of the system. Therefore, while society and the business community could move more swiftly and respond to the changing socioeconomic environment, government structures remain slow and, in some cases, paralysed. These circumstances, as well as the past and current crises and challenges faced by the country, also influence education reforms and the education system.

3. LABOUR MARKET AND EMPLOYMENT

3.1 Trends and challenges

Since the beginning of the protests in October 2019, followed by the lockdown measures necessitated by the Covid-19 pandemic, Lebanon has been paralysed. The Beirut explosion is compounded by the worst economic fall-out that the country has ever witnessed, on top of the world's largest refugee crisis and the ongoing Covid-19 pandemic.

Several factors are responsible for this chaotic situation: inaction by the political elite on reform plans, continued depreciation of the Lebanese lira against the dollar, restrictions on bank transactions and even on access to dollar banknotes, regular protests against the perceived failed government economic policies and non-controlled rise in the price of goods, and, of course, the blast at the port of Beirut in August 2020. On top of all this, the Syrian refugee crisis continues unabated.

Unemployment and high levels of informal labour were serious problems even before the crisis. Already in 2012, the World Bank was suggesting that the Lebanese economy would need to create six times as many jobs just to absorb the regular market entrants. Unemployment is particularly high in some of the country's poorest localities – nearly double the national average in some, which puts considerable strain on host communities. According to public opinion, the biggest threat is not the coronavirus but the hunger, poverty and desperation caused by the country's economic collapse. In light of this, implementing the Lebanese Crisis Response Plan has become a high priority.

The Lebanese labour market is primarily characterised by low labour-market participation and employment rates, particularly among women. According to the Labour Force and Household Living Conditions Survey (LFHLCS) from 2018/2019, 63.4% of men and only 25.1% of women were employed. Employment was concentrated mainly in the services sector (76%), followed by industry (20.0%) and agriculture (4%). The overall unemployment rate was 11.4%. However, the youth unemployment rate was more than double this, reaching 23.3%. Taking into account time-related under-employment and the size of the potential labour force, including discouragement from searching for jobs, the survey revealed that 29.4% of the extended youth labour force were in various forms of labour under-utilisation. About 50% of unemployed young people had been seeking employment for more than 12 months at the time of the survey. Moreover, the percentage of young people not in employment, education or training (NEET) was about 22%, but was significantly higher among young women (26.8%) than young men (16.7%).[18] The vulnerable position of young people has been

18 Lebanese Republic Central Administration of Statistics (CAS)/ILO/EU, Labour Force and Household Living Conditions Survey (LFHLCS) 2018-2019, Beirut, 2020 – https://www.ilo.org/beirut/publications/WCMS_732567/lang--en/index.htm

accentuated during the pandemic period, where even access to quality health care is dependent on having the necessary financial resources.

Education does not seem to have a positive effect on the likelihood of being unemployed, as the unemployment rate is higher among university graduates – both young people and adults – compared with those with low or medium levels of education. However, having a higher qualification does have a positive impact on the level of earnings.[19]

The labour market is also affected by the size of the informal sector, which is substantial. In fact, 54.9% of the employed population hold informal jobs as their main job, while just over a third of the employed population work in the informal sector for their main job (35.2%).[20]

The emigration and immigration of workers has also had a significant impact on the labour market. Emigration has created a situation in which a relatively large number of young and well-educated people have left the country, creating a relative scarcity of skills and resulting in a need to hire foreign workers to fill the gap. Many refugee workers accept lower wages (even below the Lebanese minimum wage) and less favourable working conditions in order to gain employment. While this practice may provide a short-term solution to meeting the demand for labour, it may also potentially lead to longer-term problems related to the future supply of qualified Lebanese workers and encourage the expansion of low-productivity economic activities in the country.

The main factors driving persistent poverty and the lack of inclusive economic growth are weak job creation and low-quality jobs. Overall, the structure of employment in Lebanon has been shifting towards services, and there is potential for micro and small enterprises to develop further in the field of information and communication technology, where there have already been successful start-ups, as well as in the agro-food, construction, industry and manufacturing sectors, all of which have been identified as catalysts for job creation[21].

Agro-industry value chains, the cornerstone of the country's industrial economy, represent 18.2% of the total economic activities in Lebanon. Agriculture is generally considered to be among the promising economic sectors for Lebanon[22]. However, although investments by donors and international organisations have helped create jobs in rural and other selected regions, and develop a start-up ecosystem in the city of Beirut, the number of jobs created is still not sufficient. As the Lebanese economy does not generate enough high-skilled jobs to absorb university graduates, higher education has not led to better labour-market outcomes.

Digital transformation may present an opportunity for the country to support economic growth, particularly in some industrial sub-sectors. Yet, the overall digital preparedness of the business sector and society is rather low[23].

3.2 Employment policy and institutional setting

Despite a clear need, Lebanon still has no specific employment strategy or action plan. The penultimate Minister for Labour had started a process of reforms aimed at bringing Lebanon's labour-

19 *idem.*
20 *idem.*
21 Government of Lebanon/UN, *Lebanon Crisis Response Plan 2017–2020*, 2020 – https://reliefweb.int/sites/reliefweb.int/files/resources/74641.pdf
22 *idem.*
23 EU, 'Digitalisation of small and medium enterprises (SMEs) in the Mediterranean', 2020.

related regulations and institutions into the 21st century, e.g. updating the labour code, which dates back to 1946, reforming the *Kafala* sponsorship system for migrant workers, regulating foreign workers in Lebanon, especially Syrians, and reforming the National Social-Security Fund. However, all the recent changes in government did not really ensure a concrete follow-up of the reforms initiated in 2019 by the Ministry of Labour.

Lebanon's employment policy is fragmented. Various institutions are in charge, but they have limited coordination mechanisms and limited resources to fulfil their mandates. The Ministry of Labour is responsible for labour-related legislation and policies, including employment conditions, labour relations and labour inspection. The ministry has been planning since early 2017 to upgrade its capacities by engaging new staff. This process is ongoing but on hold for the moment, because of the recent changes in government.

The National Employment Office (NEO) is the main body for implementing labour-market policies. Training courses offered by the NEO are the main form of active labour market programme (ALMP) provided in Lebanon. Although the NEO has a broad mandate[24], it is not fully operational, owing to severe staff shortages (despite the arrival of 30 new employees – 20 specialists and 10 administrators – in 2019), a limited budget and just three offices throughout the country (Beirut, Tripoli and Sidon). Thus, its role was limited to conducting training sessions that were funded by international organisations as part of programmes to address the Syrian refugee crisis.

Another government institution involved in the provision of training-related ALMPs is the National Vocational Training Centre (NVTC), which operates under the auspices of the Ministry of Labour and the Ministry of Social Affairs. On the initiative of the former, the NVTC, in 2019, began to provide continuous vocational training courses in a more systematic way. Known as 'accelerated vocational training' this is aimed at increasing the employability of the inactive population.

In addition, private employment agencies are increasingly gaining ground in Lebanon, mainly offering services to migrant workers coming to work in Lebanon. Some attempts have been made to regulate these agencies, especially those dealing with domestic workers, but Lebanon has not yet ratified ILO Convention 181 on Private Employment Agencies (1997) or Convention 189 on Decent Work for Domestic Workers (2011).

Passive labour-market and social-protection policies are also underdeveloped. The current national social-security system provided by the National Social-Security Fund (NSSF) covers only around half of the Lebanese labour force. The NSSF provides mostly end-of-service indemnity, sickness and maternity insurance, as well as family and education allowances. It has 35 offices throughout the country and inspects enterprises and work sites to verify that companies are contributing to social security.

There is still no labour-market information system in Lebanon, nor a clear plan to develop one. This hinders systematic data collection and analysis of labour-market trends. Most of the existing surveys and analyses are performed with the financial support of donors and are not repeated over time. The Ministry of Labour is currently working on designing and implementing a national employer's survey aimed at better understanding the demand for workers. The survey, which is still in its second pilot phase, should identify and analyse vacancies and skills needs within companies.

[24] The NEO's objectives include conducting studies and research to formulate employment policies for Lebanon; improving the employability and skill level of new entrants to the labour market through accelerated vocational training; finding job opportunities for jobseekers; and increasing the employability of people with disabilities.

No systematic school-to-work transition surveys are currently conducted. Hence, the system lacks the instruments needed to gain an understanding of the problems associated with the transition from education to work. Guidance Employment Offices (GEOs) have been established within selected VET schools since 2014 and submit monitoring reports to the DGVTE every six months, including data on the number of jobs acquired by VET graduates and links to the private sector, as well as recommendations for improving the workflow process of the offices. The network grew from eight offices to 23 nationwide. However, the data collected so far do not include the percentage of graduates that have pursued self-employment. It is evident that the majority of VET graduates pursue higher education, either academic or vocational, in the hope of increasing their chances of gaining better-quality employment with higher wages.

The Lebanese government has underlined job creation as a key priority in stabilising the country following the Syrian conflict. The *Lebanon Crisis Response Plan 2017–2020* includes activities to stimulate local economic development and market systems to create income-generating opportunities and employment. It also envisages the delivery of short-term, accelerated courses aimed at quickly addressing gaps in the labour market and increasing the employability of the most vulnerable, who are typically not able to join the formal system. This is to be done in conjunction with supporting the capacity of the formal TVET system and schools, in collaboration with education-sector partners[25].

Despite these efforts, the capacity to develop and implement coherent economic and labour-market policies and develop appropriate institutions so far appears to be limited. Defining and implementing policies could be more effective in partnership with the fairly active business community in Lebanon, which is usually willing to assist these processes. Awareness of the importance of cooperation between business and education is increasing and can only improve in the coming years, as long as the new government rapidly takes action to remedy the historical weakness of the Lebanese administration.

For further information, please contact Simona Rinaldi, European Training Foundation, email: Simona.Rinaldi@etf.europa.eu.

Recent ETF Country Intelligence Products:

- Mapping of Covid-19 impact on education and training
- ETF Torino process assessment
- NQF Inventory Country Page https://openspace.etf.europa.eu/nqf-inventories
- Quality Assurance Fiche

[25] https://reliefweb.int/sites/reliefweb.int/files/resources/LCRP2018_EN_Full_180122.pdf

LEBANON: STATISTICAL ANNEX

Annex includes annual data from 2010, 2015, 2018 and 2019 or the last available year.

			2010	2015	2018–2019	2019
1	Total Population (000) (1)		4,953.1	6,532.7	6,848.9	6,855.7
2	Relative size of youth population (age group 15–24 and denominator age 15–64, %) (1)		28.8	27.7	26.4	26.0
3	GDP growth rate (%)		8.0	0.2	-1.9	-5.6
4	GDP by sector (%)	Agriculture added value	3.9	3.4	3.2	5.3
		Industry added value	13.8	15.7	14.2	12.8
		Services added value	71.9	73.7	76.7	75.9
5	Public expenditure on education (as % of GDP)		1.6	M.D.	M.D.	M.D.
6	Public expenditure on education (as % of total public expenditure)		5.5	M.D.	M.D.	M.D.
7	Adult literacy (%)		M.D.	M.D.	95.1(1)	M.D.
8	Educational attainment of adult population (aged 25–64 or 15+) (%)	Low	M.D.	66.5 (2012)	M.D.	M.D.
		Medium	M.D.	15.3 (2012)	M.D.	M.D.
		High	M.D.	17.9 (2012)	M.D.	M.D.
9	Early leavers from education and training (aged 18–24) (%)	Total	M.D.	M.D.	M.D.	M.D.
		Male	M.D.	M.D.	M.D.	M.D.
		Female	M.D.	M.D.	M.D.	M.D.
10	Gross enrolment rates in upper secondary education (ISCED level 3) (%)		M.D.	M.D.	M.D.	M.D.
11	Share of VET students in upper secondary education (ISCED level 3) (%)		27.4	26.2	25.9	M.D.
12	Tertiary education attainment (aged 30–34) (%)		M.D.	M.D.	M.D.	M.D.
13	Participation in training/lifelong learning (aged 25–64) (%)	Total	M.D.	M.D.	M.D.	M.D.
		Male	M.D.	M.D.	M.D.	M.D.
		Female	M.D.	M.D.	M.D.	M.D.
14	Low achievement in reading, mathematics and science – PISA (%)	Reading	N.A.	70.4	67.8	N.A.
		Mathematics	N.A.	60.2	59.8	N.A.

			2010	2015	2018–2019	2019
		Science	N.A.	62.6	62.2	N.A.
15	Activity rate (aged 15+) (%)	Total	M.D.	M.D.	48.8(2)	47.0((3)
		Male	M.D.	M.D.	70.4(2)	71.4((3)
		Female	M.D.	M.D.	29.3(2)	22.9((3)
16	Inactivity rate (aged 15+) (%) ((3)	Total	M.D.	M.D.	51.2(2)	53.0((3)
		Male	M.D.	M.D.	29.6(2)	28.6((3)
		Female	M.D.	M.D.	70.7(2)	77.1((3)
17	Employment rate (aged 15+) (%)	Total	M.D.	M.D.	43.3(2)	44.1((3)
		Male	M.D.	M.D.	63.4(2)	67.8((3)
		Female	M.D.	M.D.	25.1(2)	20.6((3)
18	Employment rate by educational attainment (% aged 15+)	Low	M.D.	M.D.	M.D.	M.D.
		Medium	M.D.	M.D.	M.D.	M.D.
		High	M.D.	M.D.	M.D.	M.D.
19	Employment by sector (%)	Agriculture	M.D.	M.D.	4(2)	
		Industry	M.D.	M.D.	20(2)	
		Services	M.D.	M.D.	76(2)	
20	Incidence of self-employment (%)		M.D.	28.9 (2012)	M.D.	36.2((3)
21	Incidence of vulnerable employment (%)		M.D.	21.1 (2012)	M.D.	26.9((3)
22	Unemployment rate (aged 15+) (%)	Total	M.D.	M.D.	11.4(2)	6.2((3)
		Male	M.D.	M.D.	10(2)	5.0((3)
		Female	M.D.	M.D.	14 (2)	9.9((3)
23	Unemployment rate by educational attainment (aged 15+) (%)	LOW (ISCED 0–1)	M.D.	8.1 (2012)	M.D.	M.D.
		LOW (ISCED 2)	M.D.	8.7 (2012)	M.D.	M.D.
		Medium	M.D.	13.9 (2012)	M.D.	M.D.
		High	M.D.	11.4 (2012)	M.D.	M.D.
24	Long-term unemployment rate (aged 15+) (%)		M.D.	M.D.	M.D.	M.D.
25	Youth unemployment rate (aged 15–24) (%)	Total	M.D.	M.D.	23.3(2)	17.6((3)
		Male	M.D.	M.D.	24.5(2)	16.1((3)

			2010	2015	2018–2019	2019
		Female	M.D.	M.D.	21.4(2)	21.2((3)
26	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	Total	M.D.	M.D.	M.D.	25.5((3)
		Male	M.D.	M.D.	M.D.	18.3((3)
		Female	M.D.	M.D.	M.D.	32.6((3)

Last update: September 2020

Sources:
Indicators 8, 20, 21, 22, 23 – EUROSTAT
Except the year 2019, indicators 15, 16, 17, 19, 20, 21, 22, 25 – CAS in cooperation with the ILO (LFHLCS)
For the year 2019, indicators 15, 16, 17, 20, 21, 22, 25 – ILOSTAT modelled estimates
Indicators 5, 6, 7, 11 – UNESCO, Institute for Statistics
Indicators 14 – OECD
Indicators 1, 2, 3, 4 – The World Bank, World Development Indicators database

Notes:
(1) Estimations
(2) Refers to the period April 2018–March 2019
(3) ETF calculations

Legend:
N.A. = Not Applicable
M.D. = Missing Data

ANNEX: INDICATORS' DEFINITIONS

	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, countries may report legal or registered residents.
2	Relative size of youth population (age group 15–24) (%)	This is the ratio of the youth population (aged 15–24) to the working-age population, usually aged 15–64 (74)/15+.
3	GDP growth rate (%)	Annual percentage growth rate of GDP at market prices based on constant local currency. Aggregates are based on constant 2010 U.S. dollars. GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.
4	GDP by sector (%)	The share of value added from Agriculture, Industry and Services. Agriculture corresponds to ISIC divisions 1–5 and includes forestry, hunting, and fishing, as well as cultivation of crops and livestock production. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3 or 4.
5	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 (transfer to private households and enterprises). Both types of transactions together are reported as total public expenditure on education.
6	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 (transfer to private households and enterprises). Both types of transactions together are reported as total public expenditure on education.
7	Adult literacy (%)	Adult literacy is the percentage of the population aged 15 years and over who can both read and write a short simple statement on his/her everyday life, and understand it. Generally, 'literacy' also encompasses 'numeracy' – the ability to make simple arithmetic calculations.

	Description	Definition
8	Educational attainment of adult population (25–64 or aged 15+) (%)	Educational attainment refers to the highest educational level achieved by individuals expressed as a percentage of all persons in that age group. This is usually measured in terms of the highest educational programme successfully completed, which is typically certified by a recognised qualification. Recognised intermediate qualifications are classified at a lower level than the programme itself.
9	Early leavers from education and training (age group 18–24) (%)	Early leavers from education and training are defined as 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 survey. Lower secondary education refers to ISCED 1997 levels 0–2 and 3C short (i.e. programmes lasting under two years) for data up to 2013 and to ISCED 2011 levels 0–2 for data from 2014 onwards.
10	Gross enrolment rates in upper secondary education (ISCED level 3) (%)	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.
11	Share of VET students in upper secondary education (ISCED level 3) (%)	Total number of students enrolled in vocational programmes at a given level of education (in this case upper secondary), expressed as a percentage of the total number of students enrolled in all programmes (vocational and general) at that level.
12	Tertiary education attainment (aged 30–34) (%)	Tertiary attainment is calculated as the percentage of the population aged 30–34 who have successfully completed tertiary studies (e.g. university, higher technical institution). Educational attainment refers to ISCED 1997 level 5–6 up to 2013 and ISCED 2011 level 5–8 from 2014 onwards.
13	Participation in training/lifelong learning (age group 25–64) by sex (%)	Participants in lifelong learning refers to persons aged 25–64 who stated that they received education or training in the four weeks preceding the survey (numerator). The denominator is the total population of the same age group, excluding those who did not answer the question on participation in education and training. The information collected relates to all education or training, whether or not it is relevant to the respondent's current or possible future job. If a different reference period is used, this should be indicated.
14	Low achievement in reading, maths and science – PISA (%)	Low achievers are the 15-year-olds who are failing to reach level 2 on the PISA scale for reading, mathematics and science.
15	Activity rate (aged 15+) (%)	The activity rate is calculated by dividing the active population by the population of the same age group. The active population (also called 'labour force') is defined as the sum of employed and unemployed persons. The inactive population consists of all persons who are classified as neither employed nor unemployed.
16	Inactivity rate (aged 15+) (%)	The inactivity/out of the labour force rate is calculated by dividing the inactive population by the population of the same age group. The inactive population consists of all persons who are classified as neither employed nor unemployed.
17	Employment rate (aged 15+) (%)	The employment rate is calculated by dividing the number of employed persons by the population of the same age group. Employed persons are all persons who worked at least one

	Description	Definition
		hour for pay or profit during the reference period or were temporarily absent from such work. If a different age group is used, this should be indicated.
18	Employment rate by educational attainment (% aged 15+)	The employment rate is calculated by dividing the number of employed persons by the population of the same age group. Employed persons are all persons who worked at least one hour for pay or profit during the reference period or were temporarily absent from such work. If a different age group is used, this should be indicated. Educational levels refer to the highest educational level successfully completed. Three levels are considered: Low (ISCED level 0–2), Medium (ISCED level 3–4) and High (ISCED 1997 level 5–6, and ISCED 2011 level 5–8)
19	Employment by sector (%)	This indicator provides information on the relative importance of different economic activities with regard to employment. Data are presented by broad branches of economic activity (i.e. Agriculture/Industry/Services) based on the International Standard Industrial Classification of All Economic Activities (ISIC). In Europe, the NACE classification is consistent with ISIC.
20	Incidence of self-employment (%)	The incidence of self-employment is expressed by the self-employed (i.e. employers + own-account workers + contributing family workers) as a proportion of the total employed.
21	Incidence of vulnerable employment (%)	The incidence of vulnerable employment is expressed by the Own-account workers and Contributing family workers as a proportion of the total employed.
22	Unemployment rate (aged 15+) (%)	The unemployment rate represents unemployed persons as a percentage of the labour force. The labour force is the total number of people who are employed or unemployed. Unemployed persons comprise those aged 15–64 or 15+ who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work, i.e. had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months).
23	Unemployment rate by educational attainment (aged 15+) (%)	The unemployment rate represents unemployed persons as a percentage of the labour force. The labour force is the total number of people who are employed or unemployed. Unemployed persons comprise those aged 15–64 or 15+ who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work (had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months)). Educational levels refer to the highest educational level successfully completed. Three levels are considered: Low (ISCED level 0–2), Medium (ISCED level 3–4) and High (ISCED 1997 level 5–6, and ISCED 2011 level 5–8)
24	Long-term unemployment rate (aged 15+) (%)	The long-term unemployment rate is the share of people in the total active population who have been unemployed for 12

	Description	Definition
		months or more, expressed as a percentage. The duration of unemployment is defined as the duration of a search for a job or as the period of time since the last job was held (if this period is shorter than the duration of the search for a job).
25	Youth unemployment rate (aged 15–24) (%)	The youth unemployment ratio is calculated by dividing the number of unemployed persons aged 15–24 by the total population of the same age group.
26	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	The indicator provides information on young people aged 15–24 who meet the following two conditions: first, they are not employed (i.e. unemployed or inactive according to the ILO definition); and second, they have not received any education or training in the four weeks preceding the survey. Data are expressed as a percentage of the total population of the same age group and gender, excluding the respondents who have not answered the question on participation in education and training.

LIST OF ACRONYMS

ALMP	Active labour market programmes
CAS	Central Administration of Statistics
DGVTE	Directorate-General of Vocational and Technical Education
GDP	Gross domestic product
GEO	Guidance Employment Office
LFHLCS	Labour Force and Household Living Conditions Survey
MEHE	Ministry of Education and Higher Education
NEET	Not in education, employment or training
NEO	National Employment Office
NGO	Non-governmental organisation
NQF	National Qualifications Framework
NSF	National Strategic Framework
NSSF	National Social-Security Fund
NVTC	National Vocational Training Centre
SMEs	Small and medium-sized enterprises
TVET	Technical and Vocational Education and Training
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNICEF	United Nations Children's Fund
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East

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