



European Training Foundation

TUNISIA

**EDUCATION, TRAINING AND EMPLOYMENT
DEVELOPMENTS 2019**



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KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT (SEPTEMBER 2018–AUGUST 2019)

The democratic process is continuing in Tunisia with the successful organisation of free presidential elections in September 2019, following the death of President Beji Caid Essebsi in July 2019. Parliamentary elections were expected to be held in October 2019. However, the volatility in the political landscape constitutes a challenge for the Tunisian administration in its attempts to implement reforms. Over the years a number of reform strategies have been launched, but their implementation through concrete actions remains slow. The way ahead is unclear, with the National Development Plan 2016–2020 close to its expiry date and no clarity on the post-2020 agenda.

The implementation of the ambitious vocational education and training (VET) reform strategy, with its 14 major projects, is progressing slowly and is expected to be delayed beyond its original deadline of 2020. While many axes of the reform have been stalled, in March 2019 a new decree was adopted giving VET centres increased autonomy. In addition, to foster an entrepreneurial climate, in December 2018 a national entrepreneurship strategy for Tunisia (SNET) was launched. Both new policy initiatives are promising, but implementation is yet to materialise.

In May 2019 Tunisia launched the process for developing a new employment strategy for the period 2020–2030 through discussions between the Ministry of Vocational Training and Employment (MFPE), social partners and the International Labour Organization (ILO).

Coordination among donors, especially those from the EU Member States, could be improved, for example through a joint programming and joint implementation process. In 2019 the MFPE increased its efforts to improve coordination by mapping out ongoing donor support programmes. This exercise could be further expanded to identify funding gaps and to channel the necessary resources to priority areas of VET reform.

The EU remains a key partner and donor for Tunisia with an annual envelope of EUR 300 million. In May 2019 a fourth round of negotiations on the Deep and Comprehensive Free Trade Agreement (DCFTA) took place between Tunisia and the EU.

In 2019 the ETF supported the implementation of the EU regional initiative for sustainable economic development (IRADA) programme. Among other actions, the programme included the organisation of regional Torino Process assessments contributing to the establishment of multi-stakeholder partnerships in eight priority governorates by involving public authorities, social partners and civil society, and fostering a bottom-up approach to addressing skills demand and supply.

1. KEY DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

Young people account for a significant share of the Tunisian population. In 2017 approximately 21.1% of the country's 11.4 million inhabitants were aged between 15 and 24. However, unlike its North African and Middle Eastern neighbours, Tunisia will soon shift from being a youth-bulge country to having a transitional age structure, with lower fertility (2.2 live births per woman, according to the United Nations Development Programme (UNDP)) and a longer average life expectancy (77.0 and 72.3 years for women and men, respectively). This demographic structure and forecasted change puts severe pressure on policymakers in the short to medium term with regard to adequate schooling and job creation. In the longer term, health and pension expenditure will become the main challenges.

Tunisia is traditionally a country of emigration, with about 6% of its population living abroad, mainly in Europe (83%). Remittances contribute significantly to gross domestic product (GDP), amounting to 4.7% in 2017, according to the World Bank. Remittances come predominantly from France and Italy¹. In recent years, Tunisia has increasingly become a country of immigration, particularly for Libyans, and a country of transit for migrants from sub-Saharan Africa heading to Europe. Exact figures on immigrants are not available, but the Tunisian Ministry of Commerce estimates that the total number of refugees hosted by the country is around 1 million – 10% of Tunisia's population. Other sources cite higher numbers, closer to around 1.8 million².

Following the signing of a Mobility Partnership Agreement with the EU in March 2014, Tunisia developed a National Migration Strategy to comprehensively manage migration issues. The implementation of the strategy is supported by the EU-funded ProGreS Migration project (EUR 12.5 million), which was launched in March 2019. In addition to supporting implementation of the strategy, the project also intends to enhance job creation and investments by mobilising the diaspora, assisting the re-integration of Tunisian migrants through business incubation and supporting local management of migration. Recognition of emigrants' and immigrants' qualifications is a major issue for the education and VET systems in facilitating access to the labour market.

Tunisia is a lower middle-income country. Several dichotomies affect the country's potential for economic growth and employment generation, including age, gender and regional disparities. Political volatility is an additional challenge. The Tunisian economy is characterised by several structural dysfunctions that generate low-productivity activities and mainly low-quality jobs. Industry and manufacturing are declining, accounting for 23.1% of GDP in 2017 (down from 28.8% in 2013). Agriculture accounts for 9.5% of GDP (2017), while services play an increasingly important role and are now the biggest contributor to GDP (60.3% in 2017). Although the erosion of the industrial sector has implications for the economic structure, there is no clear vision for economic development and priority economic sectors have not been clearly identified.

The pace of economic development is very slow, with GDP growth at 2.5% in 2018³, well below the annual 5% envisaged in the National Development Plan 2016–2020. The inflation rate has increased over the past year to 6.7% in August 2019⁴. According to the Tunisian Central Bank and the

¹ <http://www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migration-remittances-data>

² Karasapan, O., 'The impact of Libyan middle-class refugees in Tunisia', *Future Development*, Brookings, 17 March 2015.

³ World Bank, World Development Indicators.

⁴ <http://tradingeconomics.com>

International Monetary Fund (IMF), projections are more optimistic for the GDP growth rate in 2019 (2.7%) and 2020 (3.2%), with a recovery in the tourism sector one of the main drivers⁵. After a serious dip in 2015, the tourism sector is showing initial signs of recovery, with 9 million tourists expected in 2019, an increase of 15% on the previous year. Based on initial data, the sector is referring to the 2019 summer season as a success, with an increase in revenue of TND 1 billion (a 46.6% increase from 2018)⁶.

The vast majority of major enterprises remain state owned, and public administration is still large. The inefficiency of government bureaucracy, political instability and corruption are three major factors that negatively impact the business environment, according to the Global Competitiveness Index 2018, in which Tunisia ranked 87th of 140 economies, one place down from 2017 (and much lower than its 40th place in 2011)⁷. The country ranked 73rd out of 180 countries in the 2018 Transparency International's Corruption Perceptions Index⁸, one place higher than in 2017.

A high level of informality and the large number of micro and small and medium-sized enterprises (SMEs) that do not have the capacity to grow, innovate and create quality jobs are making economic development more challenging. In the Ease of Doing Business Index⁹, which examines how conducive the business environment is in 190 countries, Tunisia climbed to 80th place in 2019 (from 88th in 2018), but is still far below its 36th place in 2008. Tunisia's efforts to make it easier to start a business (by combining different registrations at a one-stop shop), to register property on a more transparent basis, and to pay taxes (by not extending the exceptional corporate income tax contribution introduced in 2016) are listed as the main reasons for this improvement, as is the country's efforts to strengthen minority investor protection¹⁰. However, the recent assessment of the reforms identified in the SME Policy Index indicates that Tunisia should further increase its efforts towards developing a better business environment and a more strategic SME policy¹¹.

The National Development Plan 2016–2020 identifies major infrastructure works and investment in innovation and technology as drivers of growth. Its success depends heavily on the country's capacity to attract investment (EUR 50 billion). The plan intends to create 400 000 new jobs, in particular for highly skilled graduates, thus presenting an opportunity for VET and higher education provision¹². This is supported by a recent survey pointing to the information and communications technology (ICT) sector as having the most potential for growth and for attracting foreign investments, followed by the energy and mining, industry and tourism sectors¹³.

⁵ Moreover, the Tunisian Federation of Hotel Owners (FTH) is questioning national statistics that estimate the sector's contribution as 4.1% of GDP: a recent FTH study estimates it to be 13.8%:
<https://www.jeuneafrique.com/790526/economie/tunisie-tourisme-les-enjeux-derriere-la-bataille-des-chiffres/>

⁶ <http://tourisminfo.com.tn/2019/09/19/augmentation-des-recettes-de-466/>

⁷ World Economic Forum, Global Competitiveness Report 2018, <https://www.weforum.org/reports/the-global-competitiveness-report-2018>

⁸ <https://www.transparency.org/country/TUN>

⁹ <http://www.doingbusiness.org/en/rankings>

¹⁰ <https://www.doingbusiness.org/en/reforms/overview/economy/tunisia>

¹¹ OECD/EU/ETF, *The Mediterranean Middle East and North Africa 2018: Interim Assessment of Key SME Reforms*, SME Policy Index, OECD Publishing, Paris, 2018.

¹² <https://www.tia.gov.tn/opportunités-investissement>

¹³ <https://oxfordbusinessgroup.com/news/le-secteur-de-l'énergie-tunisien-à-l'heure-du-changement>

The DCFTA that was concluded with the EU¹⁴ – Tunisia’s major trading partner – entered its fourth round of negotiations in May 2019 and should also help the economic recovery. In addition, Tunisia is expanding its international network by, for example, enrolling in regional networks in Arab and African contexts.

In terms of human development, Tunisia ranked 95th out of 189 countries in the UNDP Human Development Index 2017, thus qualifying for the ‘high human development’ category. However, 3.8% of the Tunisian population is classified as extremely poor¹⁵. Major disparities exist between interior and rural regions and those in the north of the country and along the coast. Tunisia is one of the Arab countries at the forefront of acknowledging women’s rights, and recent legislative developments include a new law institutionalising gender mainstreaming¹⁶. However, Tunisian women continue to suffer discrimination, both socially and in terms of employment.

2. EDUCATION AND TRAINING

2.1 Trends and challenges

Human capital development is high on the policy agenda in Tunisia¹⁷. Similar to pre-revolution levels, public expenditure on education remains high, accounting for 6.1% of GDP in 2017, or 21.1% of total public expenditure, which in relative terms is above the EU and OECD averages. The Tunisian education system, including VET, is predominantly public and non-fee paying, and grants equal access at all levels. Private provision has been developing in recent years, especially at university level, and is marketed as offering better employment opportunities. Private VET centres have a long tradition and mainly provide courses in business-related fields.

Tunisia has made considerable improvements in literacy and schooling rates over the years: the overall illiteracy rate fell to 19.0% in 2015 (down from 31.7% in 1994)¹⁸, while youth literacy rates (15–24 age group) increased to 96.8%. The overall educational attainment rates of the active population also show a positive trend. The share of low-educated individuals stabilised at 56.4% in 2015 (56.6% in 2013). Higher education levels improved from 21.3% in 2013 to 22.1% in 2015, while medium-level education, including VET, decreased from 22.0% to 20.8% during the same period.

Gross enrolment rates are high, with 78.9% attending upper secondary level in 2016¹⁹ and 24.6% (aged 30–34) in continuing studies at tertiary level (2016 data), up from 21.4% in 2013. However, the share of vocational students in secondary education is very low and decreased to 9.1% in 2016 (from 13.9% before the revolution in 2011), confirming the lack of attractiveness of VET, especially for girls (6.2%). The perception of second-chance education leading to jobs with a low social status and a lack

¹⁴ The first negotiating round to establish a DCFTA between the EU and Tunisia took place in April 2016 and the fourth round took place in May 2019. Discussions covered a wide range of issues including agriculture, services and sustainable development. The overall goal of the negotiations is to create new trade and investment opportunities and bring about the better integration of Tunisia’s economy into the EU’s single market.

¹⁵ Ministry of Development, Investment and International Cooperation, 2016.

¹⁶ <http://www.jeuneafrique.com/576997/societe/tunisie-heritage-droits-des-femmes-liberte-de-culte-le-rapport-reformateur-de-la-presidence/>

¹⁷ Human capital development and equality for men and women have traditionally been high on the agenda of both citizens and the Tunisian government.

¹⁸ Ministry of Development, Investment and International Cooperation, 2016.

¹⁹ <http://uis.unesco.org/en/country/tn>

of pathways between VET and higher education are among the main reasons. Poorer security conditions after the revolution are also mentioned in policy debates as a reason to explain declining enrolment, especially in the case of girls.

The quality of education is a growing concern in Tunisia. Results from the Programme for International Student Assessment (PISA) in 2015 showed a worrying decline in reading capacity: 71.6% of participants under-achieved; this figure is much worse than the 50.2% recorded in 2009 (the EU average was 19.7% in 2016). Under-achievement increased to 65.9% in science and in mathematics, where 74.8% of participants were considered to be low performers, compared with 73.6% in 2009. This compares with EU rates of 22.2% and 20.6% for science and mathematics, respectively, in 2016. The poor quality of education at primary and secondary level is a key challenge in Tunisia; it is at the heart of problems in the education system and, in a broader sense, in the establishment of a knowledge society. The main challenges include weak selection mechanisms for teachers, their continuing training²⁰, and poor school conditions, especially in disadvantaged regions.

2.2 Education and training policy and institutional setting

Faced with deteriorating quality standards and high unemployment rates among young graduates, the government is looking to overhaul the education and vocational training system with a series of reform measures that could significantly change the face of Tunisia's education system in the coming years.

Governance of the education and training system in Tunisia is spread over three different ministries and is effectively implemented by the Ministry of Education, the Ministry of Higher Education and Scientific Research and the MFPE. Each ministry has developed a structured approach to tackling the main problems and receives a dedicated state budget to implement actions within the context of the National Development Plan 2016–2020²¹.

The aim of the Strategic Plan for the Education Sector 2016–2020 is to revamp quality standards through improved teacher training, upgraded curricula and infrastructure, and an enhanced framework for private sector partnerships. The comprehensive reform package is also expected to respond to the most pressing challenges currently facing the country at both basic and secondary levels, in particular high dropout rates, a lack of infrastructure, and low quality standards.

At the higher education level, the Strategic Plan for the Reform of Higher Education and Scientific Research 2015–2025 sets out five main objectives: improving the quality of teaching and, thus, the employability of new graduates; promoting research and innovation; fostering good governance and optimising resource management; reviewing university planning to ensure regional balance; and developing teacher training.

In an attempt to remedy the challenges facing VET, the MFPE launched an ambitious VET reform strategy for the period 2016–2020. Within the framework of this strategy, in 2013 the MFPE carried out a self-assessment exercise to identify weaknesses in the VET system, including a lack of

²⁰ The ETF conducted a survey of teachers and instructors in 2018.

²¹ Within the framework of the National Development Plan 2016–2020, special attention was given to an integrated governance approach at the top ministerial level of education, vocational training and higher education to better promote human capital development in a context of mutually reinforcing initiatives and lifelong learning. A new commission for human capital development, composed of representatives of all three ministries responsible for education and training, was set up, though its effectiveness is yet to be seen.

harmonisation in terms of management²²; a lack of clear vision for reform; and in terms of training delivery, the weak capacity of the VET system to adapt training to the qualitative and quantitative needs of the productive sectors of the economy, as well as to respond to the training needs of individuals. Among other factors, the absence of identification tools for training needs is acknowledged as a root cause of this²³.

The VET reform strategy is organised around a framework of 14 ambitious projects coordinated under the umbrella of a project management unit. According to this strategy, the main objectives for VET include: increasing the attractiveness of VET; supporting the professional development of trainers; involving regional stakeholders; improving data collection and analysis and enhancing the monitoring and evaluation function; and developing entrepreneurial mind-sets across the VET system.

Tunisia has the key elements for an efficient VET system in place, it has formalised policies on social dialogue, a training levy is in place, and work-based learning legislation exists. However, the VET system is not functioning at its full potential. The implementation of the 14 projects covered by the VET reform strategy is proceeding slowly, given the limited human and material resources available. Although the Tunisian authorities have taken real ownership of VET reform and the social partners have provided support, most of the projects have so far been funded by technical and financial partners, who have supported the capacity building of the social partners in the area of education and training. In addition, there has been political volatility (new ministers have been appointed every year since the revolution), which in the past has led to sudden reprioritisation or retraction of earlier decisions. Hence, when taking up office as the Minister of VET and Employment in December 2018, Sayida Ounissi stressed the need for continuity in terms of policy implementation.

Although overall implementation is slow, progress has been made with a number of elements of the VET reform. In line with the new constitution adopted in 2014, the gradual decentralisation of VET functions is ongoing. This is an innovative approach to addressing youth employability by managing the quality and relevance of VET supply at local level. In 2019 a new decree was adopted giving increased independence to VET centres in terms of management and functioning and in the setting up of partnership committees, but its implementation modalities are yet to be worked out²⁴.

Building on previous experience gained by the ETF and other actors, the implementation of the EU-funded IRADA programme (worth EUR 32 million) started in 2018. In 2019, with the aim of reinforcing regional multi-stakeholder platforms to steer human capital development according to local labour market needs, IRADA, the National Observatory for Employment and Qualifications (ONEQ) and the ETF have piloted the Torino Process assessment in eight governorates. As one of its first actions, IRADA is also revamping the national qualifications framework using technical assistance. More

²² The management of VET provision is highly fragmented in Tunisia. Although the MFPE is the main governing authority of the vocational training system, many agencies are involved in VET provision. Training is provided by several training centres managed by these agencies, each of which has a reporting line to a different ministry, including the MFPE (136 centres), Ministry of Tourism (8 centres), Ministry of Agriculture (39 centres), Ministry of Health (18 centres) and the army (12 centres). In addition, private training centres operate in Tunisia (the ILO refers to over 2 700 centres, while ONEQ refers to 189 accredited and 935 non-accredited centres for 2016/17). There are also a number of centres responsible for instructor training and training engineering (CENAFFIF), continuous education and agricultural pedagogy and other disciplines (ILO/Ministry of Industry and Commerce, *Compétences pour le commerce et la diversification économique (STRED): Cas du secteur de l'agroalimentaire*, 2016).

²³ *Réforme du dispositif national de la formation professionnelle. Document d'orientation et plan d'opérations 2014-2018*. MFPE, 2013.

²⁴ Governmental decree No 2019 802 dated 15 August 2019.

transparent and 'portable' qualifications would help professional and geographic mobility within the country and abroad.

In contrast to initial education, lifelong learning is under-developed, with only 1.3% of the active population (aged 25–64) participating in training. Despite structural reforms and the introduction of financing tools such as a training levy, continuing vocational education and training (CVET) remains weak in Tunisia. Red tape and complex application processes are the main reasons for the under-utilisation of funds (only 10% of the funds are used for CVET). There are opportunities to expanding upskilling and reskilling (including a role for VET), but policies have yet to be formulated. Discussions are under way on how to simplify the use of existing funding mechanisms to improve access to lifelong learning.

In 2019 the MFPE made significant efforts to map out ongoing donor support programmes to improve coordination. This exercise could be further expanded to track the efficient use of financial and human resources. This approach should help to identify funding gaps, facilitate a division of labour among technical and financial partners, and provide a clear roadmap for supporting systemic VET reform.

A number of uncoordinated initiatives are currently aimed at boosting the relevance of training and increasing employability. A EUR 144 million project, co-financed by a loan from the African Development Bank, is focused on upgrading technical, technological and digital skills. GIZ (German development agency) and other agencies support a number of centres of excellence through sectoral associations. AFD (French development agency), in collaboration with the EU, is supporting VET centres and a number of employment pools around the country within the EUR 27 million PAFIP (Programme d'Appui à la Formation et à l'Insertion Professionnelle), which supports training and work placements. The ILO is implementing a number of projects in support of enhancing VET and employment. UK Aid, through the United Nations Children's Fund (UNICEF), is investing GBP 5 million to support the enhancement of second-chance education. With support from the Swiss Agency for Development and Cooperation (SDC), the non-governmental organisation Swiss Contact is implementing a programme to improve the employability of young people and the quality, relevance and attractiveness of CVET.

3. LABOUR MARKET AND EMPLOYMENT

3.1 Trends and challenges

Lack of quality employment, weak job creation and high unemployment, especially among young people (graduates and females) remain concerns for the Tunisian authorities, as protesters organise regular demonstrations in Tunis and elsewhere in the country to demand more jobs.

Labour market participation remains very weak, with an activity rate of only 47.2% in 2016 and a particularly wide gender gap (26.6% activity rate for women compared with 68.5% for men). Unemployment continues to be a huge challenge, although it has been decreasing in recent years (15.3% in 2017 versus 15.9% in 2013). This positive development applies to both men (12.4% in 2017 versus 13.3% in 2013) and women (22.6% in 2017 versus 23.0% in 2013), although the latter are affected to a greater extent. Geography also affects unemployment trends and significant differences exist between the regions: the unemployment rate ranges from 9.9% in the centre and east of the

country to 26.2% in the southwest²⁵. According to research conducted by the ILO²⁶, the gender gap is driven by age and region. Differences between young women and young men are small in dynamic urban areas, but wider in the less dynamic regions and in rural areas. Young women living in the northern or central interior areas are more vulnerable to unemployment and those living in southern areas are more often classified as being outside the labour market.

Concerns about the skills mismatch of the workforce are increasing. High unemployment rates coexist with unfilled job vacancies, as demonstrated in a survey on labour market and skills dynamics and employment policies that the ETF conducted in 2018–2019 to better understand labour market trends and skills mismatches. The study underlines the need to revisit the value chains, improve the business environment and move towards a more performant private sector to allow for a better harmonisation between labour demand and supply²⁷.

Young people are more affected by unemployment than is the adult population. The unemployment rate for those aged 15–24 was 34.8% in 2017, indicating difficulties for men (33.7%) and even more for women (37.1%) in accessing the labour market. The proportion of young people not in employment, education or training (NEET) is increasing every year, reaching 32.4% in 2016 (more than one in four young men (28.9%) and more than one in three young women (36.0%)). Early school leaving also remains a major issue as it concerns more than half of those in the 18–24 age group, reaching 51.6% in 2016 (down from 54.9% in 2013). Various reasons are cited, but so far the country lacks a dedicated analysis of the drivers.

Graduate unemployment is a prominent feature of the Tunisian labour market. In 2017, 29.1% of Tunisians with high educational attainment were unemployed versus only 7.5% of individuals with low attainment. The main factor underlying this phenomenon is the low demand for (quality) skilled labour and employers' preferences for low-wage and low-skilled labour in light of the low technological level of most SMEs.

A recent tracer study conducted by the ONEQ among VET graduates of 2012 paints a slightly better picture of the VET path, with two-thirds of individuals in employment four years after their graduation. Overall, 29.7% of VET graduates remain unemployed, though there is a large gender discrepancy: 45.5% of female graduates are unemployed compared with 21.7% male graduates. The low quality of jobs created by the national economy, often within the informal sector, creates frustration among young graduates, who frequently have tried and failed to set up their own project, or prefer to remain unemployed while waiting for formal and decent jobs²⁸. The situation is changing in the service sector, where the requirement for higher skills might also lead to an improvement in the quality of the jobs²⁹.

Services accounted for the largest share of employment (51.7%) in 2017, followed by industry (33.1%) and agriculture (14.7%). Meanwhile, after years of decline, the tourism sector is picking up, providing a substantial number of jobs (13–14% of direct and indirect jobs, according to some sources)³⁰. Overall, the Tunisian private sector is not very dynamic. This is certainly the case in terms of job creation: 86%

²⁵ European Training Foundation (ETF), *Torino Process Report*, 2016.

²⁶ International Labour Organisation (ILO), *Labour market entry in Tunisia: The gender gap*, ILO, Geneva, 2015.

²⁷ <https://www.etf.europa.eu/en/publications-and-resources/publications/marche-du-travail-dynamique-des-competences-et-politiques>

²⁸ ONEQ/MFPE, *L'insertion des diplômés du dispositif national de la formation professionnelle dans le marché de l'emploi. Rapport d'analyse*, 2019.

²⁹ For example, telecommunications, banking, insurance, health and education.

³⁰ <https://www.tresor.economie.gouv.fr/Articles/2018/01/22/le-secteur-du-tourisme-en-tunisie-janvier-2018>

of companies established between 2000 and 2015 stated that they had not recruited a single employee. The public sector's capacity to absorb employment has also reached its limit, with 650 000 public servants, or 22.8% of the labour force (2012). Nevertheless, it is still very attractive to young people as it provides safe and (relatively) well-paid employment³¹.

Self-employment accounts for around a quarter of overall employment (24.5% in 2017), down from 27.9% in 2013. Informality is also widespread (according to some sources, it accounts for 50% of employment) and hinders progress towards quality and decent jobs. According to the IMF, the informal sector accounted for 30% of GDP in 2012, with precarious jobs, long working hours, low incomes (including unpaid family workers, most of whom are female), a lack of social protection, and ultimately a devaluation of human capital.

3.2 Employment policy and institutional setting

Employment issues are the responsibility of the MFPE. The ministry is in charge of developing strategic political priorities and policy orientations. In December 2012 it adopted the National Employment Strategy 2013–2017, although this was never implemented. Hence, in 2017 Tunisia relaunched a national discussion in this regard, and since 2018 a labour market diagnostic study has been carried out. In May 2019 the MFPE and relevant departments of other ministries, together with the main employers' union (UTICA) and the federation of trade unions (UGTT) and the ILO started drafting a new employment strategy 2020 to 2030.

The tripartite dialogue introduced by the *contrat social* between the state, UTICA, UGTT and the agriculture and fisheries union (UTAP) was formalised by the creation of the National Council for Social Dialogue (CNDS) in November 2018. Nevertheless, the contributions of the social partners often come only at the end of the decision-making process and on a purely consultative basis, in particular as regards designing and implementing employment policy.

Tunisia has a tradition of active labour market policies (ALMPs). Following the revolution, in 2012 a number of new initiatives were introduced³². They include a job search assistance cheque; an employment subsidy to encourage private companies to hire people looking for their first job; a support programme for small enterprise creators; and a partnership programme with the regions to promote employment and facilitate the insertion of various types of unemployed people into the labour market by supporting local and regional initiatives for job creation. ALMPs target mainly higher education graduates. Only a few programmes and services are aimed at helping low-qualified and disadvantaged individuals. Combined with the lack of unemployment insurance, this imbalance means that very few non-graduates register with the public employment service.

A number of agencies are responsible for implementing ALMPs. The National Agency for Employment and Independent Work (ANETI) is the main public, non-administrative body attached to the MFPE. ANETI's mission is rather broad, and includes implementing ALMPs and supporting self-employment and entrepreneurship. The limited resources available to ANETI to fulfil its public employment service role, especially as an intermediary, constitutes one of the main challenges it faces.

³¹ Ministry of Development, Investment and International Cooperation (MDICI)/UNDP, *Etude stratégique sur l'Economie Sociale et Solidaire en Tunisie*, 2017.

³² Decree No 2012-2369 of 16 October 2012 'fixant les programmes du Fonds national de l'emploi, les conditions et les modalités de leur b n fice' [establishing the programmes of the national employment fund, the terms and conditions of their benefit].

Encouraging entrepreneurship and supporting start-up businesses are currently priorities for the government. To this end, in December 2018 Tunisia launched SNET, which was developed with the support of UNDP.

There is an increasing awareness of the need to address the issue of NEETs and school dropouts, given the additional risks of social instability and possible radicalisation. In this regard, the Tunisian government and UNICEF are implementing a programme of second-chance education for early school leavers with the support of a GBP 5 million grant from the UK.

TUNISIA: STATISTICAL ANNEX

Annex includes annual data from 2013, 2017 and 2018 or the last available year.

	Indicator	2013	2017	2018	
1	Total Population (,000) ⁽¹⁾	10,895.2	11,446	M.D.	
2	Relative size of youth population (age group 15-24, %) ⁽¹⁾	21.9	21.1	M.D.	
3	GDP growth rate (%)	2.9	1.8	2.5	
4	GDP by sector (%)	Agriculture added value	8.9	9.5	M.D.
		Industry added value	28.8	23.1	M.D.
		Services added value	58.7	60.3	M.D.
5	Public expenditure on education (as % of GDP)	6.2	6.1	M.D.	
6	Public expenditure on education (as % of total public expenditure)	20.6 (2012)	21.1	M.D.	
7	Adult literacy (%)	80.2 (2012)	79.0 (2014)	M.D.	
8	Educational attainment of adult population (aged 25-64 or 15+) (%) ⁽²⁾	Low	56.6	56.4 (2015)	M.D.
		Medium	22.0	20.8 (2015)	M.D.
		High	21.3	22.1	M.D.
9	Early leavers from education and training (aged 18-24) (%) ⁽³⁾	Total	54.9	51.6 (2016)	M.D.
		Male	59.0	42.0 (2016)	M.D.
		Female	50.8	61.8 (2016)	M.D.
10	Gross enrolment rates in upper secondary education (ISCED level 3) (%)	78.3	78.9 (2016)	M.D.	
11	Share of VET students in upper secondary education (ISCED level 3) (%)	9.6	9.6 (2016)	M.D.	
12	Tertiary education attainment (aged 30-34) (%)	21.4	24.6 (2016)	M.D.	
13	Participation in training/lifelong learning (aged 25-64) (%)	Total	0.3	1.3 (2015)	M.D.
		Male	0.3	1.2 (2015)	M.D.
		Female	0.3	1.5 (2015)	M.D.
14	Low achievement in reading, mathematics and science – PISA (%)	Reading	50.2 (2009)	49.3 (2012)	71.6 (2015)

	Indicator		2013	2017	2018
		Mathematics	73.6 (2009)	67.8 (2012)	74.8 (2015)
		Science	53.7 (2009)	55.3 (2012)	65.9 (2015)
15	Activity rate (aged 15+) (%)	Total	47.4	47.2 (2016)	M.D.
		Male	70.0	68.5 (2016)	M.D.
		Female	25.6	26.6 (2016)	M.D.
16	Inactivity rate (aged 15+) (%) ⁽⁴⁾	Total	52.6	52.8 (2016)	M.D.
		Male	30.0	31.5 (2016)	M.D.
		Female	74.4	73.4 (2016)	M.D.
17	Employment rate (aged 15+) (%)	Total	39.9	39.8	M.D.
		Male	60.8	59.8	M.D.
		Female	19.7	20.5	M.D.
18	Employment rate by educational attainment (% aged 15+)	Low	M.D.	M.D.	M.D.
		Medium	M.D.	M.D.	M.D.
		High	M.D.	M.D.	M.D.
19	Employment by sector (%) ⁽⁵⁾	Agriculture	15.3	14.7	M.D.
		Industry	33.3	33.1	M.D.
		Services	51.1	51.7	M.D.
20	Incidence of self-employment (%)		27.9	24.5	M.D.
21	Incidence of vulnerable employment (%)		20.8	18.3	M.D.
22	Unemployment rate (aged 15+) (%)	Total	15.9	15.3	M.D.
		Male	13.3	12.4	M.D.
		Female	23.0	22.6	M.D.
23	Unemployment rate by educational attainment (aged 15+) (%) ⁽⁶⁾	Low	9.9	7.5	M.D.
		Medium	16.2	15.6	M.D.
		High	30.2	29.1	M.D.
24	Long-term unemployment rate (aged 15+) (%)		7.7	5.8	M.D.
25	Youth unemployment rate (aged 15-24) (%)	Total	34.7	34.8	M.D.
		Male	33.4	33.7	M.D.

	Indicator	2013	2017	2018	
		Female	37.7	37.1	M.D.
26	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	Total	30.9	32.4 (2016)	M.D.
		Male	25.7	28.9 (2016)	M.D.
		Female	36.5	36.0 (2016)	M.D.

Last update: 10/09/2019

Sources:

Indicators: 1, 2, 5, 6, 8, 9, 12, 13, 15, 16, 17, 18, 19, 20 (Year 2017), 21 (Year 2017), 22, 23, 24, 25, 26 - National Statistical Office of Tunisia (INS)

Indicators: 3, 4 - World Bank, World Development Indicators

Indicators: 7, 10, 11 - UIS UNESCO

Indicators: 14 – OECD

Indicators: 20 (Year 2013), 21 (Year 2013) - ILOSTAT

Notes:

Labour market data refers to second quarter of the year.

(1) Estimations

(2) Low: ISCED 0-2, it includes no-schooling; Medium: ISCED 3-4; High: ISCED 5-6 (from ISCED 97 classification)

(3) Provisional data, low reliability

(4) ETF calculations

(5) Totals does not add to 100 % due to those not classified in any economic activity

(6) Low: ISCED 0-1 from ISCED 97 ('Primaire' in national classification), Medium: ISCED 3-4 from ISCED 97 ('Secondaire in national classification), High: ISCED 5-6 from ISCED 97 ('Supérieur' in national classification)

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 population aged 15 years and over who can both read and write with understanding a short simple statement on his/her everyday life. Generally,

	Description	Definition
		'literacy' also encompasses 'numeracy', the ability to make simple arithmetic calculations.
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 with respect to the highest educational programme successfully completed which is typically certified by a recognized qualification. Recognized intermediate qualifications are classified at a lower level than the programme itself.
9	Early leavers from education and training (age group 18-24) (%)	Early leaving from education and training is 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 with duration less than 2 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 education), 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) (%)	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 consists of 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 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.

	Description	Definition
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 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 is presented by broad branches of economic activity (i.e. Agriculture/Industry/Services) which is 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

	Description	Definition
		(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 unemployed persons since 12 months or more in the total active population, 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 is 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 ABBREVIATIONS

AFD	Agence Française de Développement (French development agency)
ALMP	Active labour market policy
ANETI	National Agency for Employment and Independent Work
CNDS	National Council for Social Dialogue
CVET	Continuing vocational education and training
DCFTA	Deep and Comprehensive Free Trade Agreement
FTH	Tunisian Federation of Hotel Owners
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICT	Information and communications technology
ILO	International Labour Organization
IMF	International Monetary Fund
ISCED	International Standard Classification of Education
ISIC	International Standard Industrial Classification
MFPE	Ministry of Vocational Training and Employment
NEET	Not in employment, education or training
OECD	Organisation for Economic Co-operation and Development
ONEQ	Observatory for Employment and Qualifications
PAFIP	Programme d'Appui à la Formation et à l'Insertion Professionnelle
PISA	Programme for International Student Assessment
SDC	Swiss Agency for Development and Cooperation
SME	Small and medium-sized enterprise
SNET	National entrepreneurship strategy
TND	Tunisian dinar (currency)
UGTT	Federation of trade unions
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UTAP	Agriculture and fisheries union
UTICA	Employers' union
VET	Vocational education and training

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