

# CHALLENGES AND DEVELOPMENTS IN VOCATIONAL EDUCATION AND TRAINING SYSTEM REFORM IN THE SOUTHERN AND EASTERN MEDITERRANEAN

## INTRODUCTION

This is a summary of the findings from the country analyses that were carried out in eight of the nine European Neighbourhood and Partnership Instrument (ENPI) South countries in 2010 within the framework of the Torino Process. The country analyses were produced either as self-assessments led by the respective governments in association with their main national partners and with the methodological support of the European Training Foundation (ETF) (Israel, occupied Palestinian territory and Tunisia), or by ETF country managers on the basis of available information and consultation with national stakeholders (Egypt, Jordan, Lebanon, Morocco and Syria). The findings have been validated in the countries concerned and consequently at the Torino Process Conference in May 2011.

## CONTEXT

The region is composed of countries that are highly diverse in terms of population size, geography, stage of development and economic structure (Israel is the only member of the Organisation for Economic Development and Cooperation (OECD) in the region). Nonetheless, the countries share a number of common features that shape the context of their respective VET policies; these are mainly related to demographic pressure, economic vulnerability and unequal development.

In the region – inhabited by some 200 million people, a higher population than in any of the other ETF cooperation regions – demographic pressure remains high even though most countries have at least initiated demographic transition programmes. On average, one-third of the population is under 15 years of age (45% in the case of the occupied Palestinian territory). According to recent forecasts, by 2020 it is estimated that up to 60 million young people will join the workforce. This growth is exerting pressure on the education and training systems and on labour markets and ultimately on the wider stability of the countries, the region and beyond.

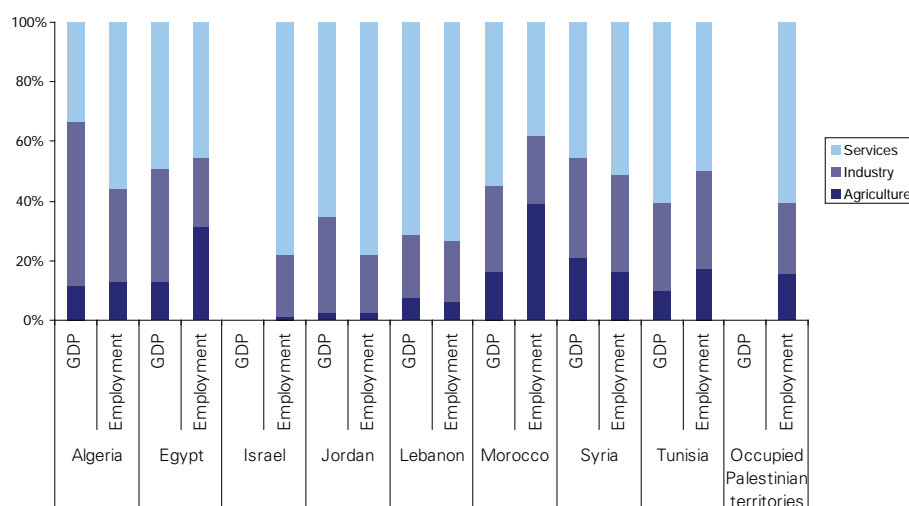
Migration is a complex phenomenon in the region. On one hand “jobless growth” has led to the creation of most jobs being created in the informal sector and makes emigration an alternative to informal work. At the same time some countries are affected by the loss of qualified workers (especially as higher education graduates emigrate to the Gulf region and OECD countries) and other countries welcome unskilled immigrants.

In 2009, economic growth still exceeded 3% in all the countries except Jordan (World Bank, 2009). While the impact of the global





Figure 1: GDP and employment by economic sector (%)



Notes: GDP by economic sectors – missing data for Israel and the occupied Palestinian territories; Employment by economic sectors – (Algeria) Population refers to 15–64; (Egypt) Population refers to 15+; (Israel) Data is provided according to the ISIC rev. 3.1 manual. Population refers to 15+. Data do not add up to 100 because of the category 'other'; (Jordan) Population refers to 15+; NACE, rev.1 classification used; (Lebanon) Population refers to 15–64; (Morocco) Population refers to 15–64; (occupied Palestinian territories) Population refers to 15+; (Syria) Population refers to 15+; (Tunisia) Population refers to 15–64.

Source: GDP by economic sectors – World Bank WDI (11/02/2011); Employment by economic sectors – (Algeria) National Statistical Office (2010), *Emploi et chômage*; (Egypt) Central Agency for Public Mobilization And Statistics, *Labour Force Sample Survey*; (IL) Central Bureau of Statistics of Israel (based on LFS); (Jordan) Department of Statistics (based on LFS); (Lebanon) MEDA-ETE database; (Morocco) Royaume du Maroc Haut-Commissariat au Plan; (occupied Palestinian territories) ILO-Laborsta database; (Syria) Central Bureau of Statistics (2009), *Statistical abstract 2009*; (Tunisia) MEDA-ETE database.

economic crisis has been greater in oil-exporting economies, developments in Europe and relatively low credit growth in some countries have dampened growth in 2010, especially for countries with EU links. In terms of employment by sector, Figure 1 shows the imbalance between the share of employment and GDP, in particular in the field of agriculture. These figures underline the very low productivity of the sector, suggesting a very low level of worker skills and inadequate human resource allocation. The main economic sector contributing to growth in the region is services. Most jobs in the service sector are in tourism; a sector that is highly vulnerable and dependent on the stability of the countries.

Competitiveness in the region, as measured by the Global Competitiveness Index has generally been increasing. Of the 139 economies ranked, Tunisia, Jordan and Morocco are 32nd, 65th and 75th, respectively, outperforming Egypt (81st), Algeria (86th) and Syria (97th).

Successful regional economic integration with Europe is a goal in the region, particularly in Tunisia and Morocco, which have similar economic relationships with Europe: around 55% of foreign trade is

with the EU and more specifically with southern Europe, which accounts for 75% of incoming foreign direct investment. However, progress still has to be made, as the gap between the two shores of the Mediterranean is 1 to 6 – the world's largest in terms of purchasing power parity per capita.

The countries of the region face a number of equity problems in terms of social and economic gaps between rich and poor, between regions, the urban–rural divide and job opportunities for women and young people compared to those for adult males. Two issues are particularly worrying:

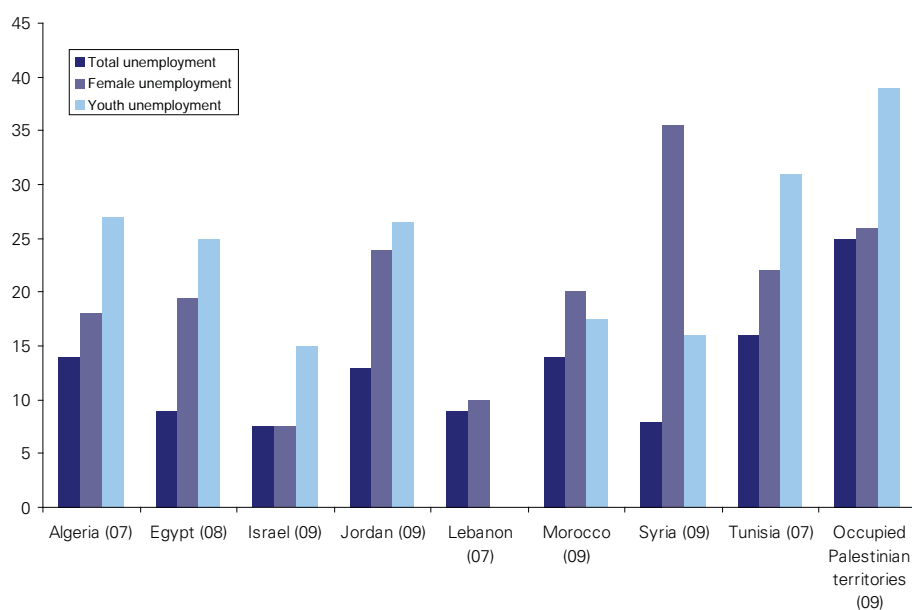
- the imbalance in job opportunities according to age, reflected in high levels of youth unemployment;
- the gender differential, which has persistent effects on the labour market and explains the low activity rates.

The gender gap in the labour market as shown in Figure 2 is striking. Employment levels in the countries are very low in comparison to the EU-27 average (64.4% in 2008) but are explained by low female participation in the labour market. The

female activity rate is among the lowest in the world, at an average of 23% for the eight countries. The only exception is Israel, where the female employment rate is over 50% (55.4% in 2009), close to the EU-27 average (58.2% in 2008). When active, women are more affected by unemployment than men, despite the fact that the education gap between boys and girls has closed.

Governance remains a key challenge in the region, in terms of the need for increased participation and public accountability. Improvement of governance of VET systems depends on three main factors: (i) increased involvement of social partners at all stages of the policy cycle (from design to implementation), and not only with a consultative role (ii) decentralisation and/or greater flexibility of the training provision to allow VET agencies and training providers (namely vocational schools and centres) to be more reactive to the labour market and to better contribute to local development, (this must be supported by adequate budget decentralisation and adaptation of the legal frameworks), (iii) setting up and enforcement of mechanisms for accountability.

Figure 2: Youth and female unemployment rates in the region (%)



Notes: The reference population refers to the 15–64 age group in Egypt, Lebanon, Tunisia and the occupied Palestinian territory, and to the 15+ age group in Algeria, Israel, Jordan, Morocco and Syria; the data for youth unemployment in Egypt is for 2007.

Sources: MEDA-ETE for Algeria, Egypt, Lebanon and Tunisia; Jordanian Department of Statistics; Israeli Central Bureau of Statistics; Syrian Central Bureau of Statistics; Torino Process Report Morocco and Haut-Commissariat au Plan (HCAP), (Morocco); OPT Labour Force Survey

## KEY CHALLENGES FACING VET POLICY MAKERS

Within the economic and social landscape described above, with relatively high economic growth in times of crisis, VET needs to adapt rapidly in order to provide the necessary skills. VET systems have to respond to a two-fold challenge in the region:

- From the economic perspective: address the skills needs of changing economies characterised by the restructuring of economic sectors, privatisation, a large informal sector and small and medium-sized enterprises;
- From the social perspective, reinforce equity of access to VET and employment for all groups especially women and adults.

These challenges cannot be addressed by VET policies alone. Critical assumptions lie in the ability of the economy, labour market and regional development policies to promote job creation and employment and in the ability to develop a comprehensive approach to education and training.

## POLICY PRIORITIES FOR POLICY MAKERS

Priority policy areas for the medium-term:

### Reinforcing the VET policy and system links to the labour market

- Global improvement of the relevance and responsiveness of the VET system needs to be monitored over time. Coordinated development of labour market information systems (including skills needs identification and forecasting) and education management information systems is therefore necessary. This is probably a field where donor support – provided it integrates well with the capacity constraints of countries – could have much added value, especially if tools already tested in the country of origin are used.

### Enhancing the contribution of VET to equity and social cohesion

- From the social perspective: (i) improve the employability of young people,



including women and a high number of “educated unemployed” graduates from higher education; (ii) respond to a growing demand for education and training, as evidenced by the evolution of enrolment in secondary education and partially explained by the demographic growth; (iii) ensure that the key competencies and soft skills necessary for active citizenship are sufficiently considered.

### **Improving the quality, efficiency and attractiveness of the VET system**

- Special effort is required regarding the architecture of education and training systems to allow for more permeability and fluidity between different education sub-systems. Efforts in relation to qualifications systems will require broad consultation to ensure social acceptance, especially with regard to improving pathways and the overall articulation between technical education and VET, and between VET and higher education. The ultimate aim is to improve the attractiveness of VET and the quality of VET graduates. This also calls for an open-door policy for higher education.
- A serious, systematic approach to career guidance and counselling will be required as an upcoming priority policy area, so as to make the overall system more flexible and enable individuals to make informed choices.
- Beyond the strict borders of VET, the vocationalisation of higher education in the Mediterranean region is an area in which hands-on experience developed in the VET sector could be valued as a source of inspiration. Vocationalisation could be implemented by shifting to more practice-oriented courses and delivery methods, and relying on more work-based learning schemes.
- Teaching and learning processes and the development and management of content and teacher competence need to be addressed in a systematic manner.

### **Enhancing the governance and financing of the VET system**

- Improving governance of the VET system is now recognised as crucial, whether through more involved and more operational social partnership around VET policies or through increased school autonomy.
- In order for social partnership to become operational, social partners need to be institutionally empowered by capacity building activities. Even if they are aware

and committed, they often lack the financial, human and technical resources to fulfil their role. This lack is even greater in the case of trade unions. Sectoral approaches are a simple way to facilitate and foster social partner involvement and so should be further developed as a promising strategy.

## **READINESS FOR EVIDENCE-BASED APPROACHES**

There is a shortage of reliable information on VET policy development of international quality which is systematically collected and used by policy makers in the policy cycle. Achievements in rolling out consultative processes and developing a consensus on diagnostic tools should, in the future, be complemented by a stronger focus on systematic features of review processes and a comprehensive framework of indicators. This requires some awareness-raising in order to convince policy makers not only of the relevance of a monitoring and evaluation mechanism, but also of the need to mobilise the human, technical and financial resources necessary for effectiveness and sustainability over time.

## **THE ETF IN THE REGION**

In line with renewed European Neighbourhood Policy (ENP) priorities and the recent “Partnership for Democracy and Shared Prosperity”, the ETF aims to support employment creation, with a focus on (1) skills development to support SMEs and employability at large, and in particular youth employability (including the phenomenon of educated unemployment); (2) equity, (in a wide sense including gender, social and regional cohesion); and (3) multilevel governance (including inclusiveness, decentralisation, institutional capacity (re) building, financing).

More specifically, the ETF is currently working on the following thematic areas:

### **Reinforcing the VET policy and system links to the labour market**

- providing policy advice on key challenges in the region, with a particular focus on youth unemployment, to support partner countries in the development of national policies and support EU institutions in regional policy dialogue under the auspices of the Union for the Mediterranean;
- matching skills development with labour market needs, by providing an overview

of current matching practices in ETF partner countries, and of the quality of current databases and labour market information systems (LMIS). Support will include access to EU practices, including an assessment of their relevance and transferability for the partner countries in terms of the basic framework conditions needed as well as their usefulness at different levels of decision making for vocational education and training. Support will include methodological tools and capacity building, linked to matching and skills for SME development, in view of a qualitative analysis of skills needs and short-term matching of supply and demand at company level;

- entrepreneurship with, on the one hand, entrepreneurial learning and training of trainers and, on the other, mapping of good practice in skills for sustainable enterprise development in all countries in the region, along with the identification of tools

### **Enhancing the contribution of VET to equity and social cohesion**

- gender equality in education and training and employment, focusing in particular on issues linked to the transition of women from school to work. It will include awareness raising on the difficulties and constraints that women face in terms of accessing the labour market (based on the findings of a study in Jordan, Egypt and Tunisia in two specific sectors - ICT and tourism). Furthermore, and depending on country priorities, support will move to national policy advice on how to introduce alleviation measures, for example, in the case of Jordan to support the development of a career guidance strategy for women;
- territorial cohesion with support to regional and local development (see below).

### **Improving the quality, efficiency and attractiveness of the VET system**

- qualifications, with a focus at national level on providing policy advice on developments in national qualifications frameworks (Morocco, Lebanon, Jordan and Egypt) and at regional level (Jordan, Egypt, Morocco, Tunisia, Italy, France and Spain), where support has a significant technical component focusing on two sectors: tourism and construction. From a transparency phase (mapping of qualifications in selected occupations at country level based on a common tool), countries will move to a comparison phase (using EQF methodology and

descriptors). The support will then move to policy advice to discuss with countries what convergence in qualifications would be relevant for given sectors. The support also includes peer learning from the EU and partner countries in the region on issues relevant to qualifications systems, such as governance (legislative and institutional frameworks) and quality assurance.

#### **Enhancing the governance and financing of the VET system**

- social partnership, focusing on awareness raising at regional level and capacity building at national level on the role of social partner organisations in vocational education and training. The intervention will support the development of the very fragile social capital. Specific country support will be flexible and linked to the particular country context. National social partners will be asked to identify one or more topics linked to skills development relevant for their country priorities and context. In countries with developed social partner institutions (mainly in North Africa), the ETF will aim to provide capacity building and facilitate dialogue between social partners to reach a common understanding and position on problems and possible solutions. In other countries actions will be focused on awareness raising and exposure to good practice. At regional level countries have expressed an interest in focusing on one common topic (either continuing training and/or matching), possibly with a sectoral focus (tourism);

The above-mentioned issues linked to employment, employability and skills matching are being tackled at national and sectoral levels in 2011. An identification of needs at regional and local levels will take place in 2011 in some countries (in Tunisia, for example) for support in 2012.



#### **For further information:**

ETF  
Villa Gualino  
Viale S. Severo 65  
I - 10133 Torino

T: +39 0116302222  
E: [info@etf.europa.eu](mailto:info@etf.europa.eu)  
[WWW.ETF.EUROPA.EU](http://WWW.ETF.EUROPA.EU)

Additional information and references can be found in the 2010 ETF Torino Process regional reports on [www.etf.europa.eu](http://www.etf.europa.eu).

KEY INDICATORS IN THE SOUTHERN AND EASTERN MEDITERRANEAN											EU 27
	Year	ALGERIA	EGYPT	ISRAEL	JORDAN	LEBANON	MOROCCO	OCCUPIED PALESTINIAN TERRITORY	SYRIA	TUNISIA	
Population, total (million)	2008	34.4	81.5	73	5.9	4.2	31.6	3.9	20.6	10.3	497.7
Dependency rates (% of working age population)	2008	478	58.7	60.9	63.2	49.5	51.8	92.7	62.7	43.7	48.7
Dependency rates (aged 0-14 as % of working age population)	2008	41.0	51.5	44.7	57.3	38.6	43.7	87.1	57.5	34.1	23.3
Dependency rates (aged 65+ as % of working age population)	2008	6.8	7.2	16.2	5.9	10.9	8.1	5.7	5.2	9.6	25.4
Life expectancy, years	2008	72.4	70.1	81.0	72.7	72.0	71.3	73.5	74.2	74.3	79.2 (2)
GDP per capita, PPP (current international \$,000)	2008	8.0	5.4	27.9	5.5	11.8	4.3	...	4.6	7.9	...
GDP by economic sector, value added (% of GDP)											
Agriculture	2008	8.7	14.0	...	3.6	5.5	16.0	4.8 (1)	20.0	10.0	1.8
Industry	2008	68.7	36.3	...	32.3	22.0	20.0	14.6 (1)	35.0	28.4	26.4
Services, etc.	2008	22.6	49.6	...	64.1	72.5	64.0	80.6 (1)	45.0	61.6	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	83	70	27	50	...	73	...	94	40	...
Employment rates (% total)	2008	37.6 (2)(5)	45.7 (2)(5)	58.8 (1)(5)	37.9 (4)	35.9 (2)(5)	48.0 (1)(6)	...	40.3 (1)(4)	43.1 (2)(5)	64.6
Employment rates (% female)	2008	12.0 (2)(5)	19.8 (2)(5)	55.4 (1)(5)	13.3 (4)	16.4 (2)(5)	24.7 (1)(6)	...	2.6 (1)(4)	22.5 (2)(5)	58.2
Youth unemployment rates (% total aged 15-24)	2008	27.4 (2)	24.8 (2)	14.7 (1)	4.8 (2)	...	17.9 (1)	38.9 (1)	16.8 (1)	31.4 (2)	15.5
Youth unemployment rates (% female aged 15-24)	2008	40.2 (2)	47.9 (2)	13.9 (1)	3.0 (2)	...	16.2 (1)	46.9 (1)	41.7 (1)	30.9 (2)	15.5
Unemployment rates (% total)	2008	13.8 (2)(4)	8.7 (5)	7.7 (1)(5)	12.7 (4)	9.2 (2)(5)	...	24.7 (1)(5)	8.3 (1)(4)	16.9 (2)(5)	7.0 (9)
Unemployment rates (% female)	2008	18.3 (2)(4)	19.3 (5)	7.7 (1)(5)	24.3 (4)	10.2 (2)(5)	...	26.6 (1)(5)	35.7 (1)(4)	21.9 (2)(5)	7.5 (9)
Participation in lifelong learning (% total aged 25-64)	2008	...	...	8.1	...	...	...	...	...	6.2 (2)(5)	9.4
Completion of at least upper secondary education (% total aged 25-64)	2008	29.1 (2)(4)	44.5 (2)(5)	81.3 (1)	...	45.3 (2)(5)	...	34.6	...	31.7 (2)(4)	71.4
Gross enrolment rate - primary (ISCED 1)	2008	107.5	99.7	110.7	96.8	103.1 (1)	106.9	79.6	124.4	107.1	...
Gross enrolment rate - lower secondary (ISCED 2)	23.4	23.4	90.1 (7)(s)	72.6	94.9	88.6 (1)	74.3 (2)	92.8	98.0	117.9	...
Gross enrolment rate - upper secondary (ISCED 3)	2008	58.3 (3)	68.9 (7)	108.0	74.2	75.4 (1)	36.7	79.0	34.7	74.2	104.5
Gross enrolment rate - higher (ISCED 5+6)	2008	24.0 (2)	28.4	59.7	40.7	52.5 (1)	12.3	47.2	...	33.7	...
Participation in VET (% of upper secondary)	2008	0.8 (2)	61.1	37.3 (1)	14.8	27.1	5.2	5.6	21.4	9.8	48.9
Student/teacher ratio in VET (%) (ISCED 3)	2008	20.2 (7)	12.4 (8)	11.0 (2)	10.4 (2)	7.7	16.6	16.6	8.0	...	...
Student/teacher ratio in general education (ISCED 3)	2008		12.2 (8)					20.8		14.1 (2)	...
Private VET (% of total VET - ISCED 3)	2008	...	5.9 (7)	...	2.3 (3)	56.9	6.4 (2)	4.7	5.1 (2)	8.8 (2)	25.2
Private general education (% of total general education - ISCED 3)	2008	...	8.2 (7)	10.8 (3)	51.6	5.8 (2)	4.1	0.3			13.9
Public expenditure on education (% of GDP)	2008	...	3.7	6.2 (8)	3.9 (2)	2.0	5.5 (8)	...	4.9 (2)	5.4	5.0 (2)

Notes: ... = missing data. (1) 2009, (2) 2007, (3) 2005, (4) Age group 15+, (5) Age group 15-64, (6) Age group 15-59, (7) 2004, (8) 2006, (9) Age group 15-74.

Sources: Central Agency for Public Mobilization and Statistics, Egypt; Central Agency for Public Mobilization and Statistics (2009), Statistical Yearbook, Cairo, Arab Republic of Egypt; Central Agency for Public Mobilization and Statistics (2009), Statistical Yearbook, Damascus; ETF - MEDA Education and Training for Employment database; Haut Commissariat au Plan, Morocco; ILO (2004), Summary of International Public Employment Services (PES), Administrative Statistics; ILO - Labour Statistics database; International Labour Organization - KILM database; LFS; Ministry of Education, OPT; Ministry of Education, Tunisia; Ministry of Labour, OPT; National Statistical Institute of the Republic of Tunisia; OECD; Palestinian Central Bureau of Statistics (2010), LFS 2000-2009 Database, Ramallah, OPT; Palestinian Central Bureau of Statistics (2010), Revised Estimate Based on the Final Results of Population, Housing and Establishment Census 2007, Ramallah, OPT; State Statistical Office of Israel; State Statistical Office of the Republic of Algeria; United Nations Development Programme; UIS; World Bank - World Development Indicators; World Economic Forum.