



EGYPT

EDUCATION, TRAINING AND EMPLOYMENT
DEVELOPMENTS 2017



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KEY EDUCATION, TRAINING AND EMPLOYMENT DEVELOPMENTS IN EGYPT

Egyptian macro-economic stability is still fragile, but authorities are undertaking wide-ranging structural and policy reforms, focused on improving the business climate and enhancing investments. Reducing unemployment, in particular of youth and women, is the key priority. In this respect, a new Labour Law has been proposed and is currently being negotiated in the Parliament. In addition, there is a plan to develop specialised training programmes and to improve the links between the education and training system and the labour market. The overall Vision 2030, developed by the Ministry of Planning, includes a chapter on education and acts as the overall policy reference for the new TVET strategy, which is built under the agenda for reforming the technical and vocational education and training (TVET II Programme), supported the European Union and lead by the Ministry of Industry. The technical and vocational education and training (TVET) sector plays a very important role in Egypt, covering around 50% of secondary students, it offers a higher rate of employability than tertiary education and it is perceived by the majority of stakeholders and policy makers as one of the best tools for addressing youth unemployment. The reform agenda is very ambitious and overreaching, touching also the labour market aspects by establishing a comprehensive labour market information system. The Government is also working on reviewing governance mechanisms in the TVET sector and setting up new policies in different TVET areas, including the development of a new legislative framework. Despite a very strong commitment from national and international stakeholders, the unstable political situation hinders effective cooperation and timely implementation.

Within the context of improving the business climate, a new M/SMEs Development Agency has been created under the Ministry of Trade and Industry. The Industrial and Training Council (ITC), the Social Fund for Development (SFD), and the Technology Centres under the Education Development Fund will be merged as per the ministerial decree of 24 March 2017. The inclusion of the ITC in the Agency might have a deep impact on ITC functions as its work on the framework of qualifications and skills standards (representing around 80% of ITC activities) might be discontinued. In addition, the weakness of Enterprise Training Partnerships (ETPs) has become a serious concern for the future of the TVET sector and their function as a bridge between the demand and supply of skills. The TVET II programme is working to provide ETPs with a clear institutional and financial sustainability, but efforts have not yet been materialised.

Labour market performance is still feeble, driven by weak job creation and a mismatch between available skills and labour market requirements. Productivity and efficiency is also affected by a very high share of informality. The weak performance of the private sector is not no longer offset by the creation of the public employment due to decisive budgetary cuts. Youth is particularly affected by unemployment as the market is not capable of absorbing the high amount of new entrants. The Government is introducing several measures to improve the transition from school to employment. Furthermore, female labour market participation is currently enhanced by new measures facilitating the reconciliation of work-family life. There are also several entrepreneurship programmes that aim to stimulate small business creation. In addition, the prospects of a comprehensive labour market information system, linking all the stakeholders involved in the education and training provision, active labour market policies and the private sector are promising if implemented efficiently.

1. Key demographic and economic characteristics

The current population of 90 million in 2016, has registered intensive growth from 79.6 million in 2011. The annual population growth rate declined in comparison to the one of previous decades, but it has nevertheless maintained a fairly stable pace at approximately 2% annually. The demographic pressure is high, in particular on infrastructure, social services and the environment. In addition, the high share of young people aged 15–24 (27.6% in 2016) entering the labour market calls for necessary adjustments and reforms in order to absorb entrants.

Egypt is classified as a lower middle-income country. Despite the unstable regional and internal political and economic situation, GDP has been on a path of steady growth from in 2011 (1.8%) to 2015 (4.4%), stabilising at 4.3% in 2016. Nevertheless, macroeconomic stability is affected by a number of risk factors, including security concerns and a volatile exchange rate, which led to high inflation in 2016 (10.2%) and 2017 (23.5% projection). Tourism, natural gas, trade, construction and non-petroleum manufacturing were the main sectors driving economic growth. Services are increasing their contribution to the GDP with 55.2% in 2016, while industry and agriculture are declining (32.9% and 11.9% respectively). However, the economic activity suffers from widespread informality across all the sectors. It accounts for 37-68% of GDP, according to estimates of the African Development Bank¹ and the government is launching some initiatives to integrate it into the formal economy, e.g. the Central Bank of Egypt (CBE) initiative launched in April 2017 that aims to bring a larger number of individuals and companies under the umbrella of the banking system. The Egyptian Government is also introducing a number of reforms towards fiscal consolidation and reducing internal debt, which include reforming the fuel subsidy, introducing a new VAT tax and containing public wage growth. Further attention is focused on financial and energy sectors, and improving the business climate and social protection. An industrial licensing law and a new investment law have been passed, and a new insolvency law is in the Parliament. These are critical pieces of legislation to enhance the business environment, as currently the negative conditions for new businesses (Egypt is placed 122nd position in the Doing Business ranking in 2016²) reduce entrepreneurial initiatives and job creation. In addition, social protection schemes are being strengthened through measures related to better targeting and increased cash transfers. Egypt was positioned at 115th place in the Global Competitiveness Index in 2016 (one place up from the previous year), in comparison to 94th place in 2011. Therefore, while structural reforms have positive prospects according to international assessment, they need to be stepped up in order to avoid possible social tensions.³ In 2017 public investments, including self-financed projects, will increase by 0.4 of GDP to improve national infrastructure and support private sector-led growth.

2. Education and training

2.1 Trends and challenges

Egypt has the largest overall education system in the Middle East and North Africa and it is continuously growing due to strong demographic pressure. Stable funding is assured thanks to Articles 19 and 20 of the Constitution, which specify a minimum public expenditure on education of 4% of GDP (2% on higher education) provided from the national budget, but it puts additional pressure on public finances. The system itself experiences a high degree of fragmentation, as many institutions are involved as supervisors and providers. In addition, the offer is supply driven as the links with the labour market developments are quite weak.

¹ Addressing informality in Egypt, African Development Bank Working Paper, 2016

² World Bank Doing Business 2016: economies rankings <http://www.doingbusiness.org/rankings>

³ IMF, Arab Republic of Egypt, Country Report No. 17/290, July 2017; World Bank Egypt's Economic Outlook- April 2017

As in many North African and Middle Eastern countries, the appeal of vocational paths is decreasing, mainly due to assumptions about the importance of university degrees to which they do not give access. The number of students in vocational education and training (VET) (ISCED 3 and 4) has remained stable in recent years, but the share of VET decreased (from 53.2% in 2009 to 46.6% in 2014) due to the growing interest in general education in order to proceed to higher education. In the academic year 2014/15, out of the 3.2 million students enrolled in secondary schools, 52% were in the Ministry of Education-administered technical vocational secondary schools, which offer three-year technical diplomas, five-year advanced diplomas and specialisations in industry, commerce and agriculture. The most popular of these was industrial (49%), then commercial (41%) and lastly agricultural (10%) training. In 2014/15 female students made up around 44% of total enrolment in technical education. More than 127,000 post-secondary vocational education and training (VET) students were enrolled across 68 institutions and in 22 disciplines in the same school year.⁴ In addition, a number of alternative learning options to mainstream technical and vocational education exist, both formal and non-formal, which are administered by the Ministry of Manpower and Migration. The duration of such vocational training programmes ranges from one month to two years, and they consist mostly of technical training and are usually centre-based. The programmes are often duplicate and there is a need to improve common training standards and certification requirements. The ambition to ensure an overall coherence in the TVET provision was behind the creation of the Ministry for Technical Education and Training in 2015, however the institution was dissolved shortly afterwards. Further to this, due to the overall fragmentation of the system and weak coordination among stakeholders it is difficult to shape a common vision for the sector.

The VET sector and, in particular, the technical part (TVET) is expected to play a major role in fighting unemployment in Egypt. However, TVET provision has limited relevance to the labour market, and this is largely driven by a lack of mechanisms to identify the needs of the labour market and to develop relevant qualifications. This feature becomes even more prominent with the increased impact of the technological progress, which the system is not keeping up with. Continuing vocational training remains a weak element in TVET and is not considered a priority, given the challenges faced in terms of initial TVET. Several initiatives have been implemented at project level in cooperation with international partners, but little mainstreaming and sustainability is ensured by national stakeholders. Quite weak coordination between international donors has negatively affected the TVET sector in the past, resulting in overlapping and contradictory approaches.

In addition, the system of monitoring of education and training system outcomes is fragmented. Data is gathered through administrative mechanisms and a variety of tools to identify the needs of the labour market to adjust relevant qualifications. However, such mechanisms and tools are often not extended to the overall TVET sector. The Enterprise Training Partnerships⁵ (ETPs) were established to improve the link between TVET and the private sector. Nevertheless, the fragility of the institutional framework of ETPs is one of the biggest risks associated with the reform of the TVET sector. ETPs are supposed to play a role in most TVET areas (curriculum development, definition of standards, assessment etc.). Despite the central role that all actors agreed to assign to the ETPs, their institutional and financial sustainability is currently not ensured.

Although the Egyptian TVET sector has no quantitative problems in the supply of teachers (student-teacher ratios are relatively low, at around nine students per teacher), it does have a qualitative problem with teacher competences, in particular in agricultural and commercial schools. The reasons behind this are somehow linked to the low prestige and salary of the teaching profession.⁶

⁴ Oxford Business Group, Report Egypt 2016: Focus on vocational and technical training in Egypt

⁵ 12 Enterprise TVET Partnerships (ETPs) were established under the TVET Programme

⁶ Torino Process Report 2016-2017 Egypt

2.2 Education and training policy and institutional setting

Egypt's education system makes a basic distinction between technical and vocational education, the latter being a relatively small sector at secondary education level. The technical and vocational education and training (TVET) sector currently plays a very important role in Egypt. It covers around 50% of secondary students, it offers a higher rate of employability than higher education, and it is perceived by the majority of stakeholders and policy makers as one of the best tools to address youth unemployment. Technical education is under the responsibility of the Ministry of Education and Technical Education. Formal TVET is also provided in higher education in technological colleges (middle technical institutes are under this umbrella) and Institutes of Industrial Education. Policy attention to post-secondary TVET has also increased in recent years. There are plans to establish a practice-oriented four-year Bachelor of Technology degree after secondary education, which has not been formalised yet.

Since 2015 the main factor influencing education and training policy is its political importance. This emphasis has led to institutional changes, some of which have not been sustained (e.g. creation of a ministry for TVET) and the launch of several international programmes supporting TVET reforms. Following the first phase (TVET I), the TVET II Programme, funded by the European Union (EU) and the Egyptian Government is the main international project aimed at the systemic reform of the system (EUR 117 million programme, EUR 50 million from the (EU) and EUR 67 million from the Egyptian government). The first priority to be addressed is the definition of a vision and strategy agreed by all key stakeholders and to mainstream different stakeholder initiatives under the same umbrella. The second priority is the definition of standard processes for qualifications development (NQF, occupational standards, curriculum development etc.) which would reduce the gap between the needs of the labour market and the outputs of the technical and vocational education. Until now, different stakeholders have developed competence-based programmes only in the framework of international projects. The third priority is the reinforcement of current work-based learning initiatives and the establishment of new innovative initiatives. Involving the private sector in TVET provision would help address this challenge, and at the same time increase responsiveness to labour market needs. In this context, in addition to reinforcing the most recent work-based learning initiatives (e.g. Mubarak-Kohl initiative), other Egyptian home-grown models, such as productive schools and factories inside schools might be enhanced. These models are already operating at systemic level but would need scaling up and could be significantly improved in terms of pedagogical benefit for students. At the strategic level some progress has been made towards a clearer understanding on the type of educational model to be built. The TVET II Programme aims to address the sector's fragmentation by developing an overarching strategy supported by all relevant stakeholders.

The aspect of transition from school to work has gained attention, in particular through the creation of School-to-work Transition and Career Guidance Units within the relevant ministries. In addition, priority is given to the shift towards more demand-oriented TVET through various new partnerships between the private sector and TVET providers and work-based learning. In addition, alternative TVET learning pathways, various types of apprenticeship scheme and experimental TVET models such as schools within enterprises are tested. They remain small-scale but would have the potential for expansion if appropriate mechanisms to reinforce these models could be put in place. The most important of these models is the dual system piloted through the Mubarak-Kohl Initiative, which currently accounts for only 2% of secondary VET, but there is a strong political will to increase it to 50% in the coming years. Career guidance is also a priority for Egyptian and international stakeholders. An important step in the move from project-based initiatives to sustainable career guidance mechanisms was the establishment, by Ministerial Decree No 283, of a School-to-Work Transition Unit in the Ministry of Education in June 2014. Further legislative measures are pending, but regional units have been established at governorate level with career guidance, employment and entrepreneurship functions. Career guidance functions are to be established at every school level.

The Enterprise Training Partnerships (ETPs) have been relocated under the management of the relevant Chambers of Commerce, however this has not yet led to an improvement in their institutional and financial sustainability. Both these aspects are now a priority of the TVET II programme, which is redefining the governance of the TVET sector around the central role of ETPs as intermediary between the labour market and the TVET sector. The definition of a clear legal status, mandate and resources for ETPs should be elaborated within the TVET II programme.

Quality assurance in the TVET system is one of the areas where the government is investing more. The Constitution of 2014 introduces a specific reference to the quality of technical education in accordance with international standards. The National Authority for Quality Assurance and Accreditation (NAQA) is an institutional hub for quality assurance and accreditation. The NAQA is now self-financed, mainly through fees from the accreditation procedure. The accreditation procedure of TVET is, however, facing some challenges given the huge number of providers, non-mandatory nature of the accreditation and the complexity of the process. NAQA is also responsible for the implementation of the national qualifications framework. In 2015 it developed a NQF model, which is tested in the tourism sector, in the framework of the TVET II programme. The NQF is comprehensive covering the whole spectrum of TVET and adopts an outcome-based methodology in the definition of qualification and assessment standards. Some concerns remain about the integration of different models developed over the years by different stakeholders, which refer to different international methodologies.

The main institutional change in 2017 is the establishment of a new Micro, Small and Medium Sized Enterprise Development Agency under the Ministry of Trade and Industry (MoTI). The Industrial and Training Council (ITC), the Social Fund for Development (SFD) and the Technology Centres under the Education Development Fund will merge, as per the ministerial decree of 24 March 2017. The inclusion of the ITC in the Agency will have a significant impact on ITC functions as the work done by ITC in the framework of qualifications and skills standards (representing around 80% of ITC activities) might be discontinued. The main services offered by the new agency will be concentrated on providing : i.) financial services, ii) technical assistance and consultancy provided by the Industrial Modernization Centre (IMC) and Technology Centres, iii) policy and advocacy, iv) skills development activities provided by the ITC.

Overall, there is a strong commitment of Egyptian and international stakeholders to implement the overarching reform. As it is a very complex programme, however, with many actors involved and a complex agenda, the pace of the implementation is currently at risk. The most important reform initiative, the TVET II programme, has not progressed well. The achievement of the original outcomes of the programme is now at risk due to accumulated delays and managerial problems. Particularly strong efforts from the MoTI and the Programme Implementation Unit (the management team was expected to be appointed by the end of 2017) will be necessary to re-launch programme activities. The overall coordination mechanisms seem not to be fully effective yet and further sustainability of the current measures will need to be assured for the future success of the reform.

3. Labour market and employment

3.1 Trends and challenges

The Egyptian labour market is affected by several structural challenges. The activity and employment rates are low, in particular for females. Macroeconomic instability, not least due to internal and external security concerns, leads to insufficient job creation to absorb the high number of young people entering the labour market. In addition, there is a reported mismatch between education outcomes and more dynamic labour demand, which results in high unemployment. The public sector versus private sector divide is also clearly visible, in particular in terms of working conditions. In addition, the high level of informality negatively affects economic efficiency and productivity.

The labour market situation has worsened following the 2011 revolution. The current economic crisis is affecting employment opportunities at all levels and the trends are not positive. The private sector has reduced the offer of new jobs, particularly in the tourism sector. Due to the fiscal adjustment, the public sector is not increasing employment either. Labour market performance is mixed. The activity rate decreased to 46.7% in 2016 (from 49.5% in 2010, 48.8% in 2011), driven mainly by a continuous decrease in the activity rate of males (from 75% in 2010 to 69.6% in 2016). At the same time, the employment outcomes deteriorated, despite a rise in the female employment rate (from 13.5% in 2010, 17.4% in 2011 and 17.6% in 2016). However, the employment rate for men has decreased from 67.8% in 2011 to 63.5% in 2016. Despite the modest improvements, female participation is very low, more than three times lower than that of men. In addition, the total unemployment rate had been growing from 2011, reaching 13.1% in 2015. The outcomes improved in 2016 (12.4%) for both males and females, however the female unemployment rate is particularly high, at 23.6%. Nevertheless, considering that activity rates have not changed much over the last years, the labour market seems to have become more open to the recruitment of young females. The majority of women entering the labour market are medium to highly skilled, 34.2% and 29.5% respectively, and they face the highest levels of unemployment on the market. In many cases they are waiting for a good quality employment, preferably in the public sector.

Although the private sector may provide higher salaries, the issue of job security remains a significant factor to young people when choosing a job, and in the case of young women this is also driven by cultural aspects. This shows a weak link between education outputs and labour market needs, as well as mismatch between them in terms of quality and expectations. Employers report difficulties to find skilled labour and skills gaps increased up to 19% in 2016, according to the World Bank Enterprise Survey. Such imbalances influence the rise in unemployment and may lead to further dropouts to the informal sector and difficulties in attracting new investments. Currently, the informal economy absorbs 48-70% of employment according to estimates by the African Development Bank⁷ or 50.6% in 2016 according to the Economic Research Forum's estimations, contributing to low productivity. The transition from school to work becomes more and more difficult, even for those well-educated. Youth unemployment is very high (30.8% in 2016) and it affects tertiary education graduates particularly. Young people with medium level skills, in particular technical, seem to perform much better in terms of employability. Despite the fact that young women (15-24) are catching up with their male peers in the decrease of the unemployment rate by 16.5 percentage points from 2010 to 38.6% in 2016, the high level of unemployment remains worrisome. The improvement of the situation is also visible when comparing the youth unemployment ratios - actually young women are performing better, with a 7.8% unemployment ratio against 11.4% of young men.

The proportion of young people not in employment, education or training (NEETs) aged 15-24 is very high in Egypt, rising to 27.6% in 2016. The substantial decrease for young women is also noticeable, down 13.3 percentage points to 35.2% in 2015. According to a World Bank survey, overall 40.7% of young people 15-29 years old are NEETs, which illustrates the difficulties to find employment. The three main risk factors associated with an increased probability of being NEET are (i) low education, (ii) living in remote areas and (iii) gender.⁸ Two out of three young women in rural Egypt (69.7%) and more than half of the female youth in urban areas (60.4%) are NEET. In contrast, only one out of eight young men in urban areas (13.2%) and a tenth of young men in rural Egypt (10.5%) are NEET. In relative terms, the governorates with the highest NEET ratios (relative to the local youth population) all have economies that strongly depend on tourism and some are affected by fragility. In comparison, Cairo governorate has the lowest ratio of NEET youths relative to its total youth population, indicating

⁷ Addressing informality in Egypt, African Development Bank Working Paper, 2016 and Growth and Transition: The Informal Sector and the Knowledge Economy by Mirna Khaled Abdulaal Egyptian Street, 3 April 2017

⁸ The Survey of Young People of Egypt conducted in 2014 (SYPE 2014) provides a nationally representative sample of 10,916 youth.

longer years of schooling and better employment opportunities. 43.8% of the men age 24–29 in the NEET category hold a university degree. This shows the need for a further restructuring of the Egyptian labour market in terms of quality job creation and solving its weak efficiency, also by setting up a structured system to identify training needs.

According to ILOSTAT 2015, the employment share of agriculture is still high (25.8%), even higher than that of industry (24.4% including construction and utilities). Services dominate the employment structure with a 49.1% share. Although employment is slowly decreasing in agriculture in favour of the service sector, the trend is not very strong and the structure of the economy remains similar over the years. Most of the recent new jobs have been created by the private sector (also in the informal sector), while public employment has been decreasing since 2005, except in some sectors such as education, as a result of the measures applied by the successive cabinets for deficit reduction. Employment in the private sector continues to be dominated by small firms and informal work. In 2012, 45% of employment was in firms with one to four employees, and this has changed little over time.

3.2 Employment policy and institutional setting

The Ministry of Manpower and Migration (MoMM) is responsible for labour policy, managing labour supply and demand, increasing the employability of the labour force, and monitoring labour market demand. It administers the network of 300 employment offices. However, most of the PES offices are underdeveloped, understaffed and under resourced and provide a very limited range of employment services, merely issuing work permits and registration⁹. Efforts are being made to upgrade and modernise employment services, mainly through the Egyptian Labour Market Service Reform project (ELMSR), however the impact of the project is limited in view of the scope of challenges. Besides labour intermediation, MoMM leads an Employment Information Programme, which prepares labour market statistics that are published in a monthly bulletin. It also organises an enterprise census every year, which collects information on training needs from all enterprises with more than 10 workers.

A comprehensive labour market information system does not yet exist in Egypt. Data gathering is mainly done through administrative sources (employment offices) and labour force surveys are managed by CAPMAS, the national statistical office. Mechanisms to identify the needs of the labour market and develop relevant qualifications exist in a variety of forms e.g. the National Skills Standards Programme (NSSP) within the Industrial Training Council, however they give only a partial picture. The ILO and GIZ are also supporting Egyptian stakeholders in addressing data gathering and analysis by setting up a more effective monitoring system, notably through the Regional Labour Market Observatories. In addition, they contribute to the conceptualisation of a unified labour market information system (LMIS), which is under development within the TVET II Programme. At the moment, there are ongoing discussions between international partners and national authorities, in particular the Statistical Office (CAPMAS) on the concept of the new system. The TVET II Programme is also developing a tracer study, which is currently in a pilot phase, but is expected to cover the whole sector to gather the information about graduate employability. In this respect, national stakeholders and international partners have developed a much more cooperative approach in recent years.

No major legislative changes were implemented in the context of employment during 2016/17. The new Labour Law, which should reduce the state's role in labour affairs, is still under discussion in the Parliament and there is no clear timetable for its approval. The effects of the incorporation of the ITC into the new M/SMES Agency, planned still in 2017, will become clearer in the coming months, once its operational mechanisms are established.

⁹ Amer, M., 'Active labour market policies: Mapping of existing initiatives in Egypt', Paper presented in Cairo, October 2012.

Reducing high unemployment, especially among women and youth, is a priority for the Egyptian Government. While macroeconomic policies and structural reforms aim at supporting job creation, there are numerous ongoing and emerging initiatives in terms of active labour market policies (ALMPs), which are implemented by various stakeholders and in many cases supported by donors. Under the 2017/18 budget the government is planning to develop specialised training programmes for youth and job intermediation schemes. In order to improve female labour market participation, 0.2% of GDP is allocated to enhancing public transportation and the availability and quality of childcare. In 2016/17 EGP 250 million were budgeted to improve the availability of public nurseries and other facilities to enhance the ability of women to actively seek jobs. In 2017/18 such spending will be increased to EGP500 million (structural benchmark). In April 2017, a joint committee was established that includes relevant stakeholders including the Ministry of Labour, Ministry of Social Solidarity, Ministry of Finance, Ministry of Trade and Industry as well as representatives of the Women's Council, academia and the business community to design a set of measures to enhance female participation, possibly with the support of the Women's Empowerment Project from the World Bank. Furthermore, the Social Insurance Fund (SIF) will benefit from a comprehensive reform to ensure its long-term financial sustainability and preserve its ability to pay adequate pensions. The government has sought technical assistance from development partners and was developing a clear road map of pension reform by the end of 2017.

There are several entrepreneurship programmes that aim to stimulate small business creation. In addition, the Ministry of Education and Technical Education has lead the development of an entrepreneurship curriculum to be integrated at technical secondary education level. The curriculum was developed with the support of several partners, including the EU (TVET II), ILO, UNIDO, GIZ, USAID (WISE) programmes, and it was approved by the Supreme Council for pre-university education.

The Government is also improving safety nets and reducing poverty by expanding social solidarity pensions to include medical coverage, as well as widening the coverage and increasing monthly cash transfers to Takaful and Karama beneficiaries. Public works are on the agenda and some of them focus on labour-intensive sectors, mostly construction. So far, they have only led to the creation of temporary jobs.

ANNEXES

Statistical annex Egypt

This annex reports annual data from 2011 and 2016 or the last available year

Indicator		2011	2016
1	Total Population (000)	79,603 ⁽¹⁾	90,086 ⁽¹⁾
2	Relative size of youth population (age group 15-24) (%)	31.3 ⁽¹⁾	27.6 ⁽¹⁾ (2015)
3	Youth Dependency ratio (%)	50.7	54.7
4	Old-age Dependency ratio (%)	7.9	8.6
5	Global Competitive Index	Rank	94
		Score	3.9
6	GDP growth rate (%)	1.8	4.3
7	GDP per capita (PPP) (current international \$)	10071.2	11131.7
8	GDP by sector (%)	Agriculture added value	14.5
		Industry added value	37.6
		Services added value	47.9
9	Poverty headcount ratio at \$2 a day (PPP) (%)	M.D.	M.D.
10	Gini index (%)	M.D.	M.D.
11	Educational attainment of adult population (aged 25-64 or 15+) (%)	Low ⁽²⁾	56.4
		Medium	31.5
		High	12.1
12	Gross enrolment rates in secondary education (%)	81.7	86.1 (2014)
13	Share of VET students in secondary education (%)	20.5	21.0 (2014)
14	Gross enrolment rates in upper secondary education (%)	65.3	72.5 (2014)
15	Share of VET students in upper secondary education (%)	50.9	46.6 (2014)
16	Low achievement in reading, mathematics and science – PISA (%)	Reading	N.A.
		Mathematics	N.A.
		Science	N.A.
17	Participation in training/lifelong learning (age group 25-64) by sex (%)	Total	M.D.
		Male	M.D.
		Female	M.D.
18	Early leavers from education and training (age group 18-24) by sex (%)	Total	27.8
		Male	25.9
		Female	29.7
19	Activity rates by sex (aged 15+) (%)	Total	48.8
		Male	74.3
		Female	22.4
20	Employment rates by sex (aged 15+) (%)	Total	43.0
		Male	67.8
		Female	17.4

Indicator		2011	2016	
21	Unemployment rates by sex (aged 15+) (%)	Total	11.9	12.4
		Male	8.8	8.8
		Female	22.4	23.6
22	Unemployment rates by educational attainment (aged 15+) (%) ⁽³⁾	Low ⁽⁴⁾	8.6	8.5
		Medium	15.9	15.9
		High	19.9	20.6
23	Youth unemployment rates by sex (aged 15-24) (%)	Total	29.3	30.8
		Male	22.3	27.2
		Female	52.7	38.6
24	Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)	66.7	83.4	
25	Long-term unemployment rate (aged 15+) (%)	8.2	11.8 (2015)	
26	Incidence of self-employment (%)	38.8	30.8	
27	Share of the employed in a public sector (%)	26.6	22.0	
28	Employment by sector (%)	Agriculture	29.2	25.5
		Industry	23.5	25.5
		Services	47.1	48.8
29	Employment in the informal sector	43.8	50.6	
30	Proportion of people aged 15–24 not in employment, education or training (NEETs), by sex (%)	Total	32.1	27.6
		Male	17.9	19.8
		Female	48.5	35.7
31	Public expenditure on education (as % of GDP)	3.8 (2007)	M.D.	
32	Public expenditure on education (as % of total public expenditure)	10.4 (2008)	M.D.	
33	Skill gaps (%)	11.7 (2013)	19.0	
34	The share of SMEs in GDP (%)	M.D.	M.D.	
35	The share of SMEs in employment (%) ⁽⁴⁾	31.2 (2006)	M.D.	

Last update: 31/8/2017

Sources:

Indicators 1 - CAPMAS

Indicators 2 - UNDP_WPP15, Medium Variant estimates for 2016.

Indicators 3, 4, 6, 7, 8 – World Bank, World Development Indicators

Indicator 5 – World Economic Forum

Indicators 11, 30, 33 - OECD_STAT

Indicators 12, 13, 14, 15, 31, 32: UIS UNESCO

Indicator 18, 29 – Egypt Labour Market Panel Survey, Economic Research Forum.

Indicators 25 – EUROSTAT

Indicators 19, 20, 21, 22, 23, 24, 26, 27, 28 – ILOSTAT

Indicator 35 – International Financial Corporation

Legend:

N.A. = Not Applicable

M.D. = Missing Data

Notes:

⁽¹⁾ estimations

⁽²⁾ Includes no schooling

⁽³⁾ Low refers to ISCED 1-2

⁽⁴⁾ up to 100 employees

Annex: Indicator 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, legal or registered residents can be considered.
2	Relative size of youth population (age group 15-24) (%)	The ratio of the youth population (aged 15–24) to the working-age population (usually aged 15–64 or 15–74).
3	Youth Dependency ratio (%)	The ratio of younger dependents (people younger than 15) to the working-age population (those in the 15–64 age group).
4	Old-age Dependency ratio (%)	The ratio of older dependents (people older than 64) to the working-age population (those in the 15–64 age group).
5	Global Competitiveness Index	The Global Competitiveness Index assesses the competitiveness landscape providing inside into the drivers of countries' productivity and prosperity. It expressed as scores on a 1 to 7 scale, with 7 being the most desirable outcome.
6	GDP growth rate (%)	The annual percentage growth rate of GDP at market prices based on constant local currency.
7	GDP per capita (PPP) (current international \$)	The market value of all final goods and services produced within a country in a given period of time (GDP), divided by the total population, and converted to international dollars using purchasing power parity (PPP) rates.
8	GDP by sector (%)	The share of value added from Agriculture, Industry and Services.
9	Poverty headcount ratio at \$2 a day (PPP) (%)	The percentage of the population living on less than \$2.00 a day at 2005 international prices.
10	Gini index (%)	Gini index measures the extent to which the distribution of income (or, in some cases, consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution. A Gini index of 0 represents perfect equality, while an index of 100 implies perfect inequality.
11	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.
12	Gross enrolment rates in secondary education (%)	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.
13	Share of VET students in secondary (%)	The proportion of VET students in secondary education out of the total number of pupils and students in secondary education (general + VET)
14	Gross enrolment rates in upper secondary education (%)	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.
15	Share of VET students in upper secondary education (%)	The proportion of VET students in upper secondary education out of the total number of pupils and students in upper secondary education (general education + VET)
16	Low achievement in reading, maths and science – PISA (%)	The share of 15-years-olds falling to reach level 2 in reading, mathematics and science.
17	Participation in training/lifelong learning (age group 25-64) by sex (%)	The share of persons aged 25–64 who stated that they received education or training in the four weeks preceding the (LFS) survey.
18	Early leavers from education and training (age group 18-24) by sex (%)	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 (LFS) survey. Lower secondary education refers to ISCED 1997 level 0–3C short for data up to 2013 and to ISCED 2011 level 0–2 for data from 2014 onwards.
19	Activity rates by sex (aged 15+) (%)	Activity rates represent the labour force as a percentage of the population of working age.
20	Employment rates by sex (aged 15+) (%)	Employment rate represents persons in employment as a percentage of the population of working age.
21	Unemployment rates by sex (aged 15+) (%)	Unemployment rate represents unemployed persons as a percentage of the labour force.
22	Unemployment rates by educational attainment (aged 15+) (%)	Educational levels refer to the highest educational level successfully completed. Three levels are consider: Low (ISCED level 0-2), Medium (ISCED level 3-4) and High (ISCED 1997 level 5–6, and

Description	Definition
	ISCED 2011 level 5–8)
23 Youth unemployment rates by sex (aged 15-24) (%)	Youth unemployment rate represents young unemployed persons aged (15-24) as a percentage of the labour force (15-24).
24 Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)	Number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of unemployed persons aged 15+.
25 Long-term unemployment rate (age 15+) (%)	Number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of the labour force aged 15+.
26 Incidence of self-employment (%)	The share of self-employed as a proportion of total employment. Self-employment includes employers, own-account workers, members of producers' cooperatives and contributing family workers.
27 Share of the employed in a public sector (%)	The share of employed in a public sector as a proportion of total employment.
28 Employment by sector (%)	The share of employed in Agriculture, Industry and Services.
29 Employment in the informal sector	Share of persons employed in the informal sector in total non-agricultural employment.
30 Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	The percentage of the population of a given age group and sex who is not employed and not involved in further education or training.
31 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. Both types of transactions together are reported as total public expenditure on education.
32 Public expenditure on education (as % of total public expenditure)	Public expenditure on education expressed as a 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. Both types of transactions together are reported as total public expenditure on education.
33 Skill gaps (%)	The percentage of firms identifying an inadequately educated workforce as a major constraint.
34 The share of SMEs in GDP (%)	The share of GDP contributed by small and medium sized businesses.
35 The share of SMEs in employment (%)	The share of people employed in small and medium sized businesses.

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