

TORINO PROCESS 2014

LIBYA



The contents of this paper are the sole responsibility of the ETF and do not necessarily reflect the views of the EU institutions.

© European Training Foundation, 2014.
Reproduction is authorised provided the source is acknowledged.

TORINO PROCESS 2014

LIBYA

Contents

Preface	2
Executive summary	3
A. Vision for VET system development.....	5
B. External efficiency: addressing demographic, economic and labour market needs.....	7
C. External efficiency: addressing social demands for VET and promoting social inclusion	13
D. Internal quality and efficiency of initial and continuing VET delivery	16
E. Governance, including financing of the initial and continuing VET system and institutional capacities for change	19
Recommendations and conclusions	22
Acronyms.....	24
Bibliography.....	25

PREFACE

This is the first time that Libya has taken part in the Torino Process. This report was written by Mounir Baati, ETF country manager for Libya, with the participation of a steering committee overseen by the National Board for Technical and Vocational Education. The following team members worked closely together in drafting this report:

- Dr Al Mukhtar Abdullah Juwaili, Chairman of the steering committee,
- Dr Abdulhamid Muhammd Al Kout, Chairman and Coordinator of the technical committee of the Torino Process,
- Abdulsalam Salim Al Jali, Coordinator of the supervisory committee of the Torino Process.

Although the report has been finalised in 2014, the work actually started in 2013 and the team, therefore, used the Torino Process analytical framework of 2012 – slightly different from the one used by the other countries in 2014.

A collaborative approach was taken, based on primary data collected by the technical committee, discussion sessions and a review of the relevant reports and documents, all of which contributed to the drafting of this report.

A major issue facing the steering committee was the scarcity and unreliability of data, which prevented an in-depth analysis of the various foundational issues covered by this report.

The report looks at five specific areas of the technical and vocational education and training (TVET) system in Libya:

- creating a vision for the development of the vocational education and training (VET) system;
- the external efficiency of the system and its capacity to address demographic, economic and labour market needs;
- the external efficiency of the system in relation to the social demands for VET and promoting social inclusion;
- the internal quality and efficiency of initial and continuing VET delivery;
- governance, including financing the initial and continuing VET system and institutional capacities for change.

EXECUTIVE SUMMARY

Libya is a large country, with an area of around 1 800 000 square kilometres. It is the fourth largest country in Africa by area, and has the longest coastline of any Mediterranean state. Its population is around 6 million, approximately half of which are under 24. The oil and gas sector dominates the economy and occupies an important position in the global energy balance, while the non-hydrocarbon sector remains limited and under-developed.

The labour market is characterised by three main features: the large size of the public sector (which accounts for around 70% of the workforce), migration, and informal employment. Before the revolution, the International Organisation for Migration assessed the number of immigrants in Libya at around 2.5 million. This large number of migrant workers is combined with a high unemployment rate (around 19%) which principally affects women and recent entrants to the labour market, namely young people at all education levels. This paradoxical situation is due to two complementary factors; firstly, the reluctance of Libyans to take up a large number of occupations, especially manual ones; and secondly, the low quality of the education and training system, which fails to equip Libyans with the appropriate skills for the labour market. The third characteristic of the labour market in Libya is the huge size of the informal sector; informal employment is estimated to account for about 40–60% of total employment (1.6 million people are employed in Libya's formal economy).

Responsibility for TVET in Libya falls under two different ministries: the Ministry of Higher Education for initial training, which supervises (through a Board) 488 technical and vocational educational institutions, and the Ministry of Labour which looks after continuing training. However, the sector remains poorly regarded for many reasons, despite the employment opportunities it offers and a growing awareness amongst parents of the positive role technical education could play in providing job opportunities for their children.

One of the most important reasons for the unpopularity of the technical education sector is that Libyans, especially women, prefer to work in the government sector rather than the private sector, possibly because of the poor working conditions and wages in this sector. Another factor affecting the attractiveness of TVET is the relatively poor quality of its outputs. Many companies have highlighted VET school graduates' poor levels of qualifications and the frequent need to provide them with additional skills through further training courses.

Other factors operating within the VET system have negatively affected the quality of its outputs and affect its relevance. The first of these is its weak linkages with the labour market and other stakeholders active in the market; there is no real coordination between the VET schools and employers in the local economies. The small amount of interface, which does take place between technical educational institutions and the labour market, is the result of individual initiatives taken by trainers or schools' directors. However, these projects are not institutionalised and remain, therefore, unsustainable. The absence of educational standards, or at least their lack of transparency – which means that neither the holders of qualifications nor potential employers understand the knowledge, skills and competences of the graduates – together with the poor facilities in many VET schools, have certainly played a role in making TVET an unpopular option.

Moreover, relatively little information is collected on the labour market as the Ministry of Labour maintains no modern labour market information system. Whatever data do exist have no value in terms of constructing indicators or conducting research and analysis. There is no systematic collection of labour market information and no labour force surveys are carried out. No effort is made to survey or understand private sector employment trends.

The lack of cooperation with representatives of the labour market and the scarcity of data has led to a TVET system which is totally disconnected from the labour market and the economy. It is not primarily concerned with responding to the labour market's needs for skills; rather it is led by its ability to attract student numbers. The various training courses offered by the technical and vocational educational institutions are not based on any in-depth studies of the labour market and its requirements, but on other considerations, such as students' wishes (even where these fail to match market needs), the availability of equipment and the qualifications of the teachers.

In an attempt to improve the quality of TVET provision, two sectors skills councils (tourism and construction) have been recently established. This will certainly help TVET providers to gain a better understanding of the needs of employers in these fields, but the TVET sector still has to undertake a major reform to improve its capacity to respond to these needs as no clear processes are in place to translate them into qualification standards, then into curricula, and finally into deliverable courses. Currently, the Centre for Professional Standards, operating under the Ministry of Labour and Rehabilitation, is in charge of the design of national occupational standards but has so far failed to deliver them. In the absence of such standards, VET institutions have drawn up their own standards, in an uncoordinated way, based on their own individual views.

No institution is currently monitoring and/or evaluating the quality of TVET qualifications and their relevance to the needs of the labour market. Normally the Centre for Quality Assurance and Accreditation would be responsible for this function; however, no evaluation tools have been implemented. A number of tools have been developed and made available to the educational institutions, but they are not used.

There is still a long way to go before the TVET system in Libya can effectively align its training provision to the needs of the economy and society, but there are many positive signs indicating a willingness within the public authorities and representatives of the labour market to work together towards achieving this objective. However, given the limited capacity of the different institutions dealing with both VET provision and the labour market, we recommend prioritising the issues that need to be addressed. Three areas emerged as priorities in this report: establishing a vision and a strategy for the sector; institutionalising partnership between VET providers and employers; and developing an effective labour market information system.

A. VISION FOR VET SYSTEM DEVELOPMENT

Initial technical and vocational education falls under the responsibility of the Ministry of Higher Education. Currently the Technical and Vocational Education Board supervises 488 technical and vocational educational institutions, comprising 16 technical colleges, 91 higher technical institutes and 381 intermediate technical institutes. These institutions award three different types of qualifications: the intermediate technical diploma (skilled worker level); the higher technical diploma (technical/specialist level); and the technical baccalaureate (specialist level). The number of students attending these institutions in 2012/13 was 133 418, more than 90% of whom were enrolled at higher and intermediate technical institutes¹. These institutions provide education and training in a number of specialised areas, for example: construction engineering, mechanical engineering, automatic control engineering, computing, agriculture, tourism, hospitality and fishing.

Continuing training provision comes under the broad responsibility of the Ministry of Labour and Rehabilitation. However, most provision in this sector is delivered through about 450 private centres, mainly concentrating on English language, information technology and management. In contrast, the Ministry of Labour and Rehabilitation operates only four centres, which specialise in construction, the engineering professions, soft skills, information technology and management. The largest of these centres has branches in six cities.

The formal technical and vocational education sector, which is the responsibility of the Ministry of Higher Education, appears to operate separately from the training which falls under the remit of the Ministry of Labour. Indeed, the two sides neither cooperate nor exchange information, and the educational programmes offered have no points in common, as if education and training were not two parts of the same system.

Libya's vision for technical and vocational education is incorporated into its vision for society as a whole and can be summarised as follows:

'A knowledge-based society which is proud of its Arab and Islamic identity, in which every individual can achieve their potential whilst contributing to the well-being of all; a society which embraces the benefits of globalisation and contributes in its turn to human civilisation; a society which is aware of its aims and endeavours to realise them in the light of an objective extrapolation of its potential and options, and manages its institutions with skill and transparency within a democratic framework, whose children enjoy their rights and are equal before the law and are blessed with a life commensurate with the resources of their country and their degree of participation in production.' (National Planning Council, 2008)

The most important features of Libyan society in 2025 will be:

- **a productive economy** with diverse sources of income in which the private sector plays a leading role, allowing for the best possible use of resources; that is, an economy with a competitive advantage in the services field and high levels of non-oil GDP growth. There is a fundamental change in the vision for a future Libya. Whilst the oil sector is currently the main driver of the economy, the vision gives a greater role to the non-oil sector. It also gives the primary responsibility for creating economic growth to the private sector, in contrast to the current situation in which the public sector plays the most important role;

¹ There were 400 000 students enrolled in secondary education (lower and upper secondary) in 2012/13.

- **a knowledge society** in which freedom of thought, expression and organisation prevail and in which women, young people and those with special needs can take part;
- **a clean environment** which ensures future generations can enjoy a country free from pollution and which embraces the benefits of sustainable development through scientific achievements. The focus here is on raising awareness of the importance of the environment and its effective management; the use of alternative, clean and renewable energy; and planning for a civilised, accountable and sustainable future.

This vision has a significant impact on the role and performance of the technical and vocational education sector.

Although, the vision for Libya 2025 was elaborated several years ago during Gaddafi era, and its validity may be questioned, the National Board for Technical and Vocational Education drew on it in 2013 to create its current vision and strategic goals for the development of technical and vocational education, which can be summarised as to ‘equip Libyans with the necessary skills to participate effectively in building the country and contributing to its development’.

This vision can hardly be considered as reflecting society’s current view of vocational education. As it will be developed later in the report, the fact that there is little or no consultation with major stakeholders, such as social partners, indicates that this is rather an attempt by the Board to establish the aims of the vision. Much work remains to be done before the sector can achieve this goal.

B. EXTERNAL EFFICIENCY: ADDRESSING DEMOGRAPHIC, ECONOMIC AND LABOUR MARKET NEEDS

Libya is a large country with a surface of around 1 800 000 square kilometres. It is the fourth largest nation in Africa by area, and has the longest coastline of any Mediterranean country, at around 1 955 kilometres. However, in 2012 it had no more than 6 422 772 inhabitants, according to the estimates of the World Bank, giving a density rate of fewer than four inhabitants per kilometre. Libya's topography and extensive deserts have led to the concentration of the population in the major cities, such as the capital Tripoli, Benghazi and Misrata. The rate of population growth has, in fact, declined significantly in recent years, falling from 2.17% in 2007 to 1.06% in 2012, and Libya now has one of the lowest population growth rates in the region.

One of the major features of the population is the large number of inhabitants under the age of 24 – around 48.7%² – while those aged 15 and under represent around 30% of the population, a drop of 9 percentage points compared to 1995³. This creates demographic pressures and requires large-scale public investment in education, healthcare, employment, housing and general infrastructure.

Employment and unemployment

One of the most important features of the Libyan labour market is the large size of the public sector, which accounts for around 70% of the workforce. The private sector remains small, principally as a result of policies adopted by the previous regime.

The most recent unemployment rates date back to 2012 and are provided by the International Labour Organisation (ILO). They show the unemployment rate for women, at 25%, as around 9 percentage points higher than for men (16%). These figures are more realistic than those of 2010 which gave the unemployment rate as about 11%, with no difference between men and women, and which would be unusual for the region. In all Mediterranean Arab countries, unemployment rates for women are typically much higher than for men, attributable to social and cultural factors whereby it is not acceptable for women to work in a number of fields of activities and in some geographical areas, .

Available statistics, in particular those from the ILO, indicate that the overall activity rate was around 48% in 2012, but that it was much higher for men (61%) than for women (33.7%). Similarly, the employment rate for men was much higher for men than for women – 51% compared to 25% – while the national rate was around 39%.

The most noticeable feature of the employment picture is the relatively high level of female participation in the labour market compared to other Mediterranean Arab countries. This is likely due to employment in the public sector, particularly in the health and education sectors, which are regarded as attractive choices for women as well as being socially acceptable.

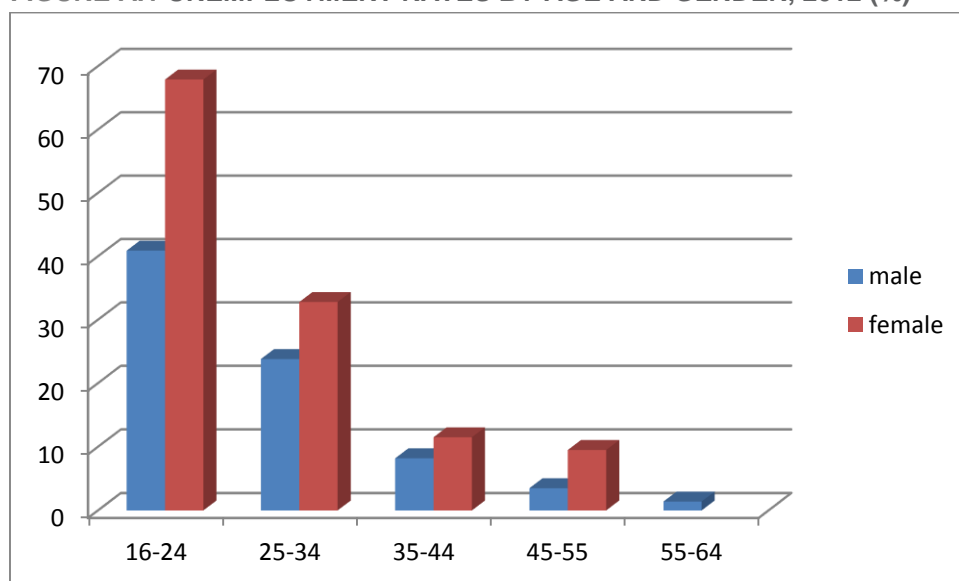
Unemployment affects primarily recent entrants to the labour market, namely young people, including those with a high level of education. Indeed, the enrolment rates in higher education are very high, leading to tens of thousands of graduate jobseekers entering the labour market with very limited

² Source: United Nations, Population Division, *World Population Prospects: The 2012 Revision*

³ Source: Libyan Transitional Government, Ministry of Planning, Statistics and Census Department, *2010 Statistical Handbook*

employment prospects. Although the public sector in Libya employs a high proportion of the labour force, its capacity to absorb educated young people remains limited.

FIGURE A.1 UNEMPLOYMENT RATES BY AGE AND GENDER, 2012 (%)



Source: National statistical office

The high number of immigrants⁴ in Libya indicates that job opportunities are available, but that the main beneficiaries are incomers, whether Arab or non-Arab. There are two main reasons for this paradox. The first is the reluctance of Libyans to take on manual work and the second is the incapacity of the education and training system to equip Libyans with the right skills for the job market. A number of government and non-government bodies agree that young people in Libya are unwilling to take up a large number of occupations, especially manual trades, preferring administrative jobs in government offices, banks or insurance companies, for instance. This is noticeable in a number of tourist establishments, restaurants and workshops, where the vast majority of workers are non-Libyans.

There is also a general agreement between employers, whether local or international, that the country's education and training system has failed to prepare young Libyans for the labour market.

The aversion of young people in Libya to manual jobs is also attributable to poor working conditions in these areas in terms of wages, social security and working hours, which may be acceptable to immigrant workers but not to Libyans.

All these factors have combined to create a situation familiar to other Mediterranean Arab countries and characterised by a high unemployment rate and a large population of migrant workers. A high-quality VET system can address some of these issues, but it may be relatively powerless to impact on Libyans' reluctance to take certain jobs.

Libya's exceptional public sector employment level has had an impact on the numbers returning to education through many channels. Firstly, the generous remuneration and benefits offered by the public sector have resulted in unrealistically high wage expectations that have exacerbated the unemployment problem. The queuing for public sector jobs, despite diminished job opportunities, is evidence that wages and working conditions in the civil service remain attractive. In particular, the

⁴ Estimated at 2.5 million by the International Organisation for Migration in 2011.

short working hours in the public sector offer many civil servants the possibility of taking on additional work in the private sector.

Secondly, the lure of public sector employment has influenced the number of people returning to education by directly affecting educational choices. By rewarding educational credentials in public employment with higher wages and additional fringe benefits, the government has encouraged investment in types of human capital that do not meet the requirements of a modern market economy, but instead meet the needs of state bureaucracies. Individuals in Libya have often sought higher degrees and certificates (rather than VET qualifications) to improve their chances of attaining public sector jobs, while paying little attention to the content and quality of the courses, or the requirements of the private labour market.

Finally, less demanding (and shorter working hours) public sector employment has also influenced the attitudes of people to work and especially their negative approach to manual work. There is a general reluctance among the Libyan people to engage in physical activities or the more demanding private sector roles. It is the widely held opinion of private employers in Libya that there is a lack of reliability and motivation among Libyan workers, who are seen as lacking in both cognitive and non-cognitive skills. At the same time, the oil revenues have allowed the government to rely on foreign workers to meet the skills requirements of the labour market.

An important dimension of public sector employment is a phenomenon called 'welfare-employment' or 'ghost workers', whereby salaries are paid, but workers are not held accountable for their productivity, or even presence, in the workplace. Working-time arrangements are also extremely favourable compared to the private sector, with its much longer working hours. Libyan government officials estimate that at least one-third of the 200 000 primary school teachers and 30 000 nurses on the government payroll are inactive, but continue to receive monthly salaries. Public sector employment has also given rise to rampant 'moonlighting', whereby public servants have a 'morning job' with the government and an 'afternoon' or 'evening job' in the informal private sector.

Another feature of the public sector is the significant over-employment in state-dominated fields and companies. Due to this over-employment, the number of new employment opportunities in the public sector is declining. Moreover, in many areas government institutions are reducing their staff. This is due to an expectation that they will be absorbed by the private sector – predominantly by small and medium-sized enterprises (SMEs). However, no major change or reform of the public sector is expected before the adoption of the constitution and the establishment of a stable government.

In the Libyan culture it is a common practice for those who do not work in the public sector to be registered as unemployed. Thus, workers in the private sector (mostly informally employed) consider themselves 'unemployed' because they do not have public employment. Even those who are employed in the public sector but who want to move to a better job within the sector, as well as private sector employees working under a formal contract, may register as 'unemployed' under the current system, as there is no national database or information technology system that can verify people's employment status. The comprehensive e-government project 'national identification number system', scheduled for implementation in 2014, will be a great boon for gathering accurate statistics and forming a realistic picture of the labour market situation.

Migration

Libya is a country of immigration – the flow of hundreds of thousands of foreign workers leaving Libya in the direction of neighbouring countries such as Tunisia and Egypt during Libya's war of liberation was proof of that.

Historically, the influx of immigrants to Libya began in the 1960s after the discovery of oil. With rising oil prices over the following two decades, the Libyan government drew up ambitious programmes in the economic and social spheres, but a lack of skilled workers made it necessary to attract large numbers of immigrants, especially from neighbouring Arab countries and in particular from Egypt and Tunisia. The 1990s saw a change in the composition of the immigrant workforce. As a result of the United Nations embargo on Libya and the country's unstable relations with neighbouring Arab states, the former regime adopted an open-door policy towards sub-Saharan African nationals, who began to enter Libya in greater numbers.

However, the deterioration in working and living conditions for immigrants, alongside changes to illegal immigration routes, ultimately turned Libya into a transit country on the way to Europe (especially Italy).

Before the outbreak of the war, the highest figures cited in international reports were 600 000 legal immigrants and between 750 000 and 1 200 000 illegal immigrants, according to data provided by the Libyan authorities when negotiating with the European Union in 2004. More recently, in its report of March 2011, the International Organisation for Migration assessed the number of immigrants in Libya at around 2.5 million, including 1 million from Egypt.

A study on the characteristics of this migrant workforce in Libya would provide valuable data for the technical and vocational education system. As a large majority of the migrant workers are employed by the private sector, information on the distribution of these workers across economic sectors and geographical regions, as well as their skill levels, would provide a good indication of the private sector's skills requirements.

Some studies (GIZ, 2011) indicate that many Libyans are aware that foreign workers are often more skilled than they are, and, in addition, are ready to take on work which Libyans would normally refuse to do. There is a prevalent belief that foreign workers receive lower wages than Libyan workers, despite a World Bank study from 2000 which showed that 20% of foreign workers receive monthly wages in excess of 300 Libyan dinars compared to no more than 12% of Libyans.

Economic performance

The oil and gas sector dominates the country's economy, with exports occupying an important position in the global energy balance. Proven oil reserves in 2011 amounted to around 48 billion barrels, representing 3.2% of global reserves. The hydrocarbon sector accounts for four-fifths of GDP, and in 2011 made up 95% of total financial revenues and 98% of export revenues.

Spurred on by the hydrocarbon sector, the Libyan economy experienced a resurgence in 2012 which lasted into 2013. The Central Bank of Libya expects net national income growth rate for 2013 of between 16% and 20%, while the IMF's expectation is 20%. This high growth rate is attributable to the hydrocarbon sector, but also to a surge in public-sector spending and generous transfers which boost family incomes and consumption, leading to a resurgence in the non-oil economy. It was predicted that the non-oil sector growth rate will return to pre-war levels at the start of 2014, but this depends on the return of stability and security to the country, and the creation of an environment conducive to private investment.

Data from the national statistical office records of 2009 demonstrated the status of the non-oil sector as a percentage of GDP in the following terms: real estate and trade activities – 11%; administration and social security – 9%; transport, storage and communications – 7%; construction – 7%; and wholesale trade – 6%. Agriculture has only a marginal presence, accounting for no more than 3%.

However, the economic weight of these sectors does not reflect their importance in terms of employment. The economically dominant oil sector contributes only a small number of jobs, which are

concentrating principally in a limited pool of highly skilled workers – mostly foreigners. According to the national statistical office, the most important sectors in terms of employment in 2012 were public administration and social protection, employing 34.6% of the workforce, followed by the education sector (32%), health and social work (6.8%), retail trade (5.6%), and transport and communication (4.5%).

According to estimates by the African Development Bank, Libya will invest around USD 290 billion over the next 10 years in improving its infrastructure, which will require a skilled workforce across the professions, linked closely or remotely to the construction sector. To what extent will the needs of the labour market be met by Libyan workers or immigrant workers? A number of factors need to be considered in answering this question, some of which are not related to the technical and vocational education system and its ability to equip young people with the skills required by the labour market, but rather concern what policies the government will adopt regarding immigration and the recruitment of foreign workers.

The capacity of an economy to create jobs depends to a large extent on its potential for growth and the availability of investment opportunities for the private sector, which in turn is reliant on the creation of a sympathetic business environment. Looking at *The Global Competitiveness Report* for 2012–13 (2011 data), the most significant factors impeding business in Libya are linked to government ineffectiveness, corruption, access to finance, an insufficiently educated workforce, unsuitable infrastructure and political instability. A largely unskilled workforce is one of the main obstacles to the development of the private sector. For this reason, improving the capacity and quality of technical and vocational education and its outputs cannot be viewed solely in terms of its capacity to respond to labour market demands, but should also be seen with regard to its ability to encourage private investment and so create job opportunities.

In 2013 the World Bank report *Doing business 2014: Understanding regulations for small and medium-size enterprises* looked for the first time at the situation in Libya. Supported by valuable data, the report ranked Libya 187 out of 188 participating countries in terms of its business environment, indicating the need for major improvements.

Informal sector

The inability to create sufficient employment in the formal labour market has given rise to a significant expansion of informal sector jobs in Libya. Employment in the informal sector – sometimes classified as the ‘non-observed’ economy – exists outside formal regulations, labour laws and taxation. The informal sector is defined by ease of entry, small-scale activities, micro-enterprises with a high proportion of family workers, limited capital and equipment, labour-intensive work, low levels of organisation and cheap provision of goods and services.

The characteristics of the informal sector (easy access, little capital required, low levels of formal education, not subject to complex procedural control, producing for low-income households), make it dynamic and heterogeneous, allowing it to provide employment for a large segment of the population, especially for those who have dropped out of education or who have only basic qualifications. The informal sector comprises a remarkable range of activities, including:

- underground production: defined as productive activities which are hidden from the authorities to avoid paying taxes and social security contributions or complying with laws and regulations;
- illegal production: i.e. that which is prohibited by law – for example, the drug trade, prostitution, gambling and the smuggling of arms, cigarettes or alcohol;

- production in the informal sector: defined as productive activities in the household sector and in micro-enterprises, which are unregistered, often to avoid compliance with regulations in order to reduce the cost of production;
- production for subsistence or family consumption.

While the informal sector is mainly subsistence-oriented, staffed by low-skilled workers and characterised by low productivity, it also includes dynamic, growth-oriented entrepreneurs who provide a large number of urban jobs across a wide range of industries, occupations and workplaces. Informal SMEs and micro-enterprises build markets, introduce innovations, expand trade and generate employment by facilitating labour-market flexibility, allowing entrepreneurs to tap into an adaptable workforce.

The size of the informal sector in Libya is, as in most countries in the region, uncertain but large. According to the African Development Bank (ADB, 2011), the country's informal economy provides as much as 30–40% of its official GDP. Informal employment is estimated at about 40–60% of total employment (1.6 million people are employed in Libya's formal economy). Although detailed or reliable statistics are unavailable for the informal economy, senior government officials estimate that between 1.2 and 1.6 million people are informally employed, mainly in the agriculture, construction and retail sectors. Thus, informal employment represents a significant share of Libya's job opportunities and is an important element of labour-market demand and outcomes.

C. EXTERNAL EFFICIENCY: ADDRESSING SOCIAL DEMANDS FOR VET AND PROMOTING SOCIAL INCLUSION

As indicated above, Libya has a very young population and in the coming years a large number of young people will be entering the labour market looking for work. With 50% of young people not economically active, there is now growing pressure on the labour market to provide employment for young people. At the same time, there is a need to equip these individuals with the right skills (at the appropriate level) to meet the labour market's needs.

A major challenge facing Libya in this regard – and it is common to a number of countries in the region – is the reluctance of young people to enrol in the TVET system, despite the labour market's pressing need for technical and vocational skills, a need which is often fulfilled by migrant workers.

Attractiveness of technical and vocational education and training

How attractive is technical education to potential students in Libya and to what extent is it able to facilitate the transition to higher levels of education or the labour market?

As in many Arab Mediterranean countries, the technical education sector suffers from a lack of popularity, despite the employment opportunities it offers and a growing awareness amongst parents of the positive role technical education could play in providing job opportunities for their children. Some reports show that around 80% of students who finish secondary education prefer to progress to higher studies at university rather than enrol in technical education programmes⁵. This results in overcrowding in higher educational institutions and a poor level of enrolment in technical education.

Perhaps one of the most important reasons for the unattractiveness of the technical education sector is that Libyans, especially Libyan women, prefer to work in the public rather than the private sector, possibly as a result of the comparatively poor working conditions and wages in the private market. However, there are also reasons related to the technical education system itself. This area of education suffers from the instability of its institutions and frequent changes in their supervisory bodies, which has a negative impact on its image.

In addition, the quality of the outputs of the technical education system does not always reach the required level. Many companies have highlighted the poor levels of qualifications of VET school graduates and the frequent need to provide them with the required skills through additional training courses. The poor quality of outputs is attributable to elements outside the technical education system, and beyond its control, but also to internal factors.

The external factors stem from the quality of the inputs to the system – that is, the outputs of the education sector. Although Libya has taken great strides in recent years in enrolment in primary and secondary education and in the number of students in higher education, the quality of public education remains poor. The *Global competitiveness report* (World Economic Forum, 2011) ranked Libya 123 out of a total of 128 countries in terms of quality of education. This low ranking is primarily attributable to poor standards of teaching, as a consequence of the isolation the country endured for more than a decade, which meant that the profession became shut off from modern teaching and pedagogical methods. The absence of clear teaching standards and agreed goals for attainment at each education

⁵ See, for example, GIZ, 2011.

level, as well as the poor state of equipment in science classrooms and language laboratories, also played a crucial role in lowering the quality of education in the country.

Other internal factors have had a negative effect on the quality of the sector's outputs and its attractiveness to potential students. The first factor is VET institutions' weak linkages with the labour market and other active stakeholders in the market; there is no real coordination with those areas of the economy which might help to align technical education provision with market needs. The little coordination which does exist between technical educational institutions and the world of work is the result of individual initiatives taken by trainers or individual schools' directors. However, because these initiatives are not institutionalised, they are unsustainable. The absence of educational standards, or at least their lack of transparency, means that neither the holders of qualifications themselves nor potential employers have an accurate sense of the knowledge, skills and competences of the graduates, while the poor facilities in many VET schools have certainly played a role on the unpopularity of the sector.

Lifelong learning

No space is given in the existing policies, strategies or action plans for lifelong learning or continuing education. There is no vision on how to integrate continuing education into the technical and vocational education sector. Developing continuing training provision could help training institutions become closer to the labour market and enable them to adapt their initial training and curricula to meet the needs of future employers. Adult education and training has long been ignored by both policymakers and providers of technical and vocational education, training and employment. It seems that all the reforms have been directed towards improving the provision of 'initial training'. Developing adult education and continuing training is not yet on the agenda of policymakers, and VET schools do not see it as part of their remit to provide such services.

Active labour market programmes

Legislative policy lacks a strategic dimension when it comes to the labour market. The Libyan government, including the Ministry of Labour and Rehabilitation, has recently issued decrees to better regulate the labour market, but the laws passed in the 1970s and 1980s are still in place, which has impeded progress. In addition, decisions made during periods of Arab and African enthusiasm are also still in place. All of this has led to disparities in Libyan labour legislation.

The Labour Market Committee⁶ has identified the incoherence of the legislative framework, the lack of involvement of social partners, illegal immigration and the shortage of reliable information as the most critical issues for the Libyan labour market today. In consultation with the ILO and the Arab Labour Organisation (ALO), work is currently underway to formulate a new labour law which will include provisions for modern labour relations and governing civil servants, as well as legislation to cover cooperation between social partners and workplace health and safety.

Information on the labour market

Beyond the obvious weaknesses in public employment services, the Ministry of Labour and Rehabilitation maintains no modern labour market information (LMI) system. Thus, the current LMI system has no capacity to construct indicators or conduct research and analysis. Labour market information is not collected and no labour force surveys are conducted. No effort made to identify or analyse private sector employment trends.

⁶ The Labour Market Committee was set up in 2012 to discuss and develop a general labour strategy for the reconstruction of the country; its members are representatives from the labour, education and economy sectors.

An effective information system should gather data across all sectors and professions, for example on available job opportunities, wage levels and the skills required by employers, alongside data on participation in the labour market (categorised by gender, age and level of education) and on unemployment. Ideally, this data could then be analysed, and trends identified, so that policymakers can better understand both labour market needs and the characteristics of jobseekers. Such data could also be useful to the latter group who could be better informed about available employment opportunities. Information on the labour market is crucial for the TVET sector to adapt its provision to meet the needs of employers.

The small amount of information that does exist is merely an archive containing an aggregation of ministries' employment records and provides little quantitative or qualitative information about public sector employment. It is mainly used to check on public sector employees who try to abuse the government incentive system by 'working' in more than one post and receiving multiple public salaries. Although the jobseekers' part of the LMI system contains a stock of information, this data is old, obsolete, and has never been updated. As such, it has rarely been requested by private employers.

Public employment services

Public employment service functions are carried out by the Ministry of Labour and Rehabilitation through its network of 72 labour offices around Libya which are responsible for: registering the unemployed; dealing with the formalities for hiring foreign workers; finding jobs for the unemployed, both in the private and public sectors; and providing training programmes for those without work. Labour offices do not provide any career counselling services (neither career counsellors nor counselling brochures or handouts are available to jobseekers).

Labour offices have the task of receiving and reviewing job applications and entering the details into a central database. The process for integrating information on job openings and jobseekers is still manual: jobseekers file job applications personally at the labour offices and a member of staff then enters the information into a database. Each week the records are transferred by a flash disk to a central job bank in the information technology department at the Ministry of Labour and Rehabilitation's headquarters. Furthermore, labour offices do not appear to have access to databases of training providers or national SMEs schemes, institutions or funding agencies.

The few computers at the Tripoli Labour Office are not available to jobseekers and are not connected to the Internet. Employers (public or private) who are seeking workers may request a shortlist of jobseekers' names.

During the first half of 2013 the Tripoli Labour Office received fewer than five inquiries from public sector employers and no inquiries at all from private sector employers looking for Libyan job applicants. However, in the same period they received 20 000 requests for foreign workers – typically, welders, pipe fitters and heavy machinery operators. The requests mainly came from employers in the private sector.

D. INTERNAL QUALITY AND EFFICIENCY OF INITIAL AND CONTINUING VET DELIVERY

A number of institutions, units or department are dealing with quality assurance, designing curricula and setting up qualification standards, but there seems to be no coordination between these bodies; hence, how they are interrelated and where the division of responsibilities lie remain unclear. The inability of the system to respond to the needs of society and the economy can be partly explained by its internal inefficiency.

Identification of skills requirements

The regime in Libya before the war did not allow for debate or any form of collaboration between the demand side, composed of social partners, and the supply side, represented by technical and vocational educational institutions.

Labour unions and employers were completely controlled by the political establishment and were mostly unconcerned with defending the interests of those they represented, given the extent to which they relied on the regime to control the workers and ensure their loyalty. As a result, these organisations have not developed their capacities or set up the necessary mechanisms to identify the needs of their members or to engage in active partnership with VET institutions in order to influence the quality and content of their provision.

On the other hand, the technical and vocational education system under the old regime was not primarily concerned with responding to the labour market's needs for skills; rather it was led by its ability to attract and accommodate students. The different training courses offered by the technical and vocational educational institutions were not based on any in-depth studies of the labour market and its requirements, but on other considerations such as students' wishes (even if these did not match market needs), the availability of equipment and the qualifications of teachers.

In addition to the lack of coordination in identifying skills requirements in the various economic sectors, the nature and the structure of the Libyan labour market did not facilitate the process of identifying training needs. As indicated above, there is a large informal sector but no statistics have been available to analyse it. In addition, the absence of agreed occupational standards, despite the existence of a national centre entrusted with their development, further hinders educational specialists in developing standards and qualifications. Even though Libya has ratified the Arab Occupational Classification, it does not appear to have been used in reviewing education and training curricula.

Developing curricula

Under the old regime, the former Department for Curricula, part of the Ministry of Labour and Rehabilitation (formerly the Labour Department), was responsible for planning, designing and managing educational standards as well as setting up assessment benchmarks and tools. It was in charge of devising curricula and setting the number of subjects (theoretical and practical) for each qualification. The majority of these standards are still in place, even though this department has been dissolved and removed from the organisational structure. Currently, if any modifications need to be made to a standard, or a curriculum, temporary committees are convened for this purpose. However, there are no guidelines for setting up these committees and who should be included, nor for what methodologies they should use to develop these curricula.

The Centre for Professional Standards, established in 2010 and operating under the Ministry of Labour, is the official body in charge of designing occupational and qualifications standards. However,

despite developing some methodologies and approaches for designing standards, it has been prevented from fulfilling its role due to the inadequate technical and financial support it has received from the Ministry of Labour, and previously from the Labour Office, as well as the lack of qualified human resources in this area. In the absence of such standards, vocational educational institutions have drawn up their own standards in an uncoordinated way, based on their own individual views.

Teacher training

In terms of training and capacity building for teachers and trainers, VET institutions nominate employees to attend centralised training courses provided by the Planning and Monitoring Department. However, due mainly to the absence of a performance monitoring and evaluation mechanism, these nominations are not based on an appraisal of the performance of the teachers and trainers or an assessment of the gaps between the skills of the candidate and the competencies required by the job. Moreover, the focus is on higher education studies rather than short training courses targeting particular skills.

In fact, there are no detailed and approved qualifications standards for teaching staff, except those mentioned in the statute of members of the university training board, which sets the minimum level of qualifications for every lecturer and trainer.

Quality assurance

The approval of qualifications falls within the remit of quality units run by the Departments of Technical Colleges and Higher Technical Institutes at the Technical and Vocational Education Board. These departments are responsible for determining if a student fulfils every graduation requirement. The Board's evaluation and assessment office supervises final examinations for intermediate technical diplomas and approves intermediate technical education certificates. The approval of foreign qualifications is undertaken by the Centre for Quality Assurance and Accreditation.

With regard to vocational training in particular, the Department of Quality of Training at the Ministry of Labour is responsible for ensuring that qualifications standards are in line with occupational standards (Arab Occupational Classification). This process generally starts with a curriculum proposed by a private VET provider according to a model designed by this department. Usually a committee of experts from labour market institutions based in the sector covered by the curriculum is formed to provide recommendations on the relevance of the programme to labour market needs. If the curriculum is approved, it can then be implemented and the qualification becomes recognised throughout the country.

No institution is currently monitoring and/or evaluating the quality of technical and vocational education qualifications and their relevance to the needs of the labour market. Officially, the Centre for Quality Assurance and Accreditation is the organisation responsible for this area; however, no evaluation tools have been implemented. A number of tools have been developed and made available to the educational institutions, but they are not used. This is partly due to the absence of a unit to conduct surveys and interviews to measure students' and employers' satisfaction with the training. It is also due to the absence of clear mechanisms for following up graduates and recording their employment outcomes, including the extent to which the role they enter corresponds to their educational qualification. It appears that there is a gap between the assessment mechanisms (which are yet to be approved) of the Centre for Quality Assurance, and the current practices of educational institutions.

The situation is the same in vocational training. Although the Department of Quality of Training does not endorse any vocational training programmes without the approval of labour market representatives (two experts), the department relies on the regional labour offices, which do not have any active mechanisms to assess whether training programmes are relevant to the local labour market needs.

Entrepreneurial skills

There is no clear strategy to encourage or support entrepreneurial skills. Some schools, colleges and training centres promote the development of these skills through various projects, but this depends largely on the interest and capacity of individual teachers. In 2011/12 the British Council and the National Board for Technical and Vocational Education launched an initiative to promote innovation and entrepreneurship amongst young people in higher technical educational institutes. This initiative became an annual programme called the Libyan Leadership Competition. Covering all higher education students (universities and technical studies), its aim is to encourage ideas for new and innovative projects to serve the domestic and international labour market.

E. GOVERNANCE, INCLUDING FINANCING OF THE INITIAL AND CONTINUING VET SYSTEM AND INSTITUTIONAL CAPACITIES FOR CHANGE

Initial technical and vocational education (TVE) is organised and managed separately from continuing training, and is located in different centres. The former is the responsibility of the National Board of Technical and Vocational Education, in the Ministry of Higher Education and Scientific Research, while the latter is managed by the Ministry of Labour and Rehabilitation, mainly through some 450 private providers offering courses in information technology and the English language.

In addition to these ministries, many other governmental actors at both national and sub-national levels are involved in one stage or another of TVET policy design and implementation, such as the Ministry of Planning, the National Board of Economic Development, the Centre for Quality Assurance and Accreditation, the Centre for Occupational Standards, the regional offices of the Ministry of Labour, and the regional offices of TVE.

Social partnership

There is a lack of any clear participation of industrial organisations, employers and other non-governmental actors in TVET. Although decision makers associated with both the National Board of Technical and Vocational Education and the Ministry of Labour and Rehabilitation are convinced that the engagement of these actors is a priority, no one has yet taken a significant step forward.

The lack of dialogue between demand and supply institutions is a key weakness of the Libyan TVET system. As a result of such factors, graduates' competences do not match the vacancies or the skills requirements of the labour market. The supply of knowledge, skills, attitudes and competences through education and training needs to be more closely aligned with employers' needs, which will, in turn, support the wider development of communities and society. This means forging a stronger link with the specialists in the field to promote the skills requirements of various occupations, but also developing other ways in which schools and industry can work together. For technical and vocational education, and training in particular, this means building a framework to support dialogue and collaboration between the school sector and the world of work, at different levels and covering a range of activities.

There is an urgent need for strong partnerships and dialogue links to be set up and formalised through collaborative arrangements and memoranda of understanding with such key bodies as the Federation of the Chambers of Commerce and the Businessmen's Council. Industries like petrol and gas, manufacturing, commerce and information technology, plus a range of artisan trades and professional occupations – some of which already have extensive training programmes – can be encouraged to enter into bilateral or multilateral partnerships as important areas for dialogue and collaboration are identified. The recent establishment of sector skills councils represents a positive step towards developing closer ties with businesses.

Just as government directorates and agencies require organisation, training and capacity building to engage in this kind of activity, so bodies such as industrial unions and chambers of commerce will also need encouragement to participate in initiatives that they can see are worthwhile. Needs analysis can help to focus attention on the gaps in the current system and identify priorities for action. This process should also highlight the ways in which organisation, training and capacity building can help to forge dialogue and partnerships, in a context that has previously been marked by a strong government lead and little engagement from other parties. This shift of roles and responsibilities is not easy to achieve.

In this respect, sharing the experience and skills gained in other countries in the region should prove helpful.

Finally, and importantly, the establishment of a high-level committee or group to oversee the coherence of reforms should ensure that the world of work is effectively represented.

Responsiveness, autonomy and accountability of VET providers

As is the case in most countries in the region, public training providers have little or no decentralised management responsibilities, nor are they incentivised to innovate or to carry through reforms. Among other things, modernising training provision entails building close links between individual schools and a number of local workplaces. This means making sure that the knowledge, skills and competencies that young people learn are consistent with the skills needed in the local labour market, both currently and in the future. Such partnerships clearly relate to the transition between school and work and to making the best use of the available learning environments to optimise learners' outcomes.

Improving the evidence-based policy approach to steering VET policy making in multi-participatory environments

There is a lack of evidence concerning both the skills needs of the labour market and the most efficient way of managing the available financial and human resources in the education and training sector.

As new partners and stakeholders become actively engaged in dialogue and collaboration, the need for more transparent information and procedures is highlighted. Since, in the Libyan context, both basic data and published information depend on input supply, ensuring that information systems are modernised and improved is a key priority.

Finance and funding

Public TVET is mostly financed from the public treasury⁷ and under the management of the Ministry of Finance. This is particularly the case for Chapter 1 of the budget (salaries and incentives) and Chapter 2 (operational expenses). The Ministry's Director of Accounts and Budget receives annual financial proposals from all public entities, amends as necessary, then distributes funding. The third chapter concerns development plans and is under the management of the Ministry of Planning⁸. The European Union⁹ and other donors such as the United Nations Development Programme (UNDP), contribute to the budget on a project-by-project basis. There are no taxes or levies on employers, who mostly leave training to the state. City authorities may contribute, while the resources that providers raise (at least, in the public sector) are small, with learners making only minor contributions to the financing of their studies.

Budgeting takes place with little reference to development plans. The Ministry of Planning expects public sector institutions to provide their annual plans without reference to any general framework. Each organisation produces its proposal in its own way, and not on the basis of projects and programmes prioritised by the government. There remains a lack of open and policy-related discussion at the analysis stage. A committee composed of actors from almost all economic sectors,

⁷ Estimation 2012. Annual expenditure on public vocational educational institutions per student is LYD 6 700 (EUR 1 = LYD 1.7).

⁸ The figures are 60% for Chapter 1 and 20% for Chapters 2 and 3.

⁹ The European Union is supporting the modernisation of the TVET sector through a project with a budget of EUR 6.5 million.

officially called the 2030 committee, has been established to develop the national strategy 2014–30; this process has begun to set goals and priorities for the years 2014 and 2015.

Managers in the appropriate directorates-general have the authority to administer the allocated budget for Chapters 1 and 2, within prescribed limits. This power is also delegated to the intermediate-level authorities, but principals have no devolved authority to make budget decisions. As to developments and projects (Chapter 3), only the representatives of the National Board of Technical and Vocational Education and the Ministry of Labour and Rehabilitation can make decisions on the proposals coming from different directorates, offices and VET institutes.

Financial auditors and controllers in the ministries are responsible for ensuring that budgets are spent as approved¹⁰. In this respect, there are three main regulators: the Audit Bureau, the Administrative Control Authority, and the Fight against Corruption Authority. Parliamentary committees also have a monitoring function. However, there is no effective information management system and no requirement for the detailed publication of government accounts, for example; and, in particular, there is no tradition or requirement for transparency in matters of VET funding.

¹⁰ This process is composed of several stages and ends with the accreditation of the budget law, which regulates the process of financial allocation and distribution for the public sector.

RECOMMENDATIONS AND CONCLUSIONS

Analysis of the TVET sector in Libya leads to a number of recommendations, put forward here for the consideration of the various stakeholders involved in its design, planning and implementation.

Setting up a vision and a strategy for the sector

Ministries, public agencies and representatives of the labour market should work together on developing a vision and a strategy for the sector. This plan should be embedded in, or coordinated with, national strategies in other areas – for example for economic development or education – and it should address such issues as the VET system's overall relevance and level of alignment with other sectors, its priorities for growth, and its role in addressing the country's economic, social and sustainable development challenges. However, the current political situation in Libya and the absence of a clear development strategy for the country do not constitute a conducive environment for setting up a vision and a strategy for the sector. Nevertheless, the sector cannot continue to operate in total isolation from the labour market and enterprises which continue to require qualified workers.

Institutionalising partnership

A framework is required to support cooperation between all stakeholders to ensure that they are involved in the entire policy cycle. There is currently no tradition of social partnership in the TVET sector, and employers' organisations and trade unions will need to rethink their role in this regard – although this is also the case for many public institutions. The work on a vision and a strategy for the sector would constitute a good starting point for this cooperation. The initiative recently taken by the TVE Board to establish sectors skills councils in the various economic sectors constitutes a step in the right direction and should be encouraged.

Developing a labour market information system

A TVET sector cannot function properly without information from the labour market. The questions that need to be considered are as follows: What courses should be offered, leading to which qualifications? What is the employment rate of graduates and how satisfied are employers? Answering such questions should provide the type of valuable information that is needed by the TVET sector to adapt to the changing needs of the labour market. In the short term, and given that currently no labour force survey is conducted in the country, the government should carry out a joint needs and feasibility study, working with actors in the private sector, to define:

1. how more accurate and more complete information can be made available to the public and stakeholders concerning training budgets education, and expenditure; and,
2. how accurate and up-to-date labour market skills needs analysis can be more coherently conducted and made available to policymakers and stakeholders.

This work should be coordinated through the Ministry of Labour's Information and Documentary Centre.

In addition, a study on the transition from school to work would provide valuable information on the obstacles facing young people entering the labour market and on the relevance of their skills in terms of companies' needs.

Given also the importance of foreign workers in the country, a study on immigration may provide relevant information about skills needs and qualification levels.

Better coordination between public bodies

The report revealed that there is very little coordination between public institutions operating in the TVET sector, which is partly due to the legacy of the previous regime. In particular, the ministries of Labour and of Higher Education (TVET Board) need to work together to clarify their roles, resolving such questions as: which institution should be in charge of setting up professional standards; who should design the curricula; who accredits VET providers. More importantly, a mechanism should be set up to ensure that these institutions work together in a coordinated way.

Increase responsiveness, autonomy and accountability of VET providers

Schools should be given more autonomy to develop aspects of the curriculum, teaching and learning programmes or assessment procedures to meet the local needs of the labour market. This could be initiated in some pilot centres before being extended to the whole system.

The Libyan TVET sector is facing huge challenges and will need to undergo a profound reform in order to play an active role in the growth and diversification of the country's economy. Addressing the challenges discussed here, among others, requires enormous resources (in particular human resources) that the country may not currently have. Indeed, Libyan public institutions suffer from weak capacity and a lack of technical expertise. Furthermore, the country's institutional capacity and structures were seriously undermined under the 42-year rule of the previous regime, which was designed to maintain a centralised decision-making structure that would limit any potential challenge to authority.

Consequently, we suggest prioritising these recommendations and starting with those that are seen as most important. Our view is that the first priority should be the development of a vision and strategy for the sector, as this will establish a framework in which all other activities can take place. The second priority should be the setting up of a labour market information system, as no TVET system can function without reliable and up-to-date information on the labour market. The third priority should be the establishment of a framework to support cooperation between the sector and labour market representatives.

ACRONYMS

ETF	European Training Foundation
EUR	Euro (currency)
ILO	International Labour Organisation
IMF	International Monetary Fund
LMI	Labour market information
LYD	Libyan dinar (currency)
SMEs	Small and medium-sized enterprises
TVE	Technical and vocational education
TVET	Technical and vocational education and training
USD	United States dollar (currency)
VET	Vocational education and training

BIBLIOGRAPHY

ADB (African Development Bank), *African economic outlook 2011: Libya*, 2011.

ADB (African Development Bank), *Economic brief – Libya: post-war challenges*, September 2011.

Consortium for Applied Research on International Migration, *Migration profile: Libya*, June 2011.

GIZ (Gesellschaft für Internationale Zusammenarbeit), *Libya – Building the future with youth: challenges for education and employability*, GIZ, Bonn, 2011.

IMF (International Monetary Fund), *Libya beyond the revolution: challenges and opportunities*, IMF, Washington, DC, 2012.

National Board of Technical and Vocational Education, *A vision for the TVE sector: Libya*, 2012.

National Planning Council, *Culture of advancement and sustainable development*, Final report on Libya's 2025 Future Vision, 2008.

World Bank, *Country data report for Libya 1996–2013*, World Bank, Washington, DC, 2013.

World Bank and IFC (International Finance Corporation), *Doing business 2014: Understanding regulations for small and medium-size enterprises*, World Bank, Washington, DC, 2013.

World Economic Forum, *The global competitiveness report 2010–2011*, WEF, Geneva, 2010.

CONTACT US

Further information can be found on the ETF website:

www.etf.europa.eu

For any additional information please contact:

European Training Foundation
Communication Department
Villa Gualino
Viale Settimio Severo 65
I – 10133 Torino

E info@etf.europa.eu

F +39 011 630 2200

T +39 011 630 2222

