TORINO PROCESS 2016-17

JORDAN

EXECUTIVE SUMMARY

Executive summary of the Torino Process 2016–17 Jordan report.

Find the **full report on ETF Connections: Torino Process Platform Library** at:
https://connections.etf.europa.eu/communities/service/html/communitystart?communityUuid=79f686f5-87e0-4f04-90e1-a1fa53900ca2

Acronyms

BAU	Al-Balqa' Applied University
CAQA	Centre for Accreditation and Quality Assurance
E-TVET	Employment and technical and vocational education and training
HRD	Human resources development
ILO	International Labour Organisation
JOD	Jordanian dinar
NCHRD	National Centre for Human Resources Development
SMEs	Small and medium-sized enterprises
TVET	Technical and vocational education and training
TVQF	Technical and Vocational Qualifications Framework
VET	Vocational education and training
VTC	Vocational Training Corporation

TORINO PROCESS 2016–17 JORDAN

EXECUTIVE SUMMARY

1. Introduction

Economic growth in Jordan has been quite slow over the last three years (2014–16), preventing the creation of enough jobs to absorb the new entrants to the labour market and leading to a higher unemployment rate, particularly among young people. The situation has been exacerbated by an influx of refugees, putting more pressure on the labour market and on the current limited capacity of the technical and vocational education and training (TVET) system to equip jobseekers with the skills they need.

TVET policies and provision in Jordan involve various levels of government, multiple ministries, the private sector and a wide range of stakeholders. Aligning these interests demands effective coordinating structures of governance, a policy framework that incentivises cooperation, and strong leadership. The current governance arrangements in the TVET system do not enable that, since they are rather fragmented and allow for little cooperation.

Equipping people with the right skills for current and future needs requires a structured labour market information system that can inform the various stakeholders about these needs. Also needed are well-qualified teachers and a rigorous quality assurance mechanism that supports the entire qualifications system. Very few of these requirements are currently being met in Jordan.

To address most of these issues, in September 2016 the government adopted the National Strategy for Human Resources Development 2016–2025 to 'enable the Kingdom to meet its goals for sustainable development, which includes the development of the nation in economic, cultural, social, and environmental terms. It will ensure current and future generations develop the skills and capabilities they need to live happy and fulfilled lives, and collectively realise the ambition of a prosperous and resilient Jordan'.

2. Main findings

Vision and progress

A key feature of the employment and technical and vocational education and training (E-TVET) ecosystem in Jordan is the perpetuation of policies and strategy design together with limited implementation.

To date, and prior to the approval of the new human resources development (HRD) strategy, there have been several coexisting strategies that have had an impact on TVET.

The most important strategy is the Jordanian vision for 2025. Jordan 2025 charts a path for the future and determines the integrated economic and social framework that will govern the economic and social policies based on providing opportunities for all. Its basic principles include promoting the rule of law and equal opportunities; increasing participatory policy making; achieving fiscal sustainability; and strengthening institutions. Jordan 2025 identifies a set of goals to which Jordan aspires. It sets out how these can be achieved through certain procedures and policies that will be adopted at sector level according to a flexible timetable that takes into account global and regional developments and responses to such developments (*Jordan 2025: A National Vision and Strategy*).

The second strategy is the National Employment Strategy 2011–2020. It precedes Jordan 2025. It focuses 'on employment generation: improving standards of living for Jordanians through increased employment, wages, and benefits, and productivity improvements'. It promotes, among other things, the gradual replacement of foreign workers with (skilled) Jordanians, gives more attention to structural unemployment and focuses on the upgrading of the TVET system.

The National E-TVET Strategy 2014–2020 is the strategy most closely related to TVET. It is based on the following realisation: an effective, efficient, competitive, flexible and responsive E-TVET sector – as part of the broader system of human resources development – will re-shape the skills of the labour force and contribute to the development of Jordan's human capital, address mismatches between supply and demand for labour, provide more employment opportunities for the Jordanian workforce, and support the values of inclusion and opportunity for all Jordanians, particularly youth and women.

Finally, in September 2016 the government adopted the new Strategy for Human Resources Development to 'enable the [country] to meet its goals for sustainable development, which includes the development of the nation in economic, cultural, social, and environmental terms. It will ensure current and future generations develop the skills and capabilities they need to live happy and fulfilled lives, and collectively realise the ambition of a prosperous and resilient Jordan'. This strategy recognises that despite the many initiatives and strategies that have been implemented, 'student learning outcomes are lagging and the skills of graduates are not meeting the needs of the economy'.

There is no evidence to assess the extent to which the E-TVET strategy has been implemented and has or has not achieved all or parts of its objectives. It is also very difficult to say how the HRD strategy builds on the success or failure of the E-TVET strategy and how it will manage to achieve the objectives that the E-TVET strategy has failed to achieve.

Effectiveness and efficiency in addressing economic and labour market demand

Overview of economic and labour market factors that shape demand for skills

Economic growth has been quite low during the last three years (2014–16), ranging between 2% and 3%. This has affected job creation and the demand for skills. The political instability in the whole region following the Arab Spring is one of the main factors in the decrease in foreign direct investment observed in recent years. The business environment has also not been conducive for investors[1]. Furthermore, the private sector is dominated by small and medium-sized enterprises (SMEs) which represent around 94% of existing companies, account for more than 60% of economic output and employ more than half the labour force. This is another factor that might have an impact on skills demand. These enterprises are much more vulnerable to external shocks and are not sufficiently organised to express their needs, particularly in terms of skills.

[1] According to *Doing Business 2016*, Jordan ranked 113 out of 189 economies; enforcing contracts (126), resolving insolvency (146), and getting credit (185) remain among the major challenges for investors.

Another characteristic of the labour market, which has an influence on skills demand, is the informal sector, which is significant in Jordan. The International Labour Organisation (ILO)/Fafo (2015)[2] estimates that 50% of Jordanians work in the informal economy, compared to the 2010[3] figure of 44% of total employment; 99% of Syrians in Jordan also work in the informal economy.

In addition to these economic factors, demography plays an important role in shaping the skills demand. Jordan's population has multiplied more than twelvefold in 60 years through natural growth and population inflows. Jordan's working-age population (15–64) is predicted to continue growing rapidly, reaching 4.4 million (or 67% of the population) in 2020.

Jordanians' attitude towards work is an important element to consider when assessing skills needs. The ILO's youth transition study found that young males rejected job offers in the majority of cases on the grounds of low pay (58%), while inappropriate workplace conditions (28%), followed by low pay (26%), were the most important reasons given by young females[4]. Employers in the private sector often praise the employment skills of foreign workers and their flexibility and willingness to work hard and put in long working hours; on the other hand, they complain about the high expectations of young Jordanians, whose increasing levels of education lead them to expect well-paying desk jobs close to home.

Another important feature of the Jordanian labour market that has been observed for more than a decade is the persistent gender employment segregation. Jordan has one of the lowest female labour market participation rates in the world (13.3% in 2015). This figure has remained relatively stable for the past three years, meaning that more than 86% of women of working age are inactive, and that only about one woman in every 10 is working or actively looking for a job. This is in stark contrast to the average inactivity rate of men in the same period (40%).

Solutions to identify the demand for skills

Many tools have been developed in recent years to better identify the demand for skills. However, the labour market and human resource information sources remain fragmented, preventing education and training from becoming more demand-driven and meeting labour market needs.

The Ministry of Labour operates and maintains a National Electronic Employment System[5], which is an online platform to match jobseekers and employers. The system provides a partial picture of the skills required and offered.

The National Centre for Human Resources Development (NCHRD), in coordination with the Ministry of Labour, has conducted sector surveys – three in 2013, six in 2014 and three in 2015[6]. The studies look at current and future labour market needs in terms of skills and match them with the current training provision. Each of the studies provides a breakdown of the workforce in a particular sector by occupation, gender and education level. It also analyses the training provision in terms of level of qualification and number of training programmes.

The work being done by the NCHRD in conducting sector surveys is a good step towards a better identification of labour market trends and it can be considered as progress towards a better

---

[2] Stave, S.E. and Hillesund, S., *Impact of Syrian refugees on the Jordanian labour market: Findings from the governorates of Amman, Irbid and Mafraq*, International Labour Organisation and Fafo Institute for Applied International Studies, ILO, Geneva, 2015.

[3] *The informal sector in the Jordanian economy*, United Nations Development Programme, 2013.

[4] Barcucci, V. and Mryyan, N., *Labour market transitions of young women and men in Jordan*, ILO, 2014.

[5] See http://nees.jo/ (in Arabic).

[6] The sectors covered so far are: health; the food, beverages and tobacco trade; agriculture; garments; furniture; hairdressing; monetary intermediation; electro-mechanical installation; maintenance and repair of motor vehicles; engineering and electrical industry; and retail sale of automotive fuel in specialised stores.

understanding of the dynamics of the sectors and their evolving needs in terms of skills. However, it should be complemented by other matching tools (only the Vocational Training Corporation (VTC) conducts tracing studies) and used by training providers such as the VTC, the community colleges or the vocational schools to adapt their curricula or their provision to the results and recommendations of these studies.

Access to work through better transition

Jordan developed a Career Guidance Strategy, which it adopted in 2011. It aims to provide young people with realistic, transparent and up-to-date information. However, it has not been followed up seriously by concrete action and implementation has started very slowly, mainly due to a lack of funding and an absence of common ownership on the part of the stakeholders. The lack of an updated, dynamic labour market information system that relates career guidance to the professions and occupations demanded by the labour market might constitute one of the main challenges facing the career guidance process.

Some studies on the transition from school to work have been conducted with the support of the international community (ILO, 2012). However, they are not regularly updated and their conclusions are not necessarily taken on board when designing polices.

All of this suggests that little has been achieved with regard to easing the transition from school to work.

Effectiveness and efficiency in addressing demographic, social and inclusion demand

Overview of sociodemographic factors that shape demand for VET provision

The refugee crisis caused by the turmoil in Syria has been by far the most important factor affecting the social inclusion agenda in the last four to five years. There is growing concern about the potential economic and social effects of the large influx of Syrian refugees into the country, including potential negative effects on the labour market. Indeed, the political unrest in neighbouring countries has resulted in a high influx of refugees from other Arab countries such as Iraq, Egypt and Libya. According to the 2015 census, 1 265 000 Syrians[7], 130 000 Iraqis, 636 000 Egyptians and around 200 000 people of other nationalities live in Jordan. This large influx of refugees has an impact on the labour market, especially lower-level jobs.

Syrian refugees who do not live in camps currently work mainly in crafts and related trades, as service and sales workers, plant and machine operators and assembly workers. They work primarily in the construction industry, in the wholesale and retail trade and repair industry, in manufacturing and in the hospitality and food service industry.

From a Jordanian perspective, the influx of Syrian refugees has at least two major implications for the Jordanian labour market: a loss of opportunity to increase the employment of Jordanians in low-skilled jobs and an overall deterioration in working conditions, leading to greater decent work deficits.

In terms of vocational education and training (VET) provision, the major providers are the VTC and the National Employment and Training Company. They do not enrol Syrian refugees in their schools unless they are supported by international cooperation agencies in doing so. The number of beneficiaries amounts to only several hundreds.

However, things are changing following an agreement – the 'Jordan Compact' – made between Jordan and the international donor community at the 'Supporting Syria and the Region' conference

[7] A total of 629 627 refugees are registered with the United Nations Refugee Agency (UNHCR) as of 19 October 2015.

held in London in February 2016. Driven by the idea of turning the Syrian refugee crisis into a development opportunity, it calls for renewed international and local efforts to promote economic development and formal job opportunities that will benefit both Syrian refugees and Jordanian host communities. To that end, it suggests increased foreign investment and exporting opportunities for Jordan's industries, which notably entails the opening up of the European Union market with simplified rules of origin. It also calls for increased international assistance to the host communities affected by the inflow of Syrian refugees. This is summarised in the Jordan Response Plan 2016–2018 as a short- to medium-term response (Ministry of Planning and International Cooperation, 2015). Conversely, Jordan will allow the Syrian refugees working in the informal labour market to regularise their situation by cutting the cost of work permits to a symbolic JOD 10. As part of this agreement, Syrians can benefit from specific vocational and training projects supported by international organisations.

Access, participation, progression

Most training provision is public and consists of two years of secondary vocational education in comprehensive upper secondary schools under the auspices of the Ministry of Education; vocational training provided by the VTC; and technical education delivered by community colleges.

Entry to each type of education depends on grades, and the pathways from one type to another are very limited. Almost 90% of students who complete the 10th grade of basic education are streamed, on the basis of their performance, either to general education (high performers) or to vocational education in the comprehensive secondary schools. The remaining 10% (low performers) can continue to one of the VTC institutes.

The General Secondary Education Certificate examination (*Tawjihi*) determines whether students are qualified to go to university. Without the *Tawjihi*, students have access only to the VTC, and VTC students are prevented from progressing to any form of advanced studies. The gap between vocational and academic education can be made through the *Tawjihi* and community college, but this only works in a few cases.

VET students who successfully complete the *Tawjihi* have access to community colleges, where they can obtain a diploma and may then progress from community college to university. Less than 4% of secondary VET students are able to bridge the gap and get to university.

Pathways are opening up between vocational training and higher education. Indeed, following an agreement made between the VTC and Al-Balqa' Applied University (BAU) in 2012, graduates from some VTC institutes who pass the *Tawjihi* can enrol in a two-year diploma programme in a community college, and VTC graduates who do not pass the *Tawjihi* can still have access to a one-year technical diploma at the VTC. However, this type of bridging at technician level is still limited for VTC students.

Despite the increasing need for more technical and vocational skills, TVET careers are not considered attractive for both social and economic reasons, and students with high grades opt for general and academic education rather than vocational or technical streams. The unattractiveness of TVET is due to the poor image of technical and vocational careers, the wages and working conditions, and the expectations that young and unemployed people have regarding wage levels and professional careers.

Delivering to socioeconomic and inclusion demands and objectives

The Ministry of Labour has implemented satellite training and employment projects focused on women in rural areas in regions officially categorised as disadvantaged. Most of them are in the garment industry. Under these schemes, factories agree to provide on-the-job training, hire women for 12 to 24 months upon completion of the training period, and pay them at least the minimum wage in addition to social security contributions and benefits. In return, during the 18-month training period, the employer receives a wage subsidy of between 30% and 50%, a transportation allowance, a social

security subsidy and a meal a day per trainee. The satellite unit building is rent-free for the first five years of operation.

Although the training outcomes of this programme were generally perceived positively by the employers in the ILO's 2012 evaluation, some have argued that employers see the programme as an opportunity for subsidised production rather than a chance to develop the workforce's skills. On-the-job training is based mainly on informal 'learning by doing' under the supervision of a senior worker, and the programme does not involve skills tracking, testing or certification.

Internal efficiency of the VET system

Teaching and learning

There has been no progress since the Torino Process 2014 round regarding teaching and learning. The same recruitment procedures for teachers have been used, though many actors have pointed out the huge discrepancies between the needs of the public training providers in terms of teachers' qualifications and the teachers recruited by the Civil Service Bureau.

Teachers and trainers in the VTC and the Ministry of Education are appointed through the Civil Service Bureau. They usually have the required academic qualifications but generally lack practical experience and professional pedagogical skills.

They are evaluated on the basis of civil service by-laws and regulations for evaluating government employees. A performance record form is used to document the trainer's performance over the year and is later used for an annual report. Trainers from the VTC are evaluated according to specific criteria that include trainees' dropout rate, the percentage of trainees who are successful on the course and employment rate after graduation. However, the absence of tracer studies at school level means that no accurate data is available on employment after graduation.

In the BAU community colleges, teachers and trainers are evaluated by students using special forms, which give some kind of feedback to the teachers and trainers in question. There seems to be no other evaluation mechanism for this category of trainer.

The main teaching and learning method used in TVET institutions is lecturing. The teacher is the main provider or the only source of knowledge and information and students are supposed to be listening and receiving. Teaching and learning aids are not used sufficiently or effectively by teachers. This is due either to a shortage of the required equipment and learning resources or to a lack of capability or willingness on the part of teachers to use them.

The three main public TVET providers – VTC institutes, vocational schools run by the Ministry of Education and community colleges run by BAU – have a shortage of teachers and trainers and find it difficult to retain qualified staff. The lengthy process of recruiting new trainers and teachers, who have to go through Civil Service Bureau regulations, and the relatively low salary are among the main reasons for the shortage.

Although teaching jobs are highly regarded and respected in Jordanian society, the relatively low salaries negatively affect the living conditions of teachers and trainers, forcing them to resign to get better salaries in industry or establish their own businesses.

Learning conditions

Whether they are enrolled in Ministry of Education schools, VTC institutes or community colleges, learners are exposed to similar training environments.

Traditional, outdated teaching and learning methods, where teachers provide knowledge or information and students are supposed to receive this knowledge, are the main methods used. The

use of modern and advanced teaching and learning methodologies is limited because teachers lack the skills to apply such methodologies or there is a shortage of the necessary equipment and resources[8].

Facilities, particularly workshops, classrooms and labs, are generally sufficient to meet the needs of the training programmes offered. However, the lack of regular maintenance means they are not used appropriately.

To overcome these deficiencies, the VTC implemented an apprenticeship training programme several years ago. However, development of this scheme is hampered by the high percentage of SMEs and the need for intensive training follow-up by VTC training staff to ensure that the required training is applied in work situations.

With the support of the ILO, a national apprenticeship framework was developed in 2015. It is built around the following components: involvement of stakeholders; standards and frameworks; enrolment; employment or training contract; rights at work; funding; training modes; training content; and employment. However, no concrete steps are being undertaken to implement this framework.

Quality assurance

One of the main achievements of the TVET system in the area of quality assurance in Jordan, already highlighted in the previous round of the Torino Process, is the establishment of the Centre for Accreditation and Quality Assurance (CAQA). This is an independent body tasked with licensing and accrediting vocational training institutions and programmes. It is also the managing body for the Technical and Vocational Qualifications Framework (TVQF). CAQA is unusual in its combination of (i) quality assurance functions and (ii) occupational assessment and occupational licensing functions. Occupational testing and licensing are usually functions undertaken by industry through professional associations, employers' associations, industry training organisations or Chambers of Commerce and Industry. Given that the same body is responsible for granting occupational licences and awarding qualifications, the potential for confusion is recognised.

CAQA's standards do not cover everything, as in reality they apply only to private providers. Public providers follow their own procedures (set by the Higher Education Accreditation Commission for community colleges), which generally focus on internal quality control by monitoring competence within establishments in terms of inputs, processes and outputs. There is little external quality control or evaluation of the effectiveness of institutions' outputs. Institutions and trainers are not held accountable for training outcomes.

One of the main areas in which progress has been made in quality assurance is in the design of a quality assurance framework for training providers. Implementation has been rather slow, however, as it has not yet been adopted by the major training providers.

Learning outcomes

Significant progress has been made in the implementation of the current TVQF approved by the E-TVET Council in 2014 and piloted since 2015. It is the first attempt in Jordan to establish a qualifications framework. Approximately 15 qualifications (from the Ministry of Education and the VTC) were to be registered in 2016.

[8] Interviews with the National Institute for Training of Trainers Director, the Quality Control Director (VTC) and the Director General of Vocational Education (Ministry of Education).

In order to align the TVQF with the existing Jordanian system of five occupational levels and to accommodate existing naming conventions, the proposed national qualifications framework is composed of eight levels. The TVQF covers levels 1 to 4.

The descriptors used for qualifications in the TVQF are 'knowledge' (factual and theoretical), 'skills' (cognitive and practical) and 'employability skills'. The framework specifies the purpose, entry level (age and certificate) and 'volume of learning' (in terms of credit hours and duration in months) for each qualification, suggesting that qualifications are not defined by learning outcomes but rather by inputs.

Governance and policy practices in the VET system

Update on governance arrangements

The new HRD strategy envisages the establishment of a Skills Development Corporation to oversee vocational education, vocational training and technical education (provided by community colleges). Both CAQA and the E-TVET Fund (renamed Skills Development Fund) will also operate under this new body. There is currently no timetable for the implementation of this strategy and this new body but it will entail huge changes in the system as it may bring much more coherence to the TVET sector and open pathways between its different sub-sectors.

Assessment of governance arrangements

Governmental institutions

The TVET system is composed of three main sub-sectors: vocational education, vocational training and technical education, each of which operates under a different ministry. The sector as a whole is managed by three councils that do not cooperate enough to be able to support the overall common objective of planning and maximising the utilisation of human resources in Jordan.

Overall, cooperation and coordination at both middle and executive level is neither institutional nor supported by the councils managing the sector. Although legislation and stakeholder agreements exist to promote coordination, many players operate in isolation, each governed by different laws and with a high degree of overlapping mandates. Each institution in the sector has independent strategic goals and undertakes its planning process individually, without the involvement of other concerned institutions.

The E-TVET Council, established to coordinate the E-TVET policy and to bring the main actors in the system under one umbrella, consists of 15 members: six from the private sector, one from the trade unions and eight from the public sector (ministries, public agencies and education providers). However, 'members' allegiances to the different ministries represented, rather than to the TVET system as a whole, have persisted, and as a result the E-TVET Council has not achieved its aims of acting as a coordinating entity that can drive a single national skills agenda that aligns all parties' (HRD strategy).

Involvement of non-state actors

Regulations dictated by the Chambers and the General Federation of Jordanian Trade Unions stipulate the responsibility that the private sector and social partners have with regard to supporting the E-TVET sector and representing employers and employees. Consultation and engagement at the planning stage have grown. The social partners are engaged in broad policy initiatives such as the development of national strategies and the setting of standards. However, they are not yet involved in the management, evaluation and assessment of the sector.

Employers are also often viewed as guests by government, rather than as stakeholders with identified roles and responsibilities.

The social partners have limited representation on the board of the VTC, the country's main training provider. Out of 13 board members, only three are not from the public sector (one is from the Chamber of Industry, one from the trade union and one from the Jordanian Construction Contractors Association), suggesting very limited influence on the VTC and the training offered.

Finally, TVET schools do not have a structured relationship with the labour market.

The only progress that can be reported since the Torino Process 2014 round regarding the involvement of non-state actors is to be found in the new HRD strategy, which recognises their limited involvement and calls for the establishment of a private sector body that will be responsible for governance in the sector. A national committee on human resources development was set up to design the strategy. It was chaired by a former Minister of Higher Education. Two hundred practitioners and policy makers from different ministries and relevant agencies were involved in the preparation and 17 sub-committees were set up.

Arrangements between national and sub-national levels of governance

The government and its agencies tend to remain centralised at national level. None of the training providers have much autonomy when it comes to forming local partnerships and developing activities, with the exception of BAU and the private training providers.

A key finding of the mapping and analysis of governance carried out within the GEMM[9] project is that local TVET providers in all the networks, except the private sector, have little delegated responsibility to take local management decisions that involve undertaking initiatives, forming local partnerships or responding to local demands from the labour market and society at large.

Since Torino Process 2014, no progress has been reported on devolving more responsibility to the local level.

Financing of VET

Finance for TVET comes from three main sources: the annual public budget, international donations and loans, and contributions from trainees, which are more symbolic than substantial. The sale of products also provides some income.

It is important to note that salaries account for the largest share of current expenditure, and expenditure on capital assets is very low. Development funding is lacking, and there are rigid, highly centralised procedures for the financial management of the allocated budget at both school and regional administration level.

The situation regarding technical education (community colleges) is different. The responsibility for the community college system was transferred from the Ministry of Higher Education and Scientific Research to BAU in 1996. BAU is therefore responsible for the governance and management of public community colleges, including their financing. BAU makes all decisions on investments and budget allocations. It allocates funds to public community colleges based on historical trends, student numbers and staffing levels.

In 2005, an E-TVET Fund was established to finance and expand on-the-job training and demand-driven technical and vocational training by both public and private providers, and improve the efficiency and quality of programmes. The Fund's financing comes from the fees paid for foreign workers' permits. This raises questions about the financial viability of this funding stream. It also

[9] Governance for Employability in the Mediterranean.

contradicts the national objective of replacing foreign workers with Jordanians. The E-TVET Fund is one of the main sources of funding for active labour market programmes.

No progress can be reported on the financing of VET.

3. Recommendations for action

The newly adopted National Strategy for Human Resources Development has addressed most of the main issues analysed in this report: governance of the system and external and internal efficiency of the system. However, some issues deserve much more attention and have, therefore, been translated into recommendations. These recommendations are linked to governance and the role of social partners, quality assurance and the role of CAQA, financing mechanisms and labour market information systems.

The HRD strategy rightly recognises the fragmentation of the system, its centralisation and the limited participation of social partners, which hinders the capacity of the system to respond to the needs of the economy and society. However, while the strategy assigns a prominent role to the private sector, it ignores trade unions. Regardless of whatever body will be charged with governance of the TVET sector, trade unions and employers' organisations should be equally represented as they both represent actors in the labour market. Secondly, representation on a board does not necessarily mean full involvement. To ensure the full participation of the social partners, they should have clear responsibility for certain functions in the TVET system, e.g. setting up occupational standards.

To operate effectively, the governing body of the TVET sector will have two arms: a financial arm – the E-TVET Fund (renamed Skills Development Fund), and a quality assurance arm – CAQA. It will use these two arms to fund TVET provision that is quality assured (by CAQA). The following two recommendations relate to CAQA and to the financing of the system.

CAQA combines two unusual functions: quality assurance and occupational assessment and licensing. This leads to confusion. It is recommended that the Chambers of Commerce and Industry be tasked with occupational testing and licensing, as is the case in many countries, and that CAQA specialise in the accreditation of providers and programmes. Moreover, CAQA adds little value to qualifications awarded by public training providers, as it approves them quite automatically. This might undermine its credibility. Public and private providers should be treated equally; if qualifications awarded by public providers do not meet the requirements, they should not be recognised. Finally, if quality means relevance to labour market needs, then CAQA should introduce more outcome-based criteria while assessing the quality of training programmes.

Financing has a special role to play in TVET policy, thus it should be used as a driver for steering the policy in a participative manner, and should include efficiency and quality goals. The financing mechanisms should, therefore, be (re)designed so that the objective of having a well-qualified labour force is reached. In this respect, funding mechanisms should be linked to programme accreditation: programmes that are not accredited by CAQA should not receive funding. Moreover, to be efficient, innovative mechanisms of financing learners rather than providers' projects should be explored.

The last point, which does not appear to be sufficiently explored by the strategy and which constitutes the last recommendation, deals with the development and use of labour market intelligence, methodologies and tools as an input to employment and TVET policy making. A well-functioning labour market information system needs to be in place to respond to labour market needs, emerging jobs and rapid changes in job content. Its core objective is to provide data and information to be used for policy making, and in particular for improving VET performance. Elements of such a system exist, but they do not constitute a system as they are not connected. A comprehensive framework that

describes the user expectations of a similar system, the information that is needed by the different actors, and the producers and users of such information is still missing.

MORE INFO

To find out more about the Torino Process, compare reports, and much more, visit the Torino Process dedicated website at:
www.torinoprocess.eu

Torino Process blog: **blog.torinoprocess.eu**

For information on ETF activities please visit:
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