

TORINO PROCESS 2016-17 SOUTHERN AND EASTERN MEDITERRANEAN



A man with dark hair and a beard, wearing a white lab coat over a dark shirt, is focused on his work. He is standing at a sewing machine in a workshop. The machine is a light-colored industrial model. In the background, there are various sewing supplies, including spools of thread in different colors (red, brown, black) and some fabric pieces. The lighting is bright, and the overall atmosphere is one of a busy, professional workspace.

SOUTHERN AND EASTERN MEDITERRANEAN

Since the first round of the Torino Process in 2010, social, economic, demographic and political developments in the Southern and Eastern Mediterranean have placed VET at the forefront of the policy agenda in most countries. VET can play an important role in combating youth unemployment - the main challenge for countries in the region – besides contributing to social inclusion and cohesion.

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INTRODUCTION



This regional report on the 2016–17 Torino Process in the Southern and Eastern Mediterranean (SEMED) region analyses the outcomes of the 2016–17 Torino Process national reports from Egypt, Israel, Jordan, Lebanon, Morocco, Palestine¹ and Tunisia from a regional perspective². The report places a particular emphasis on progress from a dual perspective: it takes the latest round of the Torino Process (2014) as a benchmark but also considers overall progress since the first round of the Torino Process in 2010.

The report includes the substance and results of the discussions held at the Torino Process SEMED regional conference (Rabat, February 2017)³. The objective of this conference was to continue the regional policy dialogue on the progress made in vocational education and training (VET) policies following three regional policy forums, linked to the previous rounds of the Torino Process and organised in 2012, 2013 and 2014 at the Dead Sea (Jordan), in Marseille (France) and in Turin (Italy), respectively. The Rabat conference provided the opportunity to discuss the outcomes of the 2016–17 Torino Process and the progress made by the countries since Torino Process reporting started in 2010 (and in particular, since the last round in 2014). The conference was also an occasion for the region as a whole to reflect together on trends, priorities and actions for the future, in the context of the sustainable development agenda and in terms of the 2020 perspective and looking towards 2030.

A summary of the main findings and conclusions of this report is provided in the European Training Foundation's (ETF) publication *Torino Process regional overview: Southern and Eastern Mediterranean* (ETF, 2017a).

An analysis of the findings of the 2016–17 Torino Process in the SEMED region reveals the complex constellation of factors, light and shade that determine the development of countries in the region. Since the Torino Process began in 2010, the region, particularly the Arab Mediterranean countries (AMCs), has undergone fundamental and often convulsive political, social, demographic and economic changes.

This environment has put technical and vocational education and training (TVET) at the forefront of policy agendas in these countries, particularly in relation to huge challenges such as youth unemployment, social cohesion and economic competitiveness. At the same time, this environment has created difficult conditions for the implementation of reforms in some countries. Depending on the country, it is difficult to identify real progress in some areas when the situation is compared to the latest benchmark, the 2014 Torino Process. However, a different scenario emerges when the situation is examined in a wider perspective and compared to the 2010 Torino Process, where progress is visible across countries in most areas of this analysis.

Countries in the SEMED region have made crucial progress in developing their visions for skills and human capital. TVET is an integral part of these visions. The formulation of strategies to embody these visions is also very dynamic in nature. The priority now is shifting towards the challenges of implementation. Considerable progress has been made in raising awareness of the key role that governance issues play in the success of reforms. The importance of coordination, participation and the regional and local dimensions has found a place in the national policy agendas. While progress has been made, there is still a long way to go to change the traditionally centralised structures of most of these countries in order to address the existing challenges.

The importance of the role that TVET can play in addressing economic and social demand has also evolved enormously since the 2010 Torino Process. Countries in the region have now identified youth unemployment as their biggest challenge and have initiated a range of actions to pilot solutions that can offer an answer to this critical problem. Despite this move, the impact achieved by these pilots is not yet the desired one, so more sustained efforts are needed. On the subject of internal efficiency in TVET systems, all the countries continue to make strenuous efforts to improve the quality of the outputs of their TVET systems, albeit at a slow pace of implementation. In terms of social inclusiveness, awareness is growing about the importance of TVET in providing different responses to the needs of different target groups. However, there is still much work to be done to best meet the aspirations of individuals and society.

¹ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue – hereinafter 'Palestine'.

² Last accessed 22 September 2017 at: www.torinoprocess.eu/hub/

³ In addition to the above-mentioned countries, the participants at the Rabat conference also included Algeria and Libya as well as representatives from the European Commission, the European Economic and Social Committee, the Euro-Mediterranean Regional and Local Assembly, international and regional organisations and donors.

1. REGIONAL CONTEXT AND KEY INDICATORS⁴



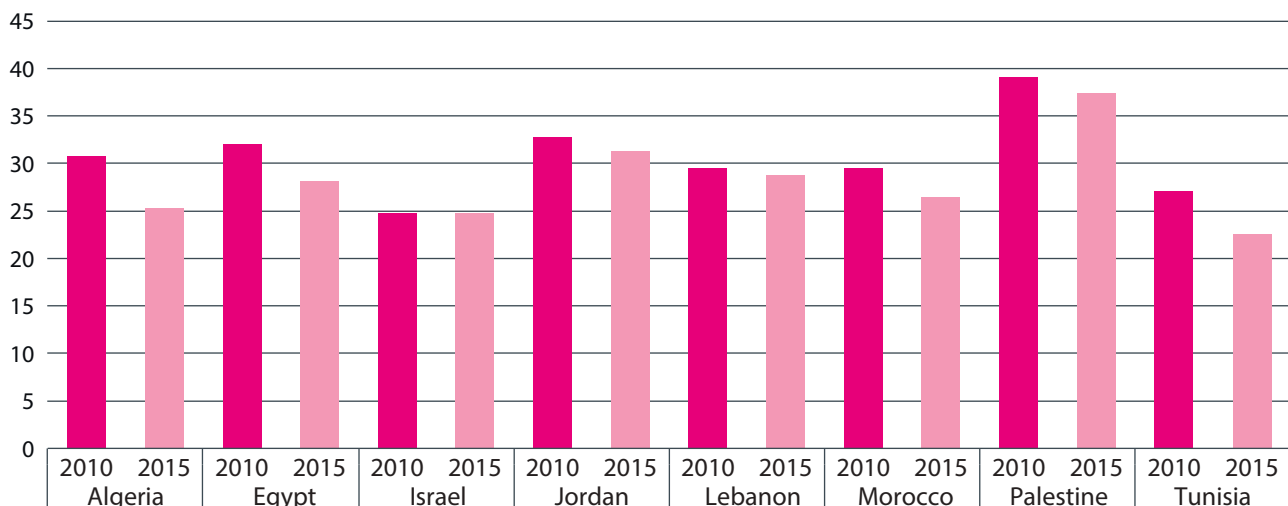
With the exception of Israel, the challenge of youth employment, which was the focus of discussions at the Dead Sea conference in 2012, is still daunting today. This challenge has triggered many of the actions undertaken by the various countries, often formalised in VET national strategies and the actions of donors in the region. As illustrated in this report, countries have tried to establish their own way of achieving the shared objective of increasing opportunities for young people to access employment. This chapter briefly reviews what has happened since the 2012 Torino Process Dead Sea conference with regard to a number of key indicators (economy, labour market, education) that provide a picture of where the region stands.

The ‘youth bulge’ caused by a rapid demographic transition in SEMED countries will very likely be maintained for at least the next two decades, and more than 40% of the population (more than 50% in Palestine, Egypt and Jordan) will be under the age of

30. Nonetheless, the pressure on the labour market caused by the youth bulge is reducing slightly (see **FIGURE 1.1**), since the percentage of new entrants into the labour market (15–24 years) is decreasing in relation to the labour force (15–64 years). Another important demographic factor is the current influx of migrants and refugees within the region, which has exacerbated an already difficult situation, especially in countries such as Lebanon and Jordan (which have 1.2 million and 600 000 Syrian refugees, respectively⁵), but also in Tunisia⁶.

The recent economic recovery⁷ has not translated into better employment prospects. In fact, the slight improvement in the economic performance in some countries has not generated more jobs. The phenomenon of ‘jobless growth’ can be seen in Morocco and Algeria, where gross domestic product (GDP) growth was around 4% in 2015 and no major reduction occurred in unemployment rates. Low job creation and skills mismatch remain among the most

Figure 1.1 Relative size of youth population, 2010 and 2015 (%)



Note: The relative size of the youth population is calculated by dividing the youth population (15–24-year-olds) by the working-age population (15–64-year-olds).

Sources: UNDP and national statistical offices.

⁴ This chapter is based on the key indicators that can be found in the statistical information in Annex 1. Although Algeria has not participated formally in the 2016–17 Torino Process, relevant data relating to this country has been included in this chapter to offer a more complete regional overview of the context.

⁵ The 2015 census in Jordan established the total number of Syrian refugees (including those not registered) at 1.3 million.

⁶ There is a large number of Libyans living in Tunisia, although it is difficult to find reliable data on the scale of the phenomenon both from Libyan and Tunisian sources. Nonetheless, the profile of the displaced population seems to be slightly different from Syria and Libya, since those from Libya seem to have a healthier economic situation. In any case, there is an impact for the hosting society, in this case for Tunisia.

⁷ Most countries have improved their economic growth compared to the previous round of the Torino Process (2014). Nonetheless, Tunisia and Israel show a slower recovery in 2015 compared to 2013 (1% vs 3% in Tunisia and 2.5% vs 4.3% in Israel).

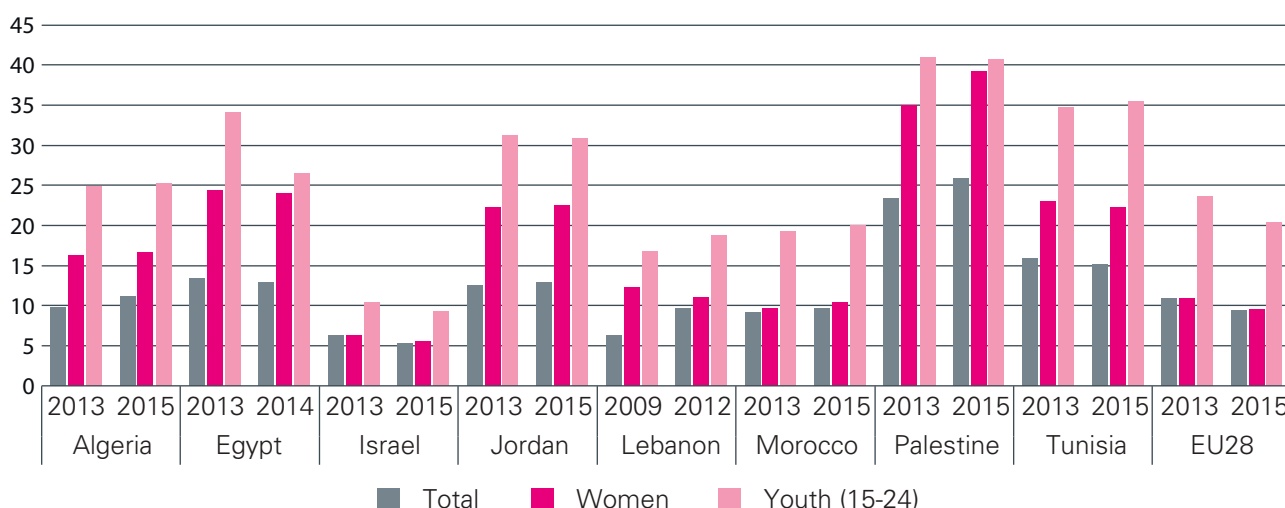
important challenges for SEMED countries. In fact, the business environment has deteriorated in recent years in many countries. A case in point is Tunisia, which dropped down the Global Competitiveness Index from 32nd in 2010 to 83rd in 2013 and 92nd in 2016. This was due to many different factors such as a lack of vision about economic development priorities, bureaucracy and security concerns. Small and medium-sized enterprises (SMEs), the vast majority of which employ fewer than five workers, remain the backbone of the region's economy. Successful examples of entrepreneurship can be found in some countries, such as Israel. However, the last Small Business Act assessment in the region points to little progress in entrepreneurial learning and skills development for SMEs (OECD et al., 2014).

As mentioned above, very limited progress has also been made in the labour market outlook of the region since the previous round of the Torino Process in 2014, particularly for young people and women. Activity rates remain among the lowest in the world and have further decreased in some countries (Morocco, Egypt, Jordan). Unemployment

rates remain generally higher than during the worst moments of the recent economic recession, but are lower than in 2013 in some cases (Tunisia, Egypt, Israel). Yet there are very high rates of unemployment, ranging from 10% to 25% for the total population, and rates that are twice as high among women (see **FIGURE 1.2**). Similarly, little progress has been observed with regard to youth unemployment in the last two years. The rate of unemployment among young people aged between 15 and 24 scores near or above 25% in almost all countries in 2015⁸.

The majority of young unemployed people have no work experience and are searching for their first job. This points to a difficult transition from education to employment. In fact, a large proportion of young people, especially women, are not in education, employment or training (NEET). According to recent data, one in three young people aged between 15 and 24 are NEET in Morocco, Egypt, Palestine and Tunisia. In Algeria and Lebanon, the figure is one in five (**FIGURE 1.3**). High NEET rates are detrimental for society as well as for young people. Inactivity

Figure 1.2 Unemployment rates of total population (15+), women (15+) and young people (15–24), 2010 and 2015 (%)



Notes: Israel and Egypt: age range 15–64; Algeria: age range 16–59, data for young people dates from 2014; Lebanon: data dates from 2009 and 2012; Morocco: data for young people dates from 2014.

Sources: Eurostat for Lebanon and Egypt data, and national statistical offices for the other countries.

⁸ Youth unemployment (among 15–24-year-olds) is very high in Palestine (40.7%, 2015), Tunisia (35.5%, 2015), Egypt (26.5%, 2014), Jordan (30.8%, 2015) and Algeria (25.3%, 2015). It is below the European Union (EU) average in Morocco (20%, 2014) and Lebanon (18.7%, 2012) and Israel (9.3%, 2015). See Figure 1.2 for data sources. Very few countries have improved this figure in the last three years, e.g. Egypt managed to reduce youth unemployment from 34% in 2013 to 26% in 2015.

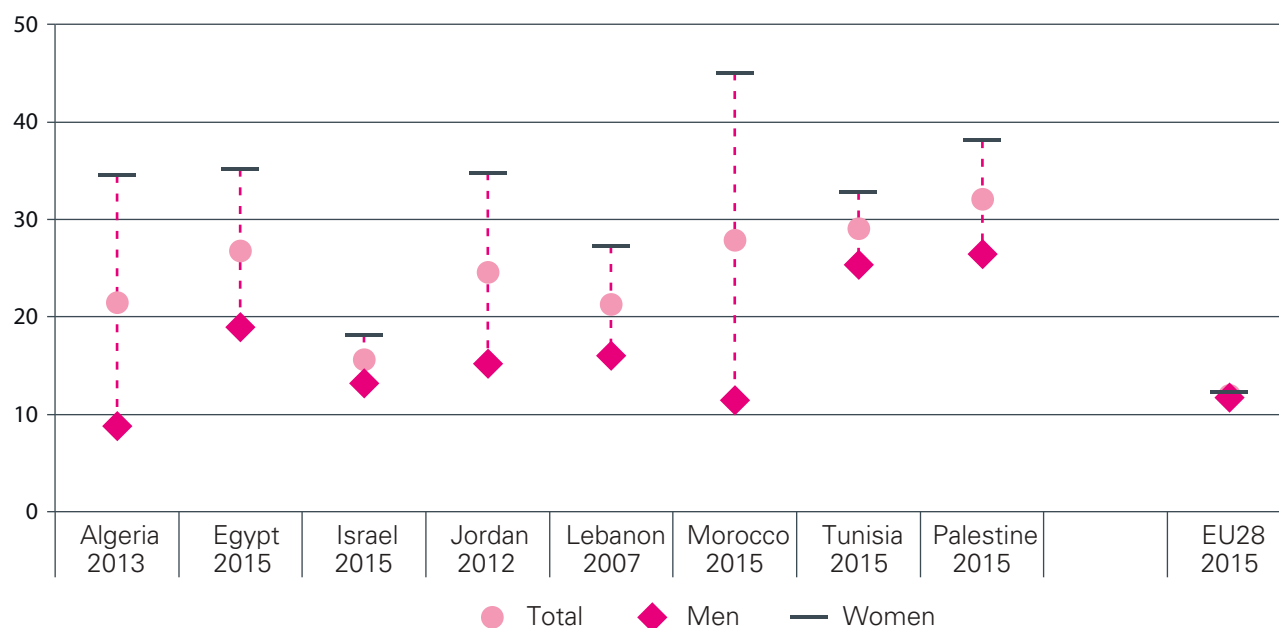
early in life has a negative impact on employability, future earnings and access to quality jobs. Despite this overall negative picture, the labour market situation of young people has improved slightly in Egypt, Jordan, Palestine and Israel, where the unemployment rate decreased between 2013 and 2015. This improvement has also affected the NEET rates in Tunisia, Egypt and Israel⁹ where the rates have fallen compared to the previous Torino Process (see Annex 1, no trends are available for Morocco). In addition, there is a positive correlation between household income and the probability of being NEET. NEET rates are higher in households that come from poorer households (ILO, 2016; see also ETF, 2015b).

Job creation remains insufficient to absorb the supply of labour, and the employment offered is often in low-quality jobs in the informal sector. The public sector is still a major employer in the region (>40% in Algeria and Jordan and >20% in Egypt, Palestine and Tunisia)¹⁰, especially for skilled workers, owing to more attractive employment conditions. In fact, the lack of investment by the private sector in

improving working conditions is probably preventing the region from having a stronger private sector¹¹. The incidence of self-employment¹² amounts more than 30% of total employment in Algeria, Egypt, Lebanon, Palestine and Morocco and 20% in Tunisia. The informal economy is estimated to employ two-thirds of the labour force working in the non-agricultural sector and generates one-third of GDP in the region (61.7% of total employment in Palestine and approximately 40% in Morocco¹³). The International Labour Organisation (ILO) estimates that more than half of the employment contracts of young people between the ages of 15 and 29 in the region are not written. Instead, oral agreements are made between the worker and the employer, and these last less than one year (ILO, 2016). Work in the informal economy is characterised by low productivity, low security and no (or very limited) access to skills development.

Despite the negative labour market outlook, the workforce in the region is now more educated. The educational attainment of adults over the age of 25 has increased steadily since the first round of the

Figure 1.3 NEET rates among 15–24-year-olds, last available year (%)



Sources: ILOSTAT, Eurostat and national statistical offices.

⁹ Data for Israel and Tunisia from the national statistical offices; data for Morocco has been publically available since 2015 on the Higher Planning Commission's (Haut Commissariat au Plan (HCP)) website.
¹⁰ Source of the data: national statistical offices and Eurostat.

¹¹ This is in line with the reluctance of SMEs to have access to finance, preventing them from growing (see EBRD et al., 2016).

¹² Incidence of self-employment is defined as individuals working on their own account, employers, members of producers' cooperatives and contributing family workers.

¹³ Sources: Palestinian Central Bureau of Statistics (PCBS) in Palestine, 2015; HCP in Morocco, 2007.

Torino Process took place in the region in 2010 (see Annex 1). This is particularly the case among young adults (30–34-year-olds), as more than 20% of them have attained a higher degree in Tunisia, Egypt and Lebanon, around 30% have done so in Palestine and more than 50% in Israel have attained a higher degree. In many countries, there is a trend towards a more educated population (see **FIGURE 1.4**). The structure of the adult population thus looks more like a rhomboid than a pyramid (as it looked some years ago): fewer adults have low or no education at all, and more are attaining higher levels of education than before.

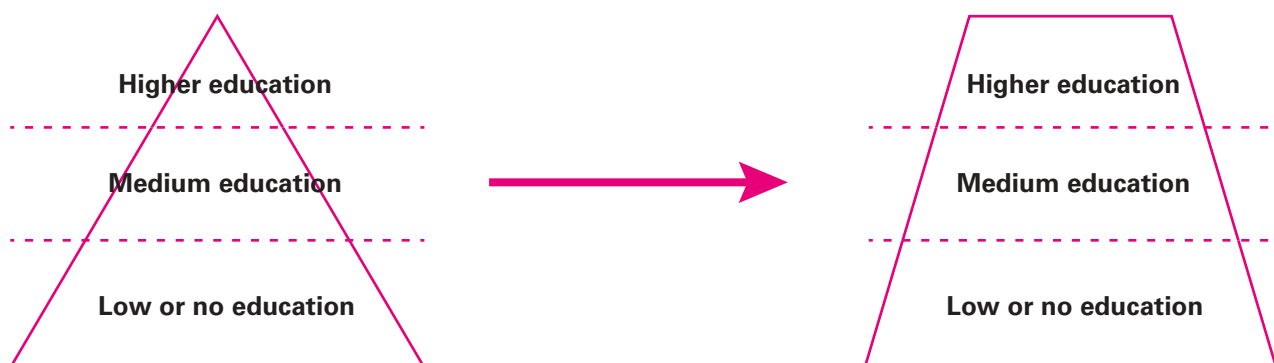
The Organisation for Economic Cooperation and Development’s (OECD) Programme for International Student Assessment (PISA) tests students at the age of 15. It is important to note that in most countries this is the age at which they enter the VET system for the first time. In Algeria, Lebanon and Tunisia, between 60 and 85% of students tested are underachievers in reading, science and mathematics (see Annex 1). Results are slightly better in Jordan, which has also progressed positively since the last round of the Torino Process in 2014 (unlike Tunisia). Generally, however, countries rank badly among those that have recently participated in PISA¹⁴. There is still a long way to go, therefore, to improve the quality of the education systems to provide young

people with the basic skills (literacy, numeracy, science) that they need to continue their education (either general or VET) or to start working. The improvement in educational attainment mentioned above needs to be accompanied by better quality education and a stronger link between supply and demand in relation to skills.

In fact, there is a significant mismatch between the skills produced by the education system and those required by the labour market in the region. The above-mentioned trend towards a more educated population is challenged by the difficulties that countries have in creating jobs for qualified workers. In nearly all the countries, there is an inverse correlation between educational attainment and employment (**FIGURE 1.5**). In Tunisia, for example, graduate unemployment is almost double that of non-graduates (30.3% and 16.2% respectively in 2013). This inverse correlation increases the skills mismatches in the region, leading higher education graduates to compete with graduates who have attained a lower level of education (in VET and general education) for the same jobs. It also challenges the education systems to adapt better to the needs of employers.

The lack of comparable and reliable data for the region makes it very difficult to analyse the situation

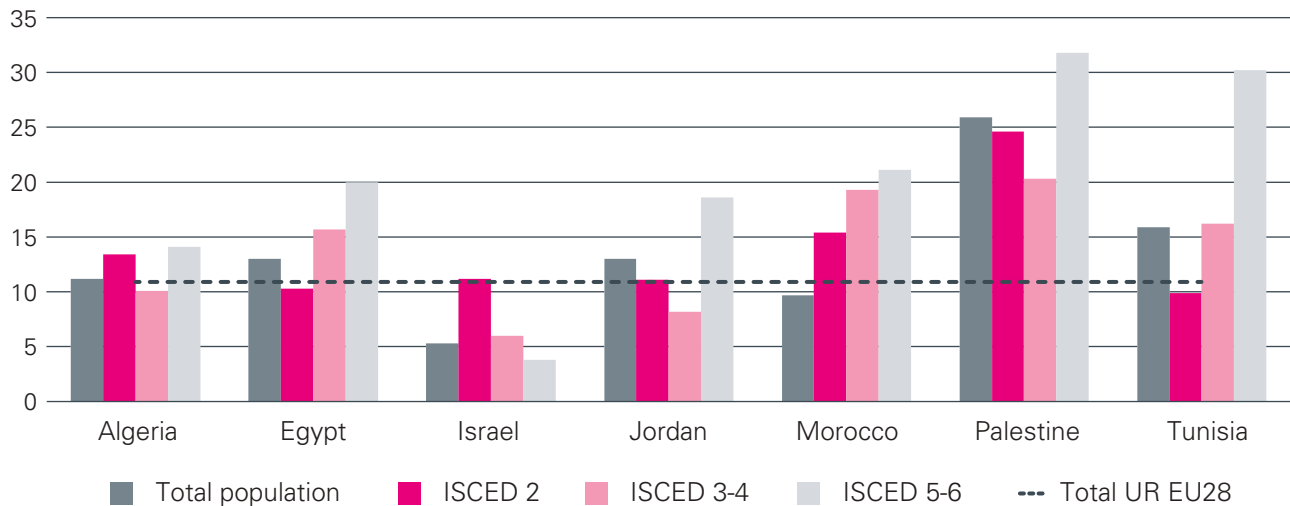
Figure 1.4 Evolution of the educational attainment of the labour force in SEMED



Note: Figure 1.4 does not represent the data exactly, but it approximates the evolution of educational attainment in the region in recent decades; low or no education refers to no education or International Standard Classification of Education (ISCED) level 0–2, medium education refers to ISCED level 3–4, higher education refers to ISCED level 5–6 (ISCED 1997).

¹⁴ Only Tunisia and Jordan participated in previous assessments.

Figure 1.5 Unemployment rates of the total population, and by education level (%)



Notes: Data applies to 2015 (2014 in the case of Egypt, 2013 in the case of Tunisia); age 15–59 in the case of Algeria; ISCED 2 for Tunisia refers to ISCED 0–1 (ISCED 1997).

Sources: Eurostat and national statistical offices.

and the progress that is being made in vocational education, both initial VET (IVET) and continuing VET (CVET). The available data shows a decline or stagnation in the percentage of young people choosing VET, rather than general education, to acquire skills¹⁵. Looking at enrolment in upper secondary VET (both total numbers and percentage of enrolments, see Annex 1), fewer students in upper secondary education are choosing vocational education in Egypt and Jordan. In Tunisia, Morocco and Israel, the percentage of young people who choose VET over general education remains stable, but the total number of students decreases in Tunisia and increases in Morocco and Israel¹⁶. In the other countries (Lebanon, Palestine and Algeria), it is difficult to see a clear trend since the first round of the Torino Process in 2010. The reluctance of young people to engage in vocational education to gain the skills that are required in the available low-skilled and

mid-skilled occupations exacerbates the problem of youth unemployment in the region (ILO, 2016).

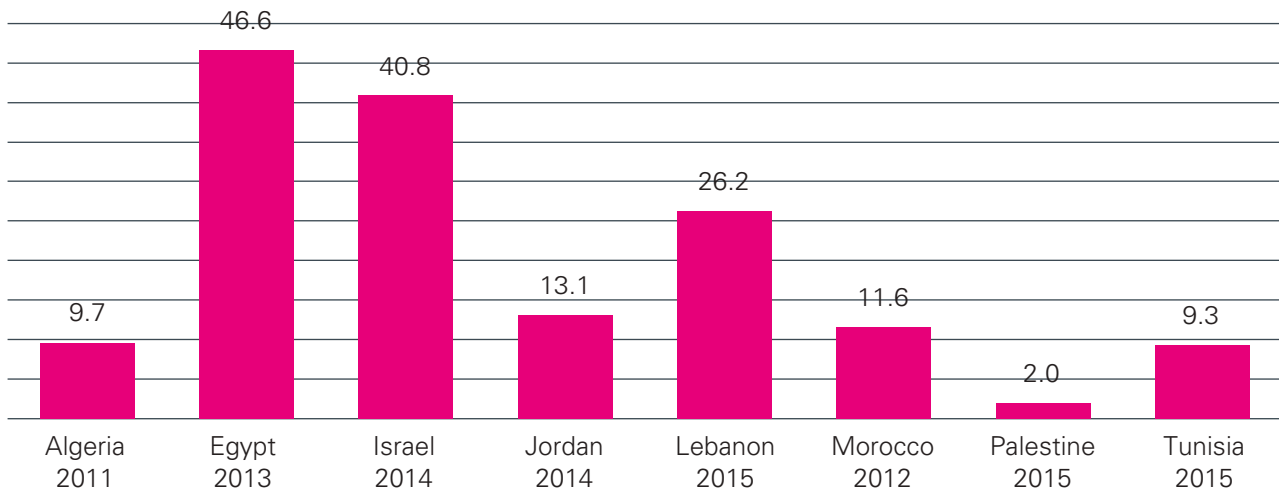
Likewise, the lack of data on the labour market performance of VET graduates, and the lack of data by sector, does not allow us to assess whether they experience an easier entry into the world of work. Indeed, mechanisms still need to be established to assess the employability of VET graduates. The degree of this employability depends on the supply of the necessary VET graduates, in terms of quantity (the right number to meet the demand for labour) and quality (having the right skills for the required jobs). However, it also depends on the creation of the appropriate mechanisms for matching and anticipating the demand for labour. This will require the participation of the education sector – including VET providers – and other stakeholders. Some efforts have been initiated in a number of countries to improve access to data, but there is still a need to create the appropriate mechanisms that might influence policy decisions about VET. The little data that is available points to a high demand for secondary vocational skills that is not satisfied by the current training offer (ILO, 2016).

In addition to issues regarding the availability and reliability of data on formal vocational education, there is also an absence of data on non-formal vocational education and continuing (vocational)

¹⁵ Data on vocational education provided by the UNESCO Institute for Statistics shows significant changes from one year to another in some countries. In other countries, it does not correspond with data from national sources. In this report, the UNESCO Institute for Statistics has been chosen as a source in order to be able to compare the different countries over time. Nevertheless, the data must be interpreted carefully.

¹⁶ In Tunisia, the reduction in the total number of students in upper secondary VET is similar to the decrease in enrolment in upper secondary general education, so it seems more a question of the students not continuing in education after lower secondary. In Morocco, the positive development of VET seems to be linked mainly to the increase in access to higher levels of education in recent years, while in Israel it could be due to positive demographic trends.

Figure 1.6 Share of VET enrolment in upper secondary education, last available year (%)



Source: UNESCO Institute for Statistics.

education. Non-formal VET in some countries seems to be an important alternative to formal vocational education among young people who want to acquire skills¹⁷. However, it might also be a fruitful alternative for adults who wish to update their skills through the shorter and more flexible non-formal VET system. In terms of lifelong learning, we only have data for Israel and Tunisia about the proportion of adults (aged between 25 and 64) who engage in further education or training. Israel has a percentage similar to the EU average (10% in Israel, 11% in the EU), while Tunisia falls far below that percentage: only 1% of adults participate in training or lifelong learning, despite the existence of several private and public funding mechanisms.

¹⁷ In the case of Palestine, many vocational training centre programmes (non-formal learning) target students currently in the initial stage of education who join the vocational training centres as an alternative to vocational schooling. In 2013, vocational training centres received 9 710 applications (from people aged 16 or above), of which 3 957 were accepted. This is a sizable figure in a country like Palestine where 2 700 students were enrolled in formal upper secondary vocational education in 2013 (vocational training centre data from the Ministry of Labour, data on upper secondary education from the UNESCO Institute of Statistics).

2. MAIN FINDINGS AND PROGRESS



This chapter provides an overview of the key findings from the 2016–17 Torino Process country reports in the SEMED region¹⁸. It also reflects on the progress that has been made and the regional trends that have developed since the last round of the Torino Process in 2014. These findings were discussed with the participants at the Torino Process regional conference held in Rabat in February 2017¹⁹ and the results of those discussions have been incorporated into the current report.

This chapter is organised around the five building blocks of the Torino Process’s analytical framework and highlights common trends, achievements and challenges. It also provides a selection of good practices (in alphabetical order by country) that represent models of progress or key achievements in the specific context of the countries.

A. Progress on vision

There is overall progress in the development of a vision for TVET, but the real challenge is implementation and the achievement of results.

Common trends: achievements and challenges

In the Dead Sea Declaration (2012), SEMED countries participating in the 2012 Torino Process expressed their commitment to developing ‘visions for skills to promote their drive towards economic competitiveness and inclusive growth’. Four years later, the 2016–17 Torino Process shows that this commitment has taken root in most of the countries. Despite difficult economic and socio-political environments, TVET and skills are constantly at the top of policy agendas in most of the countries, and they are still perceived as key drivers for enhanced employability and competitiveness. This commitment is apparent in the multiplicity of strategic instruments that have been developed by the majority of the countries to reflect their national visions on TVET.

National Torino Process reports also illustrate progress in the attempts made by SEMED countries to place TVET and skills visions in the wider perspective of human capital and human resources development (HRD). This is shown in the growing links between TVET strategies and those in other sectors, such as education, employment and economic growth, all to be seen from the perspective of lifelong learning. For example, in some countries (Morocco, Jordan, Israel, Tunisia), VET strategies are meant to be developed as part of the HRD vision; in other cases, VET strategies are present but not directly linked to an overarching HRD vision (Palestine); and in others, reforms are taking place independently of a formalised VET strategy (Lebanon, Egypt). The Rabat conference also underlined the growing awareness of TVET in the countries and the fact that the new strategies in particular (for instance, in countries such as Morocco or Tunisia) are much more comprehensive and holistic than in the past. In some cases, as in Tunisia, the Torino Process’s analytical framework has helped in structuring these strategies.

In this context, strategies could be characterised by the following (not exclusive) elements.

- **Ownership.** This refers to the extent and level of involvement of relevant actors in the design, approval and monitoring of the strategy. A vision and/or strategy should be based on a consensus-building process, reconciling the different agendas of the various sectors and leading to a holistic vision for VET. The 2016–17 Torino Process shows that this is still a key challenge in most countries in the region although there are good examples of the involvement of the private sector and partnerships in the development of the strategy (Morocco, Tunisia, Palestine).
- **Financing and funding.** This refers to the systems by which financial resources are raised and distributed in order to achieve the expected results of the TVET reform processes. Over the years, the various rounds of the Torino Process have illustrated how VET strategies tend to have overambitious objectives, due to, among other reasons, the lack of costing mechanisms for TVET in most of the countries in the SEMED region. It is also difficult to achieve the objectives of these strategies without the appropriate financial

¹⁸ 2016–17 Torino Process national reports for Egypt, Israel, Jordan, Lebanon, Morocco, Palestine and Tunisia.

¹⁹ In addition to the countries participating in the 2016–17 Torino Process, the conference participants also included Algeria and Libya as well as representatives from the European Commission, European Economic and Social Committee, Euro-Mediterranean Regional and Local Assembly, donors and international and regional organisations.

resources. This is the case in several countries in the region where the financing of reforms continues to be highly dependent on donors' contributions.

- **Action plan.** The existence (or not) of an action plan for the implementation of the strategy (with, among other elements, clear roles, resources and timetable) and integrated monitoring and evaluation mechanism(s) are other characteristics of a strategy. By executing an action plan, actors can understand the critical issues in implementation and may be able to adapt and realign their objectives and related actions. The 2016–17 Torino Process shows that strategies are not always accompanied by action plans. In some cases, action plans exist but are not fully implemented (Jordan); in other countries (Morocco, Tunisia) they are at a very early stage of implementation. Sometimes, the planning phase of a strategy may be carried out without sufficient consideration for the challenges of the implementation phase.

The 2016–17 Torino Process points to the fact that, even when an HRD or VET strategy exists, and regardless of the process that led to it (extent of consultation, relevance of actors, degree of partners' involvement), the real issue in the AMCs is implementation. The pace of reform in most of the countries remains slow. The Rabat conference pointed out several coexisting factors that can influence this: a shortage of human and financial resources, poor inter-ministerial coordination, strong centralisation, weak public private partnerships. The 2016–17 Torino Process also sheds light on how socio-political instability has negatively affected the progress of reform in the AMCs, e.g. Lebanon. In some cases, e.g. Egypt, the Torino Process report points out the existence of multiple strategies belonging to different stakeholders without an overarching leadership. One of the key messages from the Rabat conference was that implementation is a challenge that is linked primarily to governance and cooperation issues, even more than to resources. For countries like Jordan, Morocco and Tunisia, which have new holistic and ambitious strategies, implementation will be the keyword for the coming years.

Another important challenge identified in the 2016–17 Torino Process, and one where little progress has been observed in most countries in the region since 2014, relates to the need to set up properly functioning monitoring and evaluation mechanisms. However, the countries are becoming increasingly aware of the importance of this issue (particularly if compared to the first round of the Torino Process in 2010). Countries like Palestine and Tunisia place this at the centre of their objectives for action and see the Torino Process as a tool to support the country in setting up such a system²⁰. In other cases (Jordan), the Torino Process national report refers to the absence of mechanisms for measuring progress in the implementation of existing strategies before new ones are launched. The reports also illustrate the need to enhance national capacities for performing this function.

The use of evidence for policy making in TVET in the SEMED region is also a challenge underlined in the 2016–17 Torino Process and discussed at the Rabat conference. It can be seen that progress has clearly been made since 2010 in the value that countries now place on evidence-based policy decisions. This is linked to increased demands for transparency and accountability (see 'Governance' section). The Torino Process is deemed an important tool in this awareness raising for countries that have implemented it over the course of successive rounds. There is a need to continue increasing national capacities to perform this function. However, in Rabat, the SEMED countries underlined the need for an information flow system that guarantees that the evidence-based analysis ends up with the real policymakers and not just with the technicians. More work needs to be done on this aspect in most countries in the region. National and international organisations (including the EU) represented at the Rabat conference also posed the question about the need to move from a 'traditional policy analysis' (focused on analysing facts that have happened in the past) to a more 'future-oriented' type of process (ETF, 2017b).

The holistic character of the TVET vision is an aspect where limited progress can be observed since the 2010 Torino Process. Throughout the different rounds of the Torino Process, including 2016, SEMED

²⁰ 2016–17 Torino Process national reports for Palestine and Tunisia.

countries have constantly reflected a vision of VET that remains in most cases confined to public IVET. VET provision by private providers, informal and non-formal VET and CVET are often not included in the analysis. In a context where the top political and economic priority is increasing youth employability, and where a lot is being done in terms of developing flexible programmes outside the formal VET system,

embracing a comprehensive view of VET is an imperative. Considering also the importance of SMEs in the region and the key role they can play as a driver of employment, the role of CVET becomes crucial. On the positive side, however, progress can be reported since the 2010 Torino Process in the efforts of the countries to create closer links between VET and employment.

Table 2.1 Examples of key policy documents relating to the vision for VET development in the SEMED countries

Country	Policy document
Egypt	Sustainable Development Strategy: Egypt Vision 2030 (2016) TVET strategy documents: TVET Reform Strategy (2009), Master Plan for TVET (2010), draft Egyptian TVET Reform Strategy (2013), TVET strategy document (Ministry of Education and UNESCO, 2016 and at draft stage) and TVET Act (at draft stage) Ministry of Education mid-term action plan (2015–20) Ministry of Industry strategy (2016)
Jordan	Jordan Vision 2025 National Employment Strategy 2011–20 National E-TVET Strategy 2014–20 Human Resources Strategy (2016)
Israel	Reform for meaningful learning Equal Opportunity Programme (2016) <i>A Picture of the Nation: Israel's Society and Economy in Figures</i> (Taub Centre, 2016) World Economic Report (2016) IMAST report (transition among TVET systems) RAMA report OECD reports (various years)
Lebanon	Action Plan for TVET (2012) Lebanon Crisis Response Plan (2015–16)
Morocco	Orientations royales (2013) Vision pour l'éducation 2030 (2015) Stratégie nationale de la formation professionnelle 2021 (2016) Stratégie nationale de l'emploi 2015–25 Initiative nationale pour le développement humain
Palestine	TVET Strategy (2010) National Strategic Comprehensive Programme for Employment in Palestine (2015–20) National Strategy for Adult Learning (2016)
Tunisia	Réforme du dispositif national de la formation professionnelle (MFPE, 2015) Plan stratégique de développement du secteur de l'éducation (Ministry of Education, 2016–20) Plan stratégique de la réforme de l'enseignement supérieur et de la recherche scientifique (Ministry of Higher Education, 2015–20) Plan de développement (2016–20)

Sources: 2016–17 Torino Process national reports.

Another area where the 2016–17 Torino Process does not report much progress since 2014 is the production of specific legislation in the field of TVET (involving the approval by the legislative power of VET laws or implementation arrangements). Many countries coincide in underlining that there has been not sufficient new legislation developed in the VET sector in the last two years (except for the approval of strategic documents). The need for this type of legislation is signalled in most of the reports. Some national reports advocate the need for an overall TVET law (Palestine, Egypt).

Several countries report positive progress in the area of donor coordination and cooperation. This applies particularly to countries where the multiplicity of stakeholders and their importance in terms of contributing to the sector is key (Egypt, Palestine). According to the national reports written following this latest round of the Torino Process, positive developments have occurred in a growing synergy among donors but also in the increased national ownership and drive for donors' coordination (as shown by the efforts made by the Ministry of Education in Egypt to coordinate donors or the informal TVET management structure in Palestine)²¹.

Good practices

The following examples, found in the 2016–17 Torino Process national reports, have been identified as they highlight some interesting models in one or more features of the vision and strategy:

Morocco – The new VET strategy is the result of wide and extensive consultation with the relevant actors. It is accompanied by agreements ('contrats-programmes') signed in all sectors. In these conventions, the partners confirm their commitment, roles, responsibilities and budget contribution to the reform. The strategy also provides for a multi-stakeholder body to steer and monitor the progress of implementation.

Tunisia – The action plan is articulated in around 14 distinct projects that cover the VET strategy objectives. Each project defines targets, activities, roles (coordinators) and resources, showing a good level of strategic planning and prioritisation.

Palestine – Despite the strong presence of donors in the sector, the overall coordination of the thematic working groups and overall coordination of Palestinian stakeholders has increased the ownership of the VET reform process and its sustainability.

Egypt – The role played by the Ministry of Education in coordinating international programmes is a positive example in the specific context of Egypt. This role should be formalised and extended to include all activities performed by Egyptian stakeholders.

Israel – In recent years, the country's vision and strategy has concentrated on promoting innovation as a key driver. This is reflected by its focus on technology (the main growth area in the Israeli labour market) and on setting up innovative TVET centres in close cooperation with industry and employers.

B. Progress in external economic efficiency

Countries have made progress since the 2014 Torino Process and invested in policy solutions and tools for achieving higher external efficiency, but the impact is still difficult to measure.

Common trends: achievements and challenges

All the AMCs have service-oriented economies and this is the sector that contributes most to their GDP²². The share of the contribution varies between less than 50% (Algeria) to more than 75% (Lebanon), which is even higher than the EU average. However, there is an important difference between Maghreb (Algeria, Morocco, Tunisia) and Mashrek countries (Egypt, Lebanon, Palestine and Jordan) in terms of the structure of their economies. The service sector is much more important in Mashrek countries than it is in the Maghreb.

Agriculture makes a bigger contribution in the Maghreb, representing 10% of GDP in Tunisia, 13% in Algeria and 15% in Morocco. The exception in

²¹ 2016–17 Torino Process national reports Egypt and Palestine.

²² No data is available for Israel. Algeria is included (although it did not participate in the 2016–17 Torino Process) to provide a more complete regional picture.

Mashrek countries is Egypt, where the agricultural sector accounts for 11% of GDP. Agriculture is a very important source of employment in Morocco and Egypt (accounting for 39% and 28% of total employment, respectively) compared to its contribution to GDP. This is an indication of a more subsistence type of agriculture. In Algeria, the contribution to GDP is higher than the percentage of people employed, which suggests a more industrialised sector.

The Dead Sea Declaration, made at the conference that was the culmination of the implementation of the 2012 Torino Process in the SEMED region, identified the employability of young people and women as the most urgent challenge facing the AMCs (ETF, 2013). It stressed the need for long-term measures in parallel with job creation initiatives in key economic sectors. The 2014 Torino Process confirmed the fight against unemployment as the top political and socio-economic priority (ETF, 2015a). Countries had developed a multiplicity of programmes and initiatives to tackle the issue, but these often remained at the level of isolated pilots. A lack of evaluation, in addition to fragmentation and coordination problems had hampered their effectiveness. Emerging areas were the creation of labour market observatories, the multiplication of support mechanisms for business start-ups and support for the transition from education to work

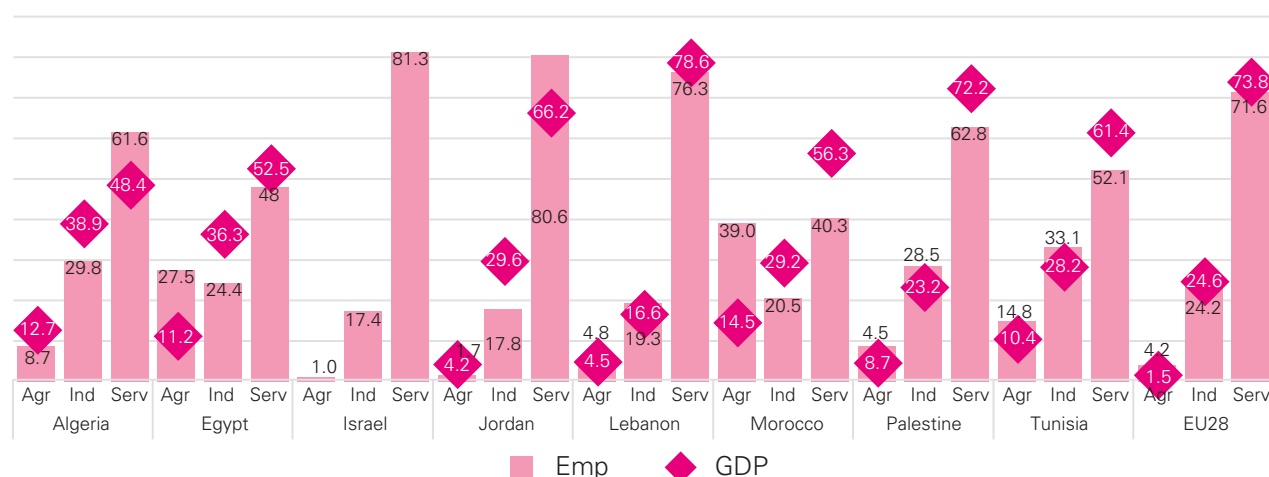
by means of career guidance, apprenticeships and work-based learning approaches. The need to further develop entrepreneurial learning strategies that could be embedded in the countries' education and training systems was also identified at the time.

The 2016–17 Torino Process confirms once more the importance of this priority, and the activities developed by countries in this field. However, it also illustrates the lack of visible impact in numerical terms (with the exception of Israel, activity rates are falling and unemployment rates are rising, as shown in the 'Regional context' section of this report). Although limited economic growth has been a reality in the region for the last two years (particularly in countries like Lebanon and Jordan), the impact of these measures is not clearly mirrored in unemployment figures even in those countries with positive economic growth (e.g. Morocco).

In an effort to analyse the reasons for this mismatch, the 2016–17 Torino Process suggests several possibilities, as illustrated in the text below.

In Egypt, for instance, a number of initiatives develop tools to identify skills in given sectors. The National Skills Standard Programme run by the Industrial Training Council is one example. However, this initiative covers only some sectors and it is not generalised across the entire TVET system. Successful institutional initiatives that were adopted in the past (such as the creation of a National

Figure 2.1 Employment and GDP (added value, % of GDP) by sector, 2015 (%)



Notes: Lebanon: 2012 data on employment; Palestine: 2014 data on GDP.
Sources: World Bank, Eurostat, national statistical offices.

Observatory for Education and Employment) have not been pursued, while new solutions are being tested (e.g. the setting up of a network of regional observatories, a promising initiative which is still at an early stage). After several attempts, a labour market information system is currently being developed. Many of the activities take place under the auspices of international projects, but are not scaled up at national level or are not coordinated using the proper mechanisms (e.g. in the case of curriculum development or entrepreneurial learning). This is a feature shared by many other countries in the region, such as Lebanon, where positive initiatives by the international community indicate that things are going in the right direction (accelerated vocational training, development of career guidance offices) but are not set up at a national, systemic level. The 2016–17 Torino Process report for Lebanon also mentions the absence of an employment strategy or plan or a properly functioning governmental agency to address challenges in this field.

According to its 2016–17 Torino Process report, Jordan has developed many tools but the system remains fragmented. The National Electronic Employment System provides a partial picture. Sector surveys by the National Centre for Human Resources Development are useful, but should be complemented by other measures such as tracer studies. The results of both tools would have to be used consistently by the main training providers in the country. The studies on the school-to-work transition that have been developed in cooperation with the ILO are not regularly updated.

The Palestinian Occupations Classification system was initiated with international support. Palestine does not have a systemic approach for identifying and anticipating skills needs, but it has institutions, processes and tools that provide relevant inputs (local councils, one-stop shops, the incipient labour market information system). All these initiatives still need time in order to deliver results, but the 2016–17 Torino Process Palestinian report also asks whether the Palestinian stakeholders have the capacity to run these mechanisms autonomously in the longer term (without international support).

In Morocco, the 2016–17 Torino Process report considers the establishment of the National Labour Market Observatory in 2014 a positive

development, even if some issues regarding implementation and resources still have to be addressed. The report also cites the setting up of sectoral observatories, including a number at regional level and in cooperation with federations and professional organisations as an example of best practice. However, the report points out the need to have a properly integrated labour market information system to avoid isolation and fragmentation of the information. Morocco has an employment strategy in place although the efforts of the authorities are focused mainly on the implementation of active labour market policies. Coordination and intensive follow-up are needed, even if the results are generally deemed to be positive.

The Tunisian self-assessment report for the 2016–17 Torino Process points out the gap between supply and demand as the main problem for employment in the country. To address this, matching mechanisms are being developed. These include stronger links with enterprises (also in the case of Morocco), surveys, tracer studies and tools for matching at a regional level. The main challenge is fragmentation and the absence of an integrated system. Many active labour market policies are implemented but they are reported to focus mostly on graduates with higher degrees, rather than on VET graduates.

The Israeli self-assessment report for the 2016–17 Torino Process emphasises the challenge of technological development, which will create a huge number of new jobs for which skills are not yet provided and will also endanger a large number of existing jobs. A partial system for collecting data on the gap between demand and supply is in place in the country but the Torino Process report points out the absence of national mechanisms to define long-term needs. Several matching solutions are proposed, among them the setting up of a pedagogical council to study this problem, while employers' federations recommend increasing internship positions in industry. The absence of established VET mechanisms to handle the transition from education to work is also underlined.

The whole issue was also discussed in depth at the Rabat conference. In particular, participants discussed the role that TVET has played in the current situation. One of the conclusions was that there is a lack of data and indicators that can be used to measure

the impact of TVET on job creation or on the labour market in general (ETF, 2017b). In addition, there is a lack of information about the insertion of VET graduates into the labour market and their progress in the labour market.

In the AMCs, the lack of progress and, in some cases, the increase in unemployment rates is linked to two factors: the persistent skills mismatch and insufficient job creation (in particular high-quality jobs), where the role of the social partners (in particular employers) is key but in practice remains at a very preliminary stage (particularly in the Mashrek countries but also in Tunisia). Both factors had already been observed in the 2014 Torino Process for the AMCs and they are confirmed in the 2016–17 Torino Process.

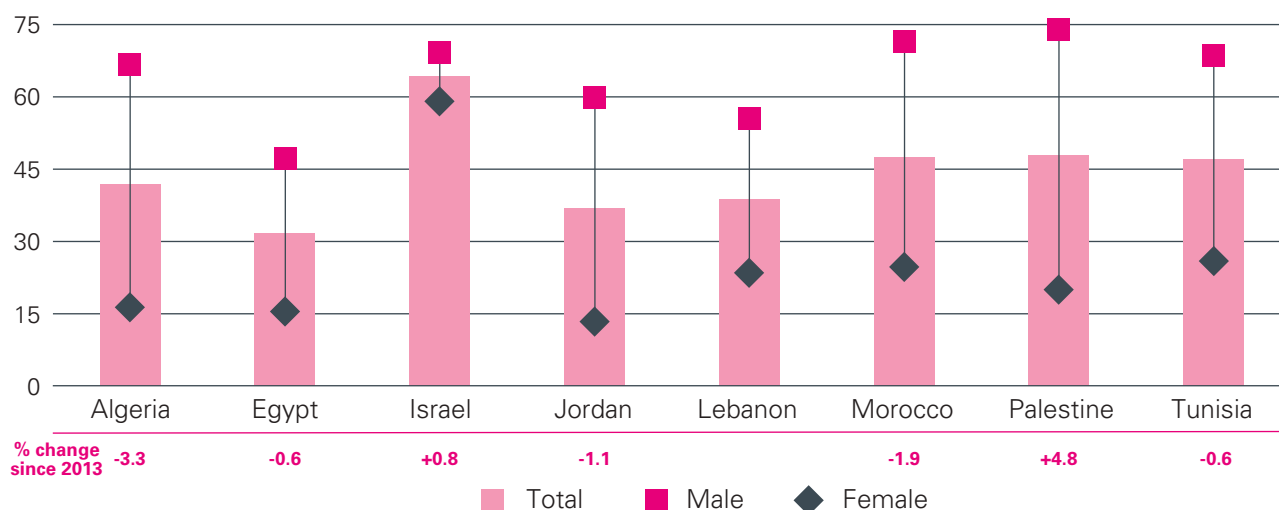
In addition, the lack of progress in the participation of the labour force in the labour market can be observed in the 2016–17 Torino Process (see **FIGURE 2.2**). The gender gap in labour market participation continues to be one of the key characteristics of the AMCs, and trends do not show any reversal of this feature of local labour markets.

To complement the picture, another very important phenomenon that can be observed in the region, with the exception of Lebanon and Israel, is the high unemployment rates of more educated people (an

inverse correlation between educational attainment and employment). The difficulties faced by highly educated individuals in finding employment have several negative effects. Those who have attained a higher level of education must compete for the same jobs with those who have attained a lower level of education, augmenting the overall skills mismatch in the country. They are likely to be performing tasks requiring lower skills than the ones they have and receiving a lower salary than expected. In many countries, VET is not seen as a feasible alternative to higher education, for a variety of reasons, particularly lack of esteem and attractiveness. This remains one of the key challenges for most countries in the region.

In this situation, one of the issues underlined in the 2016–17 Torino Process national reports is the absence of integrated labour market information systems, particularly in the AMCs. The existing information systems have often been developed to meet individual institutional needs or for particular projects and are not integrated with other existing systems to obtain an up-to-date global picture of the labour market in a given country (i.e. Jordan, where considerable investment has been made in this area²³). Furthermore, even in cases where the information may exist, it is not systematically used for policy decisions.

Figure 2.2 Activity rates of total population (aged 15+) by sex, 2015 (%)



Sources: Eurostat and national statistical offices.

²³ 2016–17 Torino Process Jordan report.

Another challenge underlined by most Torino Process reports (particularly in the AMCs) is the lack of (or outdated) data. In some countries (Lebanon, Egypt) data collection and consolidation is limited, mainly due to institutional fragmentation and/or limited institutional capacities (technical and financial) in both the public and private sector. Furthermore, this issue is even more complicated at regional and local level, where data is insufficient or missing, therefore making it difficult to put specific local actions in place to address unemployment. In some countries, the 2016–17 Torino Process reports on actions that have been undertaken since 2014 to set up local or sectoral observatories (such as in Egypt and Morocco). This shows that progress has been made in one of the areas identified as emerging in the 2014 Torino Process. In countries where regionalisation processes are taking place, Torino Process reports indicate that countries are aiming to create more data at regional and/or local level, e.g. Tunisia and Morocco are increasing the sample size of their labour force surveys.

The transition from education to work remains a challenging issue in most countries according to the 2016–17 Torino Process. This is due mainly to a lack of or limited practical skills (including work-based learning) and the weak role of public employment services. This confirms the findings of the second round of the ILO's school-to-work transition surveys (2015–2016), which report the lengthy transition experienced by young people moving from school to work. According to these findings, young people get discouraged from continuing their job search since economies are not able to provide job opportunities. This challenge contributes to the political instability in the region, and to waves of out-migration, representing a loss of investment in the education of young people (ILO, 2016). Thus, the enormous efforts that are made to successfully upskill young people in the region, as outlined in previous chapters, are not contributing properly to the economic development of the region.

Career guidance services remain largely ineffective, with some exceptions. In some cases, career guidance is well integrated (Israel) or formally established at national level but not fully operational (Egypt, Jordan) or is piloted at VET providers' levels (Lebanon). Efforts are made to gather information that will provide a better understanding of the process

of transition from school to the labour market (tracer studies in Palestine, Tunisia and Morocco; school-to-work transition surveys supported by the ILO in Jordan, Palestine, Tunisia, and Egypt). As discussed at the Rabat conference, these tools, if established systematically, can help to enhance decision making that will ease the transition of young people into the labour market.

SEMED countries are increasingly aware of the importance of entrepreneurial skills and the role they can play in enhancing youth employability in various professional paths, whether the young people choose to follow the employed, self-employed or entrepreneurial path. Despite this, the 2016–17 Torino Process country reports show very little progress in this regard, with the exception of Israel, which is pioneering efforts and developments in this area.

Good practice

Israel – Entrepreneurship is a key competence: VET providers, primarily the major technology Israeli education networks ORT and AMAL, are pioneering the development of programmes and entrepreneurship centres as part of an innovative move to impart essential skills to help today's young people to integrate into the industry of tomorrow. Entrepreneurship thinking skills: entrepreneurship centres are set up in the periphery of the country to train social and business leaders and thereby contribute to the socio-economic growth of the country.

Egypt – The creation and extension of regional labour market observatories: business associations and TVET providers cooperate to monitor local labour market needs and adapt TVET provision as required. They are operational, multi-sectoral and locally based. They are independent of the national observatories. Their financing is not yet formally defined. However, the commitment shown by the relevant stakeholders has demonstrated that financial sustainability should not be a major issue.

Lebanon – Guidance employment offices: starting from a pilot in six public schools (the EU-funded Governance for Employability in the Mediterranean (GEMM) project), guidance employment offices have been set up at VET providers' level. Their function has been officially formalised through a ministerial decree and extended to an additional 12 schools.

Their objective is to provide services to students to facilitate their transition from school to work.

Morocco – Observatoire des branches: the aim of this observatory is to provide the economic sectors (the Federation and the General Confederation of Moroccan Enterprises (CGEM)) and the regional professional associations (CGEM in the regions) with (i) a tool for permanent monitoring; and (ii) a forecasting information system for skills and occupations. It is financed by a VET tax and will cover (i) a strategic analysis; (ii) an enterprise skills needs analysis; and (iii) communication and awareness raising.

C. Progress in external social efficiency

Moving from pilots to systems: VET attractiveness remains an issue in a region where VET needs to respond to the needs of multiple beneficiary groups.

Common trends: achievements and challenges

The 2014 Torino Process highlighted that countries in the SEMED region had two main priorities in TVET when addressing social needs: increasing access to education and training and improving the attractiveness of TVET. The 2014 analysis emphasised the need to make these two objectives ‘travel together’ with improving the quality of the TVET system and creating attractive jobs for TVET graduates (ETF, 2015a). The other important aspect relating to this theme was the emerging perception in SEMED countries of the value of TVET as a tool to ensure social and territorial cohesion. The countries were in the process of implementing many different types of initiatives, particularly in the form of pilot projects (and often with the support of non-governmental organisations or international donors), to address the problems of groups with special needs (women, NEETs, people with disabilities or people living in disadvantaged territories).

The 2016–17 Torino Process presents a very similar landscape in its regional analysis. Access to education and TVET remains a key policy objective for all the countries, and there are indications of progress in this area in most countries. According to the data presented in Annex 1, a positive trend is emerging in educational attainment in all countries. This finding should be viewed in a socio-demographic context that has been constantly evolving since the 2010 Torino Process. Although the total population has increased (at different levels) in all countries, the relative size of the youth population (those aged 15–24) is progressively decreasing (except in Israel). This will eventually result in less pressure on the labour market and on the education system, particularly at medium and higher levels. Although participation in TVET is still limited in many countries, several others report an increase in the numbers accessing this form of education (in Israel, demand is up by 5%²⁴; in Morocco, there are 2.3 candidates for each available place²⁵). In Egypt, increasing access is not a priority (participation in VET is around 50%). Instead, the challenge there is to improve the quality of TVET and make it a first option for students²⁶. In fact, in countries like Egypt or Jordan, the exam system tends to steer the best-performing students to general secondary education, while TVET is a second choice for those who are tracked out of the general secondary system. Palestine reports limited progress in increasing access to TVET but confirms that it is a medium to long-term objective, due also to the limited absorption capacity of the system. Tunisia reports a decrease in enrolments in all different sub-segments, including CVET.

The Rabat conference confirmed that increasing the attractiveness of TVET is still a top political priority in the region. Another priority connected to this is the diversification of TVET provision to target the different needs of beneficiary groups. These groups should also be involved in identifying the various needs (‘fitting the need’ of the target population) (ETF, 2017b). According to Torino Process national reports, most of the countries are engaged in different types of promotional campaigns (marketing, publicity, communication) to change the traditional negative social image of TVET in the region (in particular

²⁴ National presentation at Rabat conference.

²⁵ 2016–17 Torino Process Morocco report.

²⁶ National presentation at Rabat conference.

compared to the high social ranking of university education). Most Torino Process national reports and the conclusions of the Rabat conference itself call for a more relevant role for the private sector in helping to increase the attractiveness and improve the image of TVET in the region.

One of the main ways to increase the attractiveness of TVET is to address the issue of progression, that is, the creation of more vertical and horizontal pathways within the education system (both to general and to higher education). In the latest rounds of the Torino Process (2014–16), most countries have reported initiatives to address the ‘dead-end street’ situation of TVET graduates. In the 2016–17 Torino Process, Lebanon, Egypt, Tunisia and Morocco report on the difficulties they face in reaching agreements with higher education and in implementing plans approved in previous years, showing that the way is not smooth.

A specific issue in the region is the limited access that women have to TVET. As described earlier in this report, the AMCs have one of the lowest female activity rates in the world. The Rabat conference identified low female participation as one of the main challenges. For instance, Palestine’s national Torino Process report for 2016 addresses the difficulties faced by women across the country in participating in TVET (and in the labour market), given the limited options (VET centres for girls), difficulties of movement and segregation in general. Israel aims to attract more girls to study science and technology as a way of helping them to integrate into the labour market²⁷. Also in Israel, the Ministry of Economy, together with the AMAL and ORT networks, has established innovative programmes to address the needs of women in the non-Jewish and ultra-Orthodox sector. An increase in the activity rate of Haredi women has been observed in recent years²⁸.

As mentioned at the beginning of this chapter, SEMED countries envisage a role for TVET in contributing to social and territorial cohesion. This is illustrated both in the national Torino Process reports and in the conclusions of the Rabat conference. Some countries, like Morocco and Tunisia, have adopted a trend towards regionalisation as a clear political priority. The aim is to improve equity,

particularly in disadvantaged regions, and this reflects positively in the VET sector. As an example of this increased focus, Tunisia has implemented the 2016–17 Torino Process for the first time in three regions (Sfax, Médenine and Gabès) as well as at national level. Recent pilot initiatives in Tunisia and Morocco have also targeted regional disparities and the situation of women in rural areas²⁹. Both Torino Process national reports include in their recommendations the need for further investment in these types of initiatives.

Despite these positive trends, and although policy provisions and targeted programmes are in place in most countries to address the needs of vulnerable groups (women in rural communities, NEETs, dropouts, disabled people), there still seems to be a long way to go to achieving systemic results. Most of the actions stay at pilot level. Some examples of good practice are the Equal Opportunity Programme (2016) in Israel, for children with special needs and the National Initiative for Human Development (Initiative nationale pour le développement humain) in Morocco.

Some countries report on very specific difficulties, which are influenced by the political and security conditions. This is the case for instance in Palestine, where Area C villages are identified as a marginalised group³⁰ with very limited access to VET, given the restrictions in access to land, movement and construction. Ad hoc initiatives to bring in mobile training have already been implemented in the past but further efforts should be developed. Refugees are identified as another large marginalised group in Palestine, despite UNWRA³¹ action (Khalandia Institute for Vocational Training). Specific recommendations are formulated in the report to create more vocational training programmes for refugees and establish pathways for them to join the rest of the system.

One of the most visible findings of the 2016–17 Torino Process in this area is the growing impact of the Syrian refugee crisis on countries in the region, particularly Lebanon and Jordan, where strong pressure has been put on the labour market and education and VET systems, exacerbating

²⁷ Ibid.
²⁸ 2016–17 Torino Process Israel report.

²⁹ Torino Process national reports for the respective countries.
³⁰ 2016–17 Torino Process Palestine report.
³¹ United Nations Relief and Works Agency for Palestine Refugees in the Near East.

existing problems in those countries. In Lebanon, the 2016–17 Torino Process report underlines the ‘negative progress’ that has been made since the 2014 Torino Process due to the increased vulnerability of both the refugees and the host community and the diminished social cohesion. One of the actions implemented to address this situation is ‘accelerated vocational training’, mostly implemented with donor support and limited internal coordination. The Lebanese report also underlines important regional disparities and the disadvantaged situation of both Syrian and Palestinian refugees vis-a-vis the labour market. In Jordan, the Torino Process report identifies the issue of refugees (Syrian and from other countries) as the main issue affecting the labour market and social demand. Syrian refugees do not take part in VET programmes in Jordan unless they are funded by international projects.

Different combinations of employment and skills policies to counter skills mismatches more effectively in terms of social cohesion and inclusive growth remain a big challenge in all the countries. They all face significant challenges in terms of economic and social development: low growth or jobless growth, high levels of unemployment especially among young people, low involvement of women in economic activities, high proportions of disengaged young people (NEETs). More and more people are facing rising inequality. Even if they are at different stages and proceeding at different paces, the ETF partner countries report a growing shortage of young people equipped with the knowledge and skills needed for the economy of the 21st century. The gap between the skills learned and the skills needed is becoming increasingly obvious, as traditional learning falls short of equipping students with the knowledge and skills they need to thrive. This is driven by a range of structural problems including a breakdown of innovation diffusion from leading to lagging firms and regions, barriers to entrepreneurship and business dynamics, skills mismatches and limited or obsolete skills formation. All of this results in poor income and employment outcomes for low-skilled workers while those on top incomes surge ahead.

The potential for innovation and growth in VET has largely been neglected in the past, in particular when compared to higher education, but the area is now gaining momentum. However, VET is also required to make a specific contribution to achieving inclusive

growth and social cohesion. Regarding the role of VET in inclusive growth and cohesion, some of the national Torino Process reports (e.g., Israel) reflect on the global concern that, with advanced technological developments, many jobs will disappear due to automation, computers and machines. This will make obsolete many of the occupational skills that VET systems currently provide. New technologies destroy jobs in some industries, especially among the low skilled, while creating others, which are often in different industries and require different skills. In addition, the rise in youth unemployment also presents a major challenge to social cohesion, as young people who do not find employment and feel excluded are more likely to drift into the informal sector, into criminal activities and be susceptible to the influence of political forces that seek solutions to economic distress through the promotion of social conflict.

Good practice

Israel – Launch of Equal Opportunity Programme (February 2016). The programme is aimed at children with special needs. Its objectives are to increase accessibility in schools and classrooms and to accommodate diverse special needs, including cognitive disabilities. Particular emphasis will be placed on mathematics and science to support national efforts to retain Israel’s reputation as the start-up nation and as a leading force in the world of high-tech. In addition, in July 2016 a law was passed requiring that 5% of employees in public institutions in Israel be people with disabilities. Legislation was also passed in 2016 to grant equal rights for disabled people in TVET.

Tunisia – Creation of the National Agency for Information and Professional Orientation. Tunisia established this agency as part of its plan to increase the attractiveness of VET; scheduled to be active by 2018, it will be supported by regional offices and will provide scholarships to foster VET specialities that are a priority for development.

Morocco and Egypt – Development of TVET bachelor’s degrees (‘baccalauréat professionnel’ in Morocco; Bachelor of Technology in Egypt within the framework of the Integrated Technical Education Cluster (ITEC) project). They represent an initial attempt to narrow the gap between general

education and VET and aim to allow students to move to higher education.

Lebanon – Integration of Syrian refugees in the education and VET system. In Lebanon, the Ministry of Education has developed a plan to integrate Syrian refugees into the education system including VET. The five-year plan, which is now being renewed, is called RACE. Its aim is to bring some coherence to the donor community's support to help the integration of Syrian refugees.

D. Progress in internal efficiency

If the quality of provision is not addressed, no results will be seen: this is the time for action to address internal efficiency.

Common trends: achievements and challenges

The latest round of the Torino Process in 2014 already indicated that internal efficiency is one of the most active areas in terms of TVET reforms in the region (ETF, 2015a). Paradoxically, however, the pace of reform is extremely slow. The 2016–17 Torino Process confirms this trend, particularly in the AMCs (with the exception of Israel). All the countries in the region are aware of the need to improve the quality of TVET provision. At the Rabat conference, countries raised the dilemma of the limited value of increasing access to TVET without improving quality. Reforms are constantly being implemented through a great variety and number of projects, in particular pilot projects, which are often linked in many countries to donors' activities. However, the impact at systemic level is less than planned and progress is slow. This may be attributed, to a certain extent, to the long-term nature of this type of reform. The unstable political and economic environment in some countries in the region, which does not favour the sustained political and financial commitment necessary for the implementation of reforms, may also be a factor. In some cases (i.e. Egypt, Morocco) the huge size of the TVET sector represents a problem for the implementation of reform measures. According to

discussions at the Rabat conference, there is also a shortage of data on outcomes in the TVET system and poor evidence on the quality of education³².

Of the four areas reported on in the 2016–17 Torino Process, most of the action takes place in the area of learning conditions (particularly approaches to work-based learning) and learning outcomes (curriculum reform and the establishment of a national qualifications framework (NQF)). In most countries, little progress has been made in areas such as teachers, trainers and quality assurance.

Some AMCs intend to address the reform of the internal efficiency of their systems within the framework of recently launched reforms (Morocco, Tunisia, Jordan, Palestine, Egypt), which are currently at different stages of implementation. In Israel, the 'meaningful learning' reform tackles different aspects of internal efficiency and represents good practice in this building block. At the Rabat conference, Israel declared that it expects to see a significant improvement in the quality of graduates in TVET based on recent reforms.

According to the 2016–17 Torino Process, the issue of teachers and trainers remains one of the most problematic in all countries, confirming a trend that has been apparent since the 2010 Torino Process. The Rabat conference confirmed the need to pay more attention to this important issue. A number of challenges are common to all countries. On the one hand, most countries report a shortage of teachers and trainers in TVET (i.e. Israel, Jordan); on the other, teachers are generally insufficiently qualified, in particular they lack the practical experience of working in enterprises (i.e. Egypt, Palestine). Those who are more highly qualified easily find more attractive professional opportunities, even in countries where the teaching profession is well respected (i.e. Jordan). In most countries, there are no (or very limited) performance evaluation mechanisms and no systemic professional career development opportunities. The issue of the initial training and retraining of teachers and trainers remains a challenge in most countries. Some countries address this challenge by creating pedagogical institutes (e.g. the Professional Academy for Teachers

³² See reference to countries participating in PISA 2015 in Chapter 1.

in Egypt³³, or the national institute for the training of teachers and trainers that is planned in Morocco as part of the implementation of the new strategy). In Lebanon, the National Training Institute for Technical Education (IPNET) is responsible for teaching standards and the training of teachers. However, the national Torino Process report argues that its activity is not sufficiently effective, so pilots are being tested at school level instead. In Israel, managers, decision makers and practitioners are provided with intensive training to enable them to implement the TVET strategy³⁴. In Tunisia, there are plans to create a technical pedagogical body that will carry out inspections. Tunisia's national Torino Process report includes a recommendation for the National Centre for the Training of Trainers and Training Consultancy (CENAFFIF) to conduct needs identification surveys and draw up annual plans for the training of teachers and trainers.

Regarding learning conditions, many SEMED countries (i.e. Lebanon, Jordan, Palestine) report difficulties in keeping infrastructure, especially equipment, updated. Others, like Tunisia, report on the efforts that have been made since 2012 to restructure and renovate centres, but also on the need to do more. Israel reports on the major investment made in VET in recent years, in particular in the regional technology centres. Such centres are part of Israel's vision for the information and communications technology (ICT) sector to contribute to the knowledge economy. At the same time, the report points out that the investment is not yet large enough to cope with the growing demand for TVET. The issue of the lack of efficiency in the use of resources (TVET centres and schools) and the need to act accordingly has been raised both at the Rabat conference and in the 2016–17 Torino Process national reports (i.e. in many countries of the region).

In terms of learning methods, training delivery remains traditional and mostly focused on theory with little exposure to practical training in many countries in the region. A trend to increase efforts to develop work-based learning can be observed in some of the countries according to the 2016–17 Torino Process. However, the percentage of

students in work-based learning remains limited in the Mashreq area. For example, in Egypt, around 2% of the students in technical education under the auspices of the Ministry of Education engage in work-based learning³⁵, while in the Maghreb region, quality remains an issue, even if enrolment in work-based learning is increasing. Israel has put in place several initiatives for work-based learning, providing both practical and theoretical course in cooperation with industry. According to the Torino Process report, however, more work-based learning opportunities must be made available in high-tech. One critical challenge for work-based learning across the region is the nature of the enterprises: as they are mostly micro or small, there is a shortage of enterprises and companies willing or able to host and coach apprentices.

In the area of curriculum development, the necessary processes for updating VET curricula and keeping them in line with the rapidly changing needs of the labour market are limited in most countries and even non-existent in some of them. The 2016–17 Torino Process reports on attempts in place in some countries to make curricula flexible and modular, although implementation remains difficult. Lebanon reports on some progress in updating and upgrading curricula and introducing new specialisations, although these are not competency-based³⁶. In Egypt, various initiatives and pilots coexist, some of them along the lines of a competency-based model, but they are not yet mainstreamed³⁷. The competency-based model co-exists in Morocco and Tunisia with other, more traditional approaches. Palestine is introducing the model, so far only in schools and centres of competence targeted by international programmes³⁸.

The 2016–17 Torino Process reports moderate progress in the field of quality assurance since 2014. Most countries still encounter difficulties in shifting from the more traditional approaches of quality control, achieved mainly through audits and inspection, towards more reform-linked, innovative and developmental approaches to quality assurance. In Israel, for example, the 2016–17 Torino Process report illustrates an important development since

³³ Egypt's national 2016–17 Torino Process report indicates that the mass retraining of VET teachers will be crucial when competency-based curricula are introduced.

³⁴ The training is provided by the Aharon Ofri International Training Centre.

³⁵ 2016–17 Torino Process Egypt report.

³⁶ 2016–17 Torino Process Lebanon report.

³⁷ 2016–17 Torino Process Egypt report.

³⁸ 2016–17 Torino Process Palestine report.

2015 with the setting up of a new Accreditation department at the Ministry of Education. This is responsible for a more flexible system of accrediting students in technology education. Compared with the 2010 Torino Process, very significant progress has been made in this area in countries in the region if. In several countries, specific institutions for quality assurance have been set up at national level in recent years (e.g. the National Authority for Quality Assurance and Accreditation (NAQAAE) in Egypt, Centre of Accreditation and Quality Assurance (CAQA) in Jordan). These institutions represent an important development at a systemic level. While the main function of these institutions is to deal with accreditation, it is not their sole function. In Egypt, NAQAAE is also responsible for leading the development of the NQF. In Jordan, CAQA also deals with occupational testing and licensing. The national Torino Process reports for these countries discuss potential incompatibilities between these functions, the need to revise accreditation processes and sustainability issues.

In terms of learning outcomes, many countries (Morocco, Tunisia, Egypt, Israel, Jordan, and Palestine) have taken steps to develop NQFs since the 2010 round of the Torino Process. These are now at different stages of progress. In Lebanon, work on

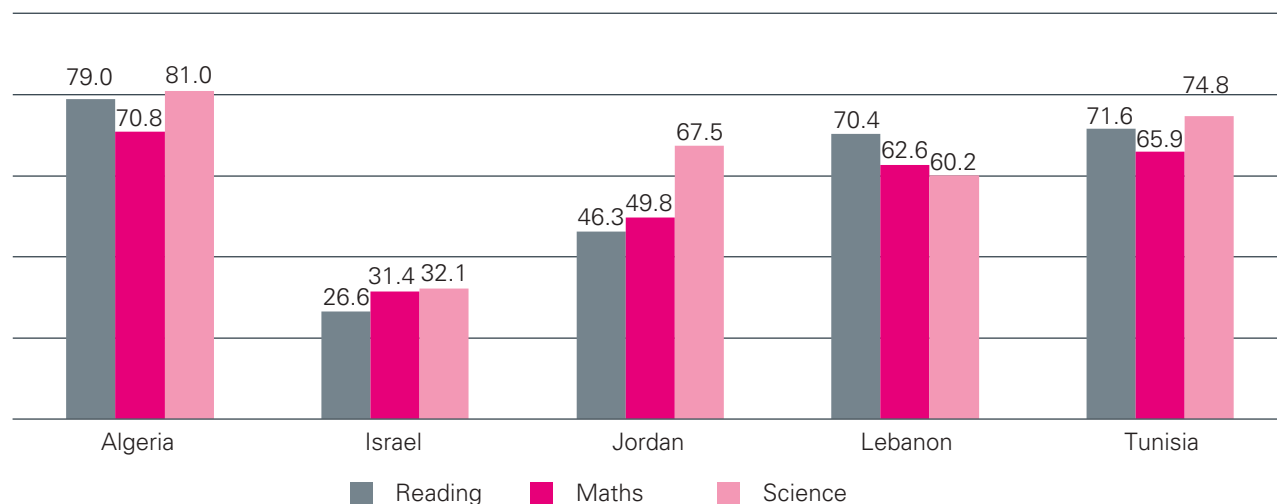
the NQF has been put on hold since 2013³⁹. Some of the most recent developments include activities in Israel and Palestine to develop NQFs; the approval of a technical and vocational qualifications framework in Jordan in 2014, which has been piloted since 2015; and the first meeting of the National Commission for the Cadre National des Certifications (CNC) in Morocco in 2016.

A quite worrying finding in the region is the percentage of 15-year-olds who perform poorly in reading, mathematics and science as measured by PISA (see **FIGURE 2.3**). With the exception of Israel, and Jordan in the case of reading and maths, more than 60% of young students underperform in the three disciplines. The lack of acquisition of key competences and soft skills at an early age is becoming an increasingly important problem in modern societies. It means that most of the students who access vocational education in upper secondary programmes in the region lack these key competences.

Good practice

Israel – ‘Meaningful learning’ reform. This process started with great momentum, mainly in the technology education networks. From there, it trickled through to the rest of the education system.

Figure 2.3 Low achievers in PISA (failing to reach level 2), 2015 (%)



Source: OECD.

³⁹ Both the Rabat conference and the 2016–17 Torino Process report put forward the activation of the NQF in Lebanon as one of the main recommendations for action.

Several network schools have even started teaching interdisciplinary clusters compatible with the world of industry, where teams from different areas of technology work together.

Student Experience in Industry is an initiative led by the employers' association (MAI). It allows teachers and students to gain relevant experience in their field during their studies.

Egypt – Work-based learning initiatives. Egyptian stakeholders have made a strong collective commitment to expand the existing initiatives (the Mubarak-Kohl initiative in the Ministry of Education and Technical Education, the alternance scheme in the Productivity & Vocational Training Department (PVT), the continuous apprenticeship organised by the Ministry of Manpower and Migration). In particular, the Ministry of Education and Technical Education has set an ambitious target to increase the number of students in work-based learning secondary technical education by 10 000 each year in order to have 50% of students in this type of education by 2025. The huge size of the TVET sector in the country will present a challenge to achieving this target.

Jordan – One of the main achievements of the TVET system in Jordan in recent years has been the establishment of CAQA. It is an independent body tasked with two types of functions: quality assurance functions and accreditation on the one hand, and occupational assessment and licensing on the other. Among its recommendations, the 2016–17 Torino Process report proposes to delegate this latter function to the chambers of commerce in order to avoid confusion and to strengthen the accreditation function. CAQA is also the managing body for the technical and vocational qualifications framework. In the HRD strategy approved in 2016, CAQA is conceived as the quality assurance arm of the new Skills Development Corporation, which is still to be set up.

The EU-funded GEMM project helped to put in place a pilot project to design and implement a new training course in the retail sector. While training programmes in Jordan are normally planned, designed and evaluated centrally, this course was designed locally with the full involvement of local actors and employers. The project opted for a combined programme of school-based and work-based learning.

Morocco – Morocco has made significant progress on its NQF⁴⁰. Specifically, institutional arrangements have been set up for NQF governance and the pilot levelling of qualifications has started.

Palestine – The introduction of quality assurance standards within the centres of competence and the 73 new work-based learning pilots recently established are among the most interesting initiatives and could have a sustainable impact on the TVET sector.

E. Progress on governance

Less fragmentation and centralisation, more coordination for greater transparency and accountability: from piloting to system reforms.

Common trends: achievements and challenges

In the 2014 Torino Process, two main areas of progress in governance in SEMED countries were observed: on the one hand, a drive to combat existing fragmentation in the TVET systems by testing different mechanisms to improve coordination among key partners; on the other, a move towards increased decentralisation in several countries in the region (ETF, 2015a).

Both trends appear to be reconfirmed in the 2016–17 Torino Process. Furthermore, multi-level governance and cooperation issues are perceived by countries in the region as crucial to the successful implementation of reforms (ETF, 2017b). At the same time, the 2016–17 Torino Process reports and the discussions in Rabat admit that there is a shortage of information, evidence and indicators to track progress in the field of governance. Performance indicators are often missing, as are indicators for accountability. The need to establish a 'culture of results'⁴¹ was strongly emphasised in the 2016–17 Torino Process.

There is clear agreement among countries in the region about the need to fight fragmentation in the TVET sector by increasing the number of effective coordination mechanisms. At present, three types of

⁴⁰ CNC in French.

⁴¹ 2016–17 Torino Process Tunisia report.

governance arrangements for IVET and CVT can be identified in the region: (i) key VET decision making is under the authority of a leading ministry (Morocco, Tunisia, Lebanon); (ii) various VET subsystems coexist and are managed by different ministries or agencies with a legally established council having a coordinating role (Jordan); and (iii) various VET subsystems are managed by different ministries or agencies, with no overall coordination (Israel, Egypt, Palestine). However, the situation is very fluid and constant change and evolution is reported in the 2016–17 Torino Process. For instance, following the last round of the Torino Process in 2014, Egypt attempted to set up a Ministry for TVET, but that decision was later revised. In Palestine, the situation has evolved from the setting up of a National Agency for VET in 2014 to the revitalisation of the Higher Council for TVET. In Israel, a national TVET Committee is officially established and operational, as is an inter-ministerial team for accreditation (IMAST). In Jordan, the 2016 Human Resources Development Strategy provides for the setting up of a Skills Development Corporation to address leadership and coordination issues in the existing governance arrangements. In Tunisia, a joint committee ('comité mixte' – with representatives of the education, employment, VET, higher education and research ministries) has been set up and the creation of national instance for HRD under the President of the government is foreseen. The national Torino Process report includes in its recommendations the need to set up a new governance model that better acknowledges the plurality of actors involved in the sector and the social partners.

The trend towards a devolution of powers to regional and local levels is also reconfirmed, together with a growing awareness of the importance of the local dimension. TVET systems in the region are mostly government-led and centralised, which leaves little room for the effective involvement of other VET actors at national, intermediate and local level. However, some countries in the region, such as Morocco, have national VET decentralisation processes in place. In Tunisia, models of multi-level governance are piloted in a number of regions. In Palestine, local employment and training councils bring together TVET providers, public stakeholders and private sector representatives under the leadership of the governors. Since 2014, they

are reported to have played a very important role in identifying local labour market skills needs in the context of international projects. The need to monitor their sustainability in the long term is also mentioned⁴². At the Rabat conference, however, countries underlined the importance of continuing efforts to address the needs at local level, in particular in disadvantaged areas, and to involve subnational actors. In this respect, it is worthwhile highlighting the Tunisian experience in the 2016–17 Torino Process, where the process was implemented not only at national level, but also in three regions (Sfax, Médenine and Gabès).

Regardless of the level, unclear and/or not-formalised roles and responsibilities in VET governance seriously hamper cooperation both among different governmental bodies (often leading to overlaps) and between governmental and non-governmental bodies. In this respect, the attempt to enhance vertical and horizontal cooperation emerges as a common trend in all countries although the pace of development is different.

The Rabat conference underlined progress with regard to the role of social partners: all the countries are piloting one or more mechanisms to increase the participation of social partner representatives, particularly at the policy design phase (less at implementation level). The difference between the two sub-regions (Maghreb and Mashreq) remains important in this respect. In Maghreb countries, where social partnership is formalised (at least at central level), opportunities for effective participation are higher (in countries such as Morocco and Tunisia). Despite this, the resources and capacities of social partners remain limited, especially at local level. In Mashreq countries, social partnership is generally not formalised and the private sector still lacks the capacity to play an active role in shaping and implementing skills policies. In Israel, social partners are active and involved in VET implementation. Participants at the Rabat conference insisted on the importance of increasing opportunities and incentives for public private partnerships in order to be able to multiply and mainstream a number of the existing pilot experiences.

There is little to report regarding progress in the autonomy of TVET centres in the region, except in

⁴² 2016–17 Torino Process Palestine report.

Israel and Morocco⁴³. The highly centralised systems leave little room for VET providers' autonomy both in terms of decision making and in terms of management. This limited autonomy hampers innovative approaches and partnerships with local enterprises. In terms of innovation, several actions are in place in Israel as part of a general effort and strategy to foster innovation, particularly at the providers' level. One example is the iSTEAM programme (see 'Good practice').

Very little seems to have changed in the financing and funding of TVET since the last reporting period in 2014. While some countries (Israel, Morocco) report a significant increase in investment in TVET, it is still not enough to meet the growing demand in these countries. IVET in the region is financed mostly by government resources and revenues, except where the private training sector is prominent, such as in the case of Lebanon. The allocation of funds remains input-oriented rather than based on performance and real needs. The financing of CVET remains low on the list of priorities for education and training, except in a few countries (e.g. Israel, Morocco and Tunisia). In the other countries, governments tend to leave the financing of CVET to companies, without a national systemic organisation. Some country reports flag the issue of insufficient resources for TVET in general (i.e. Lebanon, Jordan). The Jordanian Torino Process report includes a recommendation to pay special attention to the role and management of the Skills Fund. According to the new HRD strategy, this fund is supposed to operate under the auspices of the Skills Development Corporation. According to the national Torino Process reports for some of the other countries, such as Morocco and Tunisia, the issue of financing will be critical for the implementation of the new strategies. The Torino Process report for Palestine points out the need to increase national capacities to take leadership of the costing of the reforms. At the Rabat conference, the question of transparency and accountability in general and the need to set up more suitable management information systems for VET financing, costing and funding emerged as key issues relating to this topic.

Good practice

Israel – Autonomy of VET providers and VET innovation. VET providers are given considerable local autonomy, as well as incentives, to set up partnerships and initiatives. Specifically, VET courses in all sectors are coordinated with and approved by local authorities according to the needs of the city, the region and local industry. Recently, tender procedures were introduced by local authorities as a way to increase competition among VET providers.

The iSTEAM (Innovation in science, technology, engineering, art and mathematics) programme's approach to learning enables a comprehensive overview of all the various fields of science and engineering, with in-depth learning of a particular discipline.

Morocco – Delegated management of VET centres ('établissements à gestion déléguée'). These centres were pioneered in the textile sector. With this model, the VET public authority delegates the management of selected VET centres to the private sector based on an outputs-based contract. There are currently 13 such centres. They focus on areas such as textiles, aeronautics, automobile and renewable energies.

Palestine – The establishment of a Development Centre under the auspices of the revamped Higher Council for TVET. The Centre will play a leading role in reviewing policy within the framework of TVET reform. All key stakeholders (including the private sector and civil society) will be represented in several thematic working groups. This can be considered an interesting example of stakeholder cooperation.

Tunisia – Multi-stakeholder platforms in five pilot regions (Médenine, Gabès, Sfax, Kairouan and Mahdia) have proved very dynamic, committed and able to undertake VET functions in a decentralised way. Their efforts should be consolidated within permanent frameworks where roles, responsibilities and resources between the central and the regional level are well defined. This initiative will be extended to include eight additional regions through the EU-funded IRADA programme.

⁴³ In Morocco, they are known as 'établissements à gestion déléguée', which are VET centres whose management is delegated to the business sector.

CONCLUSIONS AND KEY MESSAGES



In view of the development of the SEMED region since the 2010 Torino Process, it is possible to state that there has been progress in the region in all five key building blocks, particularly in terms of awareness of the importance of key issues for TVET reform and in the initiation of the reforms themselves. The drawback is the slow pace of implementation in the region, due to a diversity of factors, and the limited impact that the various actions and pilots have had on employment and on the VET systems themselves.

Since the last round of the Torino Process in 2014, the efforts of the countries in the region have focused in particular on the main challenge of how to address youth employability through VET reform, including by increasing the attractiveness of TVET systems⁴⁴. This challenge had already been identified in the 2012 Torino Process following the popular uprisings of the Arab Spring. However, results are not yet available and countries need to maintain their focus on implementation and ensure that strategies are monitored closely and stakeholders have clearly defined roles as efforts move ahead. With few exceptions, actions targeting vulnerable groups remain limited. The impact of the Syrian crisis on Lebanon and Jordan is more and more prominent with the increased involvement of the international community. The area of vision⁴⁵ appears to be very dynamic in the 2016–17 Torino Process, with many changes taking place in different countries, while multi-level governance⁴⁶ issues, in particular those related to coordination and cooperation, are identified as the key to the successful implementation of TVET reforms.

Evidence remains problematic in the AMCs, especially on the education side. Issues concerning reliability and validity have an impact on policy analysis and the shaping of policy solutions. While it would be important to ensure the collection of relevant evidence in a cyclical and well-established routine to inform policy monitoring and policy making, the available data on external efficiency is mostly ad hoc and donor driven. Evidence on internal efficiency⁴⁷ remains limited and problematic, with significant variation between international and national data.

This chapter aims to identify the key findings and messages of the 2016–17 Torino Process national reports in the SEMED region. It is not within the remit of this report to formulate specific recommendations for further action – either to the partner countries themselves or to the ETF. Many of the key issues identified in this report deserve an in depth analysis and the elaboration of proposals on how to tackle them. Building on the Torino Process results identified in the national and regional reports, other ETF studies can explore these different thematic areas for action in order to build skills and human capital development systems where TVET plays an integral role.

Key messages on vision

There is overall progress in the development of a vision for TVET, but the real challenge is implementation and results achievement.

In the first round of the Torino Process in 2010, very few countries had developed national visions for VET. Nowadays, we see the formulation of strategies (with or without action plans, depending on the country) that position VET in the wider framework of HRD and closer to strategic developments in other domains such as general education, employment and economic growth.

The key challenge that countries now face is not vision building, but the slow pace of reforms: how to put strategies into practice, how to move from the formulation of a vision to actual delivery. Governance, in particular the participation and coordination of stakeholders, has been identified by the countries as key to addressing this challenge.

Two other key elements in this regard are the insufficient evidence that is produced and used for policy-making decisions in most countries and the shortage of monitoring and evaluation systems that can be used to feed back into the decision-making process.

⁴⁴ Sections B and C of the Analytical Framework of the Torino Process.

⁴⁵ Section A of the Analytical Framework of the Torino Process.

⁴⁶ Section E of the Analytical Framework of the Torino Process.

⁴⁷ Section D of the Analytical Framework of the Torino Process.

Key messages on external economic efficiency

Countries have made progress since the 2014 Torino Process and invested in policy solutions and tools for achieving a higher external efficiency, but the impact is still difficult to measure.

The 2016–17 Torino Process confirms again the top priority for most countries in the region, especially the AMCs, as combatting youth unemployment. This was already identified as a priority in the 2012 round, and confirmed in 2014. VET is seen as a key weapon in this battle. Since 2012, numerous pilot projects, programmes and active labour market policies have been deployed, and major investments have been made. However, the impact of these measures has not yet fed into higher activity rates or lower unemployment. In the 2016–17 round, countries argued that there is a shortage of data and evidence testifying to the effect that VET has had on labour market trends, and few indicators or studies showing the progress of VET graduates through their working lives.

The main priority in this area is data and labour market information systems. The lack of up-to-date data, the absence of integrated systems and the fragmentation of tools and methods are some of the challenges that countries are trying to address by setting up labour market observatories at national, regional and sectoral level. Information is indispensable for establishing skills matching mechanisms.

Another challenge is the transition from education to work. Career guidance schemes and tracer studies are seen as the main tools for which further investment is needed across the countries in the region.

Key messages on external social efficiency

Moving from pilots to systems: VET attractiveness remains an issue in a region where VET needs to respond to the needs of multiple beneficiary groups.

Since the 2010 round of the Torino Process, increasing access to VET and improving its attractiveness are key issues on the agenda of VET policymakers in the SEMED region. While there has been progress in this area, VET in most countries is still a second choice for those who do not make it into general education. This exemplifies the powerful social aspiration for higher education in the region.

Countries are now aware of the need to make progress not only in terms of access, but also in improving the quality and relevance of VET and enhancing the potential role of the private sector in this respect.

A key tool for increasing attractiveness is to create horizontal and vertical pathways between VET and the rest of the education system, including higher education. Different approaches are being tested in the various countries, though it is challenging to mainstream such pilot initiatives at system level.

An emergent theme in the 2016–17 Torino Process is the need to diversify VET provision to target the needs of different beneficiary groups, which should also be included in any needs identification process.

All the countries underline the role that VET can play in improving social and territorial cohesion. However, much still needs to be done to implement this in practice. Most actions targeting people with special needs or disadvantaged or marginalised groups, such as women, NEETs, disabled people or remote rural

regions, are effective only at the pilot stage. With few exceptions, they are not yet mainstreamed in the system. This is particularly important for women, who represent 50% of the population and whose access to the labour market remains challenging. One of the key findings of the 2016–17 round is the growing impact of refugees, particularly in host countries, and its consequences for both education, VET and the labour market.

Key messages on internal efficiency

If the quality of provision is not addressed, results will not be achieved: it is time for action on internal efficiency.

Since the 2010 round of the Torino Process, and particularly since 2014, internal efficiency has been a key focus for VET stakeholders in the region. Numerous activities, projects and initiatives aimed at improving the quality of VET are ongoing in all countries. However, their systemic impact is generally less significant than expected, while the pace of reform remains generally slow. The size of the VET sector in some countries, the cost of such reforms, political instability and the absence of indicators to measure progress are among the reasons put forward for this slow progress. However, all the countries in the region are aware of the need to improve the quality of VET provision and the efficient use of resources in order to meet the expectations of citizens and businesses.

Teachers and trainers (their career, recruitment, numbers, qualifications, salaries, training and retraining) emerge as the most problematic area. Few systemic reforms have taken place since the 2010 Torino Process. There has been little progress in developing quality assurance beyond a mere control system since the 2014 round. However, if we take 2010 as the benchmark, we can see a number of key systemic changes, particularly in countries that have set up dedicated quality assurance institutions. The development of curricula and processes are not

yet systematically linked to labour market needs, although many countries are gradually moving towards competency-based models.

Practical training or work-based learning is one area in which the countries of the region have been more active since the 2010 Torino Process. Many models have been piloted with considerable success, but the main difficulty remains mainstreaming them nationally. The structure of businesses in the region, most of which are micro, small and medium-sized enterprises, does not favour their active involvement in learning approaches.

All SEMED countries have shown an interest in establishing NQFs and most of them have approved their design and implementation. Progress is slow, however. By their nature, NQFs affect all parts of the VET and education system, and have implications for governance. Some countries are actively engaged in implementing qualifications frameworks for VET.

Key messages on governance

Less fragmentation and centralisation, more coordination for greater transparency and accountability: from piloting to system reforms.

The countries of the region, especially the Arab Mediterranean ones, have experienced considerable changes in their institutional culture as regards governance since the 2010 Torino Process. Awareness of the importance of governance for success in implementing VET reforms is now very high. The 2014 round already highlighted two main areas of progress: fighting fragmentation and increasing decentralisation, and these have been confirmed in the 2016–17 round.

In the first area, countries are trying different formulas for improving coordination among key stakeholders at national level and report considerable changes since 2014. In the second, progress in devolving powers to the regional and local level is more pronounced in countries where decentralisation is a national policy objective. Progress in increasing

the autonomy of VET institutions is generally limited, except in some countries.

The need for greater participation of social partners and civil society, especially employers, has come increasingly to the fore since the 2010 Torino Process. This is a growing trend in the region, though more at the level of design than concrete implementation. Questions remain as to the institutional capacity of social partners to play a more active role in most countries of the region.

Change in financing and funding mechanisms has been slow since 2010, both for IVET and, especially, for CVET. This remains an area for further action in most countries.

The real change since 2010 is an emerging awareness of the need to evolve towards a 'culture of results'. Accountability and transparency, information and indicators to measure progress are essential ingredients in this process.

ANNEXES



Annex I. Labour market, education and contextual indicators

	MA		TN		DZ		EG		JO		LB		PS		IL							
	D5	D2	D5	D2	D5	D2	D5	D2	D5	D2	D5	D2	D5	D2	D3	D2						
	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015	2015						
Activity rate (age 15+) (%)	47.4	-4.4	47.1	0.4	-0.6	41.8	0.2	-3.3	31.7	-2.8	-0.6	36.7	-7.1	-1.1	38.7	4.8	64.1	0.6	0.8			
Employment rate (age 15-64) (%)	41.2	-5.1	40.5	-0.7	1.5	39.9	7.5	-5.0	41.0	-7.9	-8.5	20.9	-3.7	0.5	49.2	35.2	8.0	1.4	68.3	2.7	1.8	
Unemployment rate (age 15+) (%)	9.7	6.6	15.2	16.9	-4.6	11.2	12.0	12.5	13.0	38.3	-1.5	13	3.8	3.1	9.7	25.9	9.3	9.7	5.3	-24.3	-18.9	
Unemployment rate by education, ISCED level 0-1 (age 15+) (%)	5.9	-11.9	-16.9	9.9		7.7	1.3	13.0	m			m			8.1	24.2	-4.7	12.0	8.3	-32.0	-28.9	
Unemployment rate by education, ISCED level 2 (age 15+) (%)	15.4	-6.1	-0.6	m		13.4	25.2	17.2	10.3	5.8	23.3	11.1	-3.6	1.8	8.7	24.6		7.7	11.2	0.9	-8.0	
Unemployment rate by education, ISCED level 3-4 (age 15+) (%)	19.3	9.0	5.7	16.2		10.1	13.5	4.0	15.7	22.7	-5.7	8.2	-2.4	-3.7	13.9	20.3	3.6	14.8	6	-25.0	-21.7	
Unemployment rate by education, ISCED level 5-6 (age 15+) (%)	21.1	21.3	16.1	30.2		14.1	-30.5	0.7	20.0	5.8	-10.0	18.6	13.4	4.3	11.4	31.8	32.0	6.3	3.8	-13.6	-13.2	
Youth unemployment rate (age 15-24) (%)	20.8	18.2	7.2	35.5	2.3	29.9	39.1	17.1	26.5	6.9	-22.5	30.8	9.6	-1.3	16.8	40.7	4.9	-0.7	9.3	-23.1	-12.9	
Youth unemployment ratio (age 15-24) (%)	6.5	1.6	4.8	10.1	9.8	-14.9	7.5	11.9	8.0	m		7.7	2.7	5.2	m	13.3	30.4	9.8	4.6	-23.3	-13.0	
Incidence of self-employment (age 15+) (%)	54.9	-1.4	-0.5	22.6	-13.7	-13.4	28.7	-2.7	-0.7	3.4	0.3	12.4	-23.9	-20.2	28.9	31.3	-3.4	-1.6	12.6	-0.8		
Skill gaps (%)	31.8			29.1		36.8			11.7			9.5			15.3	5.8			12.3			
Participation in lifelong learning (age 25-64) (%)	m			1.3	-27.8	76.9	m		m			m			m	m			9.9	2.1	4.2	
Tertiary educational attainment (age 30-34) (%)	9.8			23.8	25.3	10.1	m		20.4			m			22.5	29.5	39.2	12.2	53.1	4.9	2.6	
Low achievement in PISA 2015 (%)	m			71.6	22.3	79.0			m			46.3	-4.4		70.4	m			26.6	3.0		
Science	m			65.9	10.6	70.8			m			49.8	0.2		62.6	m			31.4	2.5		
Maths	m			74.8	7.1	81.0			m			67.5	-1.0		60.2	m			32.1	-1.4		
Early leavers from education (age 18-24) (%)	m			51.6	0.6	-6.4	m		27.8			33.2			m	31.4	-11.3	-0.6	70	-0.3	-0.3	
Persons not in employment, education or training (age 15-24) (%)	27.9			29.1	15.5	-6.2	21.5		26.8	-16.5	-4.1	24.6			21.3	32.1	10.3	2.5	15.6	-9.3	-6.4	
Students in vocational programmes in upper secondary (%)	11.6			9.3	2.2		9.7		46.6	-8.1	-4.5	13.1	5.6	-0.8	26.2	2	5.0	5.0	40.8		4.2	
Students in vocational programmes in upper secondary ('000)	119.5			49.9	-5.8	-5.4	129.5		1581.7	31.5	-4.7	28.3	18.6	-2.2	46.4	2.9	1.9	4.6	150.7		4.1	

	MA		TN			DZ			EG			JO			LB			PS			IL			
	2015	D5	D2	2015	D5	D2	2015	D5	D2	2015	D5	D2	2015	D5	D2	2015	D5	D2	2015	D5	D2	2015	D3	D2
Educational attainment of adult population, no schooling (age 25+) (%)	44.7	-3.0	-3.1	17.9	-10.9	0.0	23.0	-17.0		32.1	-16.6	-18.1	10.1		12.0			5	-34.2	-10.0	2.4	-22.6	-25.0	
Educational attainment of adult population, ISCED 0-2 (age 25+) (%)	37.0	1.6	1.1	48.6	1.0	-1.4	45.2	1.1	0.0	20.5	12.6	12.2	48.5		54.5			55.3	-3.8	-1.3	15.7	-18.7	-2.5	
Educational attainment of adult population, ISCED 3-4 (25+) (%)	10.5	9.4	7.6	17.8	-0.6	-3.3	19.3	7.8		32.5	12.1	7.4	25.2		15.3			15.8	3.9	-1.3	34.3	0.0	-2.3	
Educational attainment of adult population, ISCED 5-6 (25+) (%)	7.9	5.3	2.5	13.9	13.7	9.0	12.5	27.6		14.7	2.8	4.8	16.2		17.9			23.9	21.3	5.9	47.7	10.2	4.0	
Expenditure on education as a % of GDP	5.4			6.1		-1.6	m			m			m		2.6	62.5		1.32	-27.8	-15.4	4.6	-4.3		
Proportion of teachers who have followed continuing professional development in the last 12 months (%)	m			m			m			m			m		m								91.1	
Total population (million)	33.2	4.2	1.0	11.2	5.6	2.3	40.0	11.1	4.2	91.5	11.5	4.3	6.7	9.2	2.2	3.8	0.0	4.7	15.7	5.6	8.5	10.0	3.9	
Relative size of youth population (age 15-24) (%)	26.6	-9.8	-4.5	22.6	-16.6	-7.1	25.4	-17.5	-8.3	28.1	-12.5	-5.0	31.3	-4.5	-1.6	28.7	-2.7	37.4	-4.3	-2.4	24.8	0.4	0.0	

Sources:

National statistical offices, Eurostat, UNESCO Institute for Statistics, World Bank, OECD, United Nations Development Programme.

Legend:

D13: Percentage change from 2013 – (lay-2013)/(2013)*100

D10: Percentage change from 2010 – (lay-2010)/(2010)*100

Yellow cells: positive value of change; Purple cells: negative value of change

lay: last available year; m: missing data

Low: ISCED 0-2; Medium: ISCED 3-4; High: ISCED 5-8

Notes:

IL – break in time series for all labour force survey indicators in 2012, so D3 is calculated for the country instead of D5 (three years' difference (2015-12)); IL includes military service in sample labour force survey

Activity rate – EG, PS, IL: 15-64; EG lay: 2014; LB lay: 2012

Employment rate – LB lay: 2012; TN lay: 2014

Unemployment rate – DZ: 16-59; PS, IL: 15-64; EG lay: 2014; LB lay: 2012

Unemployment rate by education – EG: ISCED 2 includes ISCED level 0-1; DZ: 16-59; LB lay: 2012; TN lay: 2013; EG lay: 2014

Youth unemployment rate/ratio – DZ: 16-24; LB lay: 2009; EG lay: 2014

Incidence of self-employment – MA, EG lay: 2014; LB lay: 2012; TN reference for D5: 2012

Skill gaps – lay: 2013; DZ lay: 2007

Underachievement in reading, mathematics and science (OECD PISA) – D13 is calculated on 2012-15; D10 is calculated on 2009-15

Early leavers from education and training – EG lay: 2012

NEET – DZ: 16-24; DZ lay 2013; LB lay: 2007

Tertiary educational attainment – MA: 25-34; EG lay: 2012; MA lay: 2013; LB lay: 2009

Students in VET programme in upper secondary – DZ lay: 2011, MA lay: 2012; EG lay: 2013; JO, IL lay: 2014; IL: break in series 2013; IL: reference for D2: 2013, PS reference D5: 2011

Educational attainment of active population – JO lay: 2010; LB lay: 2012; for DZ reference for D5: 2012

Expenditure on education as share of GDP – MA lay: 2009; IL, LB lay: 2013; TN lay: 2014

Total population – JO and LB: does not include refugees; LB lay: 2007; JO, MA lay: 2014

For a definition of the indicators and to download country annexes, see: www.torinoprocess.eu/hub/data-analysis

Annex 2. Benchmarking: SEMED 2016–17 Torino Process – EU 2020 targets in education and employment

		IL		EU		EU 2020 objectives	
		2015	2013	2015	2013		
Headline targets	Early leavers from education** (18–24) (%)	70d	70.2d	11.0	11.9	< 10%	
	Tertiary educational attainment (30–34) (%)	53.1	51.7	38.7	37.1	≥ 40%	
	Employment rate (20–64) (%)	74.7	73.1	70.1	68.4	≥ 75%	
Other targets	Participation in lifelong learning (25–64) (%)	9.9	9.5	10.7	10.7	≥ 15%	
	Underachievement in PISA (%)	Reading	26.6	23.6*	19.7	17.8*	< 15%
		Maths	32.1	33.5*	22.2	22.1*	
		Science	31.4	28.9*	20.6	16.6*	
Employment rate of recent graduates (20–34) (%)	m	m	76.9	75.4	≥ 82%		

Notes: d: definition differs; m: missing data; * reference year: 2012; ** The indicator for the early leaving rate in Israel includes those enrolled in compulsory and permanent military service in the Labour Force Survey.

Sources: Central Bureau of Statistics, Eurostat, OECD.



ACRONYMS

AMC	Arab Mediterranean country
CAQA	Centre for Accreditation and Quality Assurance (Jordan)
CGEM	Confédération générale des entreprises du Maroc (General Confederation of Moroccan Enterprises)
CVET	Continuing vocational education and training
ETF	European Training Foundation
EU	European Union
GDP	Gross domestic product
GEMM	Governance for Employability in the Mediterranean
HRD	Human resources development
ILO	International Labour Organisation
ISCED	International Standard Classification of Education
IVET	Initial vocational education and training
NEET	(Young people) not in education, employment or training
NQF	National qualifications framework
OECD	Organisation for Economic Cooperation and Development
PISA	Programme for International Student Assessment
SEMED	Southern and Eastern Mediterranean
SME	Small and medium-sized enterprise
TVET	Technical and vocational education and training
UNESCO	United Nations Educational, Scientific and Cultural Organisation
VET	Vocational education and training

COUNTRY CODES

DZ	Algeria
EG	Egypt
IL	Israel
JO	Jordan
LB	Lebanon
LY	Libya
MA	Morocco
PS	Palestine
TN	Tunisia



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