

# GOVERNANCE OF VOCATIONAL EDUCATION AND TRAINING IN THE SOUTHERN AND EASTERN MEDITERRANEAN



# GEMM

GOVERNANCE FOR  
EMPLOYABILITY IN THE  
MEDITERRANEAN



This report was prepared by Tom Leney on the basis of data collected following the ETF GEMM project methodology for mapping vocational education and training governance. This final version has been edited and revised by J. Manuel Galvin Arribas (ETF). The whole process was coordinated by the ETF and chaired by Abdelaziz Jaouani (ETF).

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# EXECUTIVE SUMMARY

## Context and purpose of the report

Good multilevel governance and the effective development of vocational education and training (VET) in the Southern and Eastern Mediterranean (SEMED) region are now widely recognised as having significant economic and labour market potential as well as an important social role to fulfil. The region as a whole is characterised by rapid growth of the young age cohorts – and thus, of job seekers – and this is in stark contrast to the limited numbers of good job opportunities being created in the labour market.

This has particularly adverse effects on the chances of young people, who already constitute a strongly disadvantaged group who face difficulties in accessing the labour market and uncertain futures. This is an alarming issue in view of the number of young people not in education, employment or training (NEETs) in the region. Furthermore, women in the SEMED countries, though performing well in the education systems across the region, have among the lowest labour market participation rates in the world.

VET is now also expected to be innovative in terms of helping learners to gain a wide range of transversal as well as technical skills and competences, and to respond to changing labour market skill needs. However, VET is not yet regarded highly by learners, their families or employers across the region.

This cross-country report is an early research output of the ETF's Governance for Employability in the Mediterranean (GEMM) project<sup>1</sup>. The regional project aims to increase the vertical and horizontal participation and coordination of VET stakeholders in VET policy making at all stages of the policy cycle in order to establish improved governance models and procedures. The ambition is to support improvements in the relevance and quality of vocational education and training systems, for enhancing employability prospects of women and young people in the European Neighbourhood Policy South region.

## Mapping VET governance in the SEMED region

This report is the key outcome of a mapping, analysis and self-assessment of VET governance in nine countries of the region<sup>2</sup>. The mapping focused on three key policy areas of governance of initial vocational education and training (IVET) and continuing vocational training (CVT): planning and management, finance and funding, and quality assurance. The emphasis is on analysing the roles and functions of the different public and private sector actors who play – or could play – a key role in VET governance.

Further, the mapping activities have represented an opportunity to reinforce, through a participatory process, coordination among actors in these countries and to build a solid basis for cooperation through the identification of a shared analysis. The research is also being used to inform the capacity-building activities and local pilot projects that form part of the second phase of the GEMM project.

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<sup>1</sup> More information on the GEMM project is available at: [www.etf.europa.eu/GEMM](http://www.etf.europa.eu/GEMM)

<sup>2</sup> The countries and territories are Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestine\*, and Tunisia.

(\*) This designation shall not be construed as recognition of the State of Palestine and is without prejudice to the individual positions of the EU Member States on this issue.

The method used is based on the ETF multilevel governance methodology developed in 2013 and 2014, in which the ETF (with the support of appointed national experts) worked very closely with national committees representing public and private sector stakeholders in the nine participating countries<sup>3</sup>.

## Main findings of the mapping exercise

The key VET governance functions covered in the report are (i) planning and management, (ii) finance and funding, and (iii) quality assurance.

### Planning and management

Governments across the region are gradually recognising that VET has a significant role to play in achieving social and economic objectives, and hence in supporting national development plans and human resources development strategies. However, in spite of numerous attempts by line ministries and VET agencies to reform various aspects of VET provision with a focus on a single aspect (e.g. curricular reform, the introduction of a new set of qualifications or of a new VET or quality council), a comprehensive approach has been lacking. Indeed, reforms that focus on few isolated issues tend to be less successful than expected, and it has often proved difficult to achieve tangible improvements through VET policies in the region.

Even in countries where more holistic approaches to reform have been set up, successful implementation has proved difficult; an example is needs-led and competence-based training in Tunisia and Morocco. Thus, VET continues to have low social status and to be seen as less than effective by employers, remaining a second choice on the part of learners and their families, lacking an innovative edge, failing to improve the skills supply and hence to satisfy demand. All these issues are among the barriers that have to be overcome.

Central government departments or agencies (whether in the education, labour or higher education ministries or in other 'training' ministries, such as agriculture or industry) tend to hold more or less exclusive, centralised power for decisions on aspects such as curricula, administration, finance, qualifications, accreditation and awards, and for teacher training. The government departments and agencies that manage VET provision in all countries of the region have highly centralised procedures. This is a barrier to engagement in good multilevel VET governance<sup>4</sup>.

### Three models for the organisation and management of VET at national level

The countries of the region can be grouped into three types of VET management.

- **Type 1:** A lead ministry has overall responsibility for the management of VET (e.g. Morocco, Algeria, Tunisia and Lebanon).
- **Type 2:** Different subsystems are managed by different ministries, and a coordinating council is in place to achieve greater coherence between the subsystems (e.g. Jordan).

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<sup>3</sup> The national committees provided primary information and access to secondary information and to other key information sources. The main primary activities were mapping, self-assessment and validation, and in each case a national report was written with the support of an international expert. The nine national reports are the main source of data for this cross-country report. All these documents (methodology, country reports) and other papers are available on the GEMM community page (<https://connections.etf.europa.eu/communities/service/html/communityview?communityUuid=ccdd8022-1c23-42ac-8699-608048458814>)

<sup>4</sup> See Section 1 of this report for definitions of good multilevel governance in VET. See also Galvin Arribas et al./ETF (2012).

- **Type 3:** Different VET subsystems are operated through ministries such as education, industry and higher education, but there is no coordinating body (e.g. Egypt, Israel, Libya (where IVET and CVT are under different ministries) and Palestine).

The trend is for Type 3 countries to shift their governance arrangements towards Type 1 or Type 2.

The organisation and management of VET varies according to whether it is the responsibility of a single ministry or of several different ministries and agencies, sometimes with a coordinating council. For each of the three types, the evidence suggests that where several public sector agencies are engaged separately in aspects of VET governance, gaps and overlaps in responsibilities, roles and pathways are a prominent and dysfunctional feature of the whole VET system.

### **The centralised tradition of VET management**

Evidence suggests that current approaches to VET governance are rigid, which also means that pathways for learners are inflexible in all countries. Furthermore, VET systems are isolated and substantially marginalised from the other education subsystems, and this makes it difficult to approach more integrated and open lifelong learning developments.

Private sector training is growing in the region; in some countries (e.g. Lebanon, Jordan and Morocco), the private sector manages a large number of training establishments, which are expected to follow specific rules set out by the state. Informal apprenticeship is a substantial sector of activity across the region, and lies outside official education, training and social welfare channels.

Highly centralised management of VET systems is the predominant arrangement in the countries, though there is growing recognition that an effective VET system cannot be micro-managed from the centre. In most current contexts across the region, centralised governance systems mean that territorial (i.e. subnational) and local initiatives are only likely to be successful if they have approval from the central authorities. At the horizontal level, social partners and other private stakeholders are not properly engaged either in policy formulation or in the implementation and review of policy phases.

A range of decentralised initiatives has been piloted across the region. However, none of the pilots has yet had an impact on influencing a shift towards institutional change for good multilevel governance in VET.

This is leading to a growing emphasis on dialogue and partnership between stakeholders. Governments in all the countries in SEMED have formally identified social partners and have engaged them to some extent in dialogue. This may be through established councils and procedures, such as tripartite bodies (Morocco, Algeria, Tunisia, Palestine) or a VET council (in particular, the Employment, Technical and Vocational Education and Training (E-TVET) Council in Jordan), or through more ad hoc arrangements (Egypt, Israel and, to a lesser extent, Libya and Lebanon).

### **Absence of multi-participatory consultation processes throughout the VET policy cycle**

Dialogue between stakeholders takes place mainly at the early stage of policy formation, with little engagement in implementation, review or evaluation. Practically speaking, the existence of partner councils and consultations demonstrates that there is dialogue, but the public sector remains reluctant to share decision-making processes. Indeed, there is a need for an increased number of coordination mechanisms to improve effective multi-stakeholder participation in, and implementation, review and evaluation of, VET policy making.

Employers are organised in representative bodies. However, their policy participation in VET dialogue and reform varies across the region. In several countries, employer representative organisations will be



supported to increase their knowledge of the VET sector and their participation in the policy cycle. In some countries, trade union federations perform an active role, but in the majority of cases they are largely missing from VET dialogue. Investing in employee representatives' knowledge and participation is also a challenge.

In countries where training levies operate to support the provision of continuing training (e.g. Morocco<sup>5</sup>, Algeria, Tunisia, Egypt and Jordan), employers' organisations tend to have a more prominent role in the provision of such training. However, even when there is dialogue, ministries are reluctant to give social partners an active or management role. Furthermore, it remains the case that CVT is underdeveloped and marginalised throughout the region, lacking clear management, objectives and policies.

### **Some signs of greater participation on the part of regional and local stakeholders**

The territorial dimension of VET governance has gained ground in some countries, prompted not by the central authorities, but by territories looking to fill the gap between the world of work and training provision. Evidence suggests that there has been an increase in the number of projects and initiatives that engage the subnational levels of governance more proactively (at least in some countries). Morocco and Tunisia are prioritising reforms through the regional level as a national policy objective, while in Algeria, Egypt, Jordan, Palestine, Israel and Lebanon, numerous employment pilots and training projects have been established to meet local employment and training needs.

However, with the exception of Israel, where education networks and VET providers have an established role in teaching and learning initiatives, it is difficult for stakeholders to develop a more localised approach to decision making in highly centralised systems.

One of the risks involved with small-scale pilots (for example, in a complex country such as Egypt, where VET is fragmented, and in countries such as Palestine that are highly dependent on international aid) is that successful projects are not up-scaled, or that they disappear once project funding ends. In eight countries in the region, few, if any, responsibilities for management decision making are devolved to managers at the local level in the training establishments.

All these approaches have the potential to produce innovative solutions, though with two drawbacks: the difficulty of developing a sustainable and integrated territorial approach that requires significant autonomy in a highly centralised system, and the risk that small-scale pilots will not be up-scaled. Few, if any, responsibilities for innovation are devolved to the level of the training establishment in any of the SEMED countries, with the possible exception of Israel.

### **Financing and funding**

Financing and funding procedures tend to be centralised. They are subject to audit in all countries, but are often lacking in transparency, and information is inaccessible to both stakeholders and researchers. Currently, and in spite of individual initiatives, there is little indication that governments are preparing to devolve or decentralise any significant management decisions on finance to the more local levels, except, for example, where there is a strong emphasis on regionalisation (e.g. Morocco and Tunisia).

VET finance depends mainly on national revenues and public funding. The private self-financing contribution from private schools is an important feature in a few countries (e.g. Lebanon), though the size of this depends on the public and private share of the training market.

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<sup>5</sup> A draft Law on CVT which allocates 30% of VET levies collected to CVT was recently submitted to the Ministers' Council. This draft law also foresees at least two days of training for the staff of enterprises and the establishment of an agency to manage this fund.

However, in public VET provision, the fees paid by students and their families constitute a small proportion of VET financing. Around 80–90% of public VET budgets are spent on salaries, leaving little scope for innovation in an area of provision that is often underfinanced. In any case, limitations on national budgets mean that, with the partial exception of Libya and Israel, underfinancing of the VET system is a persistent and structural issue in all countries in the region. Nevertheless, some countries have made significant efforts to formulate VET reforms that might have further implications in terms of public VET resources in the coming years (e.g. Morocco and Palestine).

Taxes on employers or training levies are operational in some countries (e.g. Algeria, Morocco, Tunisia, Egypt and Jordan). In these cases revenues tend to be directed towards CVT, which is an otherwise neglected area. Even so, the sums distributed, and even the legal status of the levies and taxes, are constrained. For example, there is ongoing policy dialogue in the region between government and employers about the nature and objectives of these revenue sources and about ways in which the system could be made more efficient (e.g. Morocco). In Jordan the status of levies on employers is unclear as a result of a lengthy legal case.

Funding mechanisms (through which providers receive their allocated budgets) are on a traditional, recurrent-input basis. Training providers are given no incentives to supplement their income by selling goods or services, or to improve their efficiency, performance and outcomes. However, in a small number of countries there are policies under consideration or being introduced to use funding as a mechanism to generate improved outputs. In this respect, the introduction of budgeting by objectives in Tunisia and Morocco could be an important step forward, although the lack of a clear methodology and data for a VET management information system hampers its effectiveness.

### Quality assurance

Quality assurance in the region is often associated with control procedures, and is focused on inputs such as building requirements and the number of teachers employed. In countries where there are several VET subsystems, such as Egypt, Jordan, Israel and Palestine, different quality control procedures often apply. Quality control tends to be a centralised function of the responsible government ministry or agency. The approach to quality control that is taken tends to depend strongly on the predominant practices of the particular ministry. Thus, subsystems of VET that come under education, labour and higher education ministers generally have rather different quality norms and cultures. As the previous section on VET management implies, there is currently a limited, though growing, interest in developing a shared, partnership approach.

Quality control refers to auditing procedures that are designed to check adherence to norms and regulatory requirements, with little interest, if any, in improving performance.

Quality assurance refers to a wider range of norms, requirements and procedures that are intended both to ensure adherence to requirements and to establish a culture and procedures through which system performance and outcomes can be improved. There is growing policy interest in quality assurance procedures to contribute to outcomes such as systemic improvements, raising standards, making VET more responsive, and improving the employability of graduates.

Over the past few years all the countries in the region have become more firmly committed to developing an approach to their VET systems in which quality assurance appears as a strong component. The reform of existing qualifications, the identification of the need for new qualifications, curriculum renewal and the development of national qualifications frameworks (NQFs) are all tools that governments have considered and have begun to develop in this respect.

Thus, quality assurance agencies (such as the Centre for Accreditation and Quality Assurance (CAQA) in Jordan and the National Authority for Quality Assurance and Accreditation of Education (NAQAEE) in Egypt) are being, or have recently been, established in several countries. Tunisia has developed detailed approaches to quality assurance as part of implementing a competence-based approach to VET teaching and learning. Israel keeps its national curriculum, examinations and inspection function firmly under central control in order to ensure quality in relation to provision, reforms and initiatives, while the education networks, local authorities and providers exercise a considerable degree of autonomy in other respects.

Many of the countries, including Jordan and Egypt, have piloted the development of new standards for introducing reformed VET qualifications and curricula based more closely on researched and identified labour market skill needs. The development of an NQF is identified as an overarching condition for developing quality standards in most countries across the region. It must be remembered that, as yet, no NQF is fully operational anywhere in the region, so the policy intentions that lie behind the development have not yet been tried and tested. Everywhere, the standards, quality and relevance of vocational teacher training appear to be major issues and challenges, as do the provision and effectiveness of continuing professional development.

In summary, while there are clear signs of a growing emphasis on quality assurance, initiatives to date have been limited. Furthermore, a lack of effective management information systems and labour market information systems (LMISs) inhibits the development of a quality assurance approach in all the countries, without exception.

## Conclusions

Analysis of the findings in the nine countries identifies seven pointers for shaping and prioritising policy dialogue and the implementation of VET governance reforms in the SEMED region:

- improve collaboration and coordination between the national public authorities responsible for all aspects of the education and training system;
- engage more deeply with the social partners and civil society (in particular the private sector) throughout the VET policy cycle to improve the alignment of the VET supply with labour market demand;
- delegate decision making to the most appropriate levels and pilot the appropriate devolution of specific decision making and accountability to territorial and local levels, including VET providers;
- involve teacher and trainer communities and VET providers (including social partners) in qualification and curricular reform through formal and non-formal consultation mechanisms, to shift to a more competence-based approach to teaching and learning;
- ensure effective coordination to connect education and training subsystems in order to shift towards coherent and flexible pathways to meet citizens' lifelong learning needs;
- support more purposeful allocation of resources and introduce more innovative approaches to finance in order to meet the challenge of securing sufficient VET financing;
- create a framework and culture for quality assurance and management that permeates the different VET policy areas.

# 1. INTRODUCTION

## 1.1 Overview

This document provides a cross-country analysis of the current situation in relation to VET governance in the nine countries in the SEMED region that are participating in the ETF's GEMM project. It presents a clear review of the challenges that these countries are facing as they seek to improve VET outcomes through better management and partnership at the national and local levels<sup>6</sup>.

The report has been prepared mainly from primary information collected using a mapping process, complemented by secondary sources<sup>7</sup>. It also benefits from inputs discussed and approved at the first ETF regional project conference held in Brussels in March 2014<sup>8</sup>. The publication is addressed to VET policy makers in the region, including the social partners and business community, VET professionals, and other practitioners and experts.

In order to help readers understand developments that are taking place, numerous examples are provided (many of them in the annexes) to show how particular countries are tackling specific governance issues. Wherever possible, boxes and tables show the countries' progress in terms of a particular issue or challenge.

The task of improving governance so that the VET system can improve its performance is now widely acknowledged to be a necessary and significant stepping stone if VET is to introduce much-needed qualifications, key competences and labour market skills reforms that are relevant for the labour market. In this regard, the effective involvement of both public and private stakeholders in VET policy making and skill delivery, at both vertical and horizontal governance levels, will be a crucial challenge in the years to come in each of the participating countries.

Three functions of governance are selected for consideration in this report: (i) the overall management and coordination of VET, (ii) finance and funding, and (iii) quality assurance. The emphasis is on identifying and analysing the current situation, as well as improving VET governance in order to secure better outcomes for VET learners and a better match between the labour market demand for skills and the skills that learners acquire. There is a focus on the key priorities of improving the employability of young people and addressing the gender gap by improving opportunities for women.

At the outset, it is helpful to have a working definition of good, multilevel governance in VET<sup>9</sup>. According to the ETF, this can be defined as 'a model for VET policy-making management based on coordinated action to effectively involve VET public and private stakeholders at all possible levels (international, national, sectoral, regional/local, provider) for objective setting, implementation, monitoring and review. Good multilevel

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<sup>6</sup> Each country uses its own terminology and abbreviations. For clarity, 'VET' is used as the common term throughout the report, except where a specific council or situation is being referred to.

<sup>7</sup> The main sources of evidence for this cross-country analysis are the nine country reports that were prepared for the mapping of VET governance in each country. The national reports rely mainly on primary information (for Egypt a country fiche has been drafted based on a desk review and a SWOT analysis).

<sup>8</sup> The conference received a summary cross-country report on VET governance in the region. The mapping and summary conclusions provided a stimulus for the conference, whose participants were then able to take the analysis forward. This included identifying priorities for capacity building to improve VET governance. For more information on this conference see: [www.etf.europa.eu/web.nsf/pages/GEMM](http://www.etf.europa.eu/web.nsf/pages/GEMM)

<sup>9</sup> For a detailed set of definitions, see the Glossary.

governance in VET aims to reinforce interaction and participation of such stakeholders while improving relevance, accountability, transparency, coherence, efficiency and effectiveness of VET policies<sup>10</sup>.

Thus, the principle of subsidiarity – allocating management decisions to the level at which they can be made most effectively – is a key concept in multilevel governance. Effective VET multilevel governance is based on inclusive vertical and horizontal interactions between stakeholders. The vertical coordination of VET multilevel governance means effective communication and liaison between the highest and lowest levels of government, which, according to the context, may mean national, subnational (regional) or local (municipalities, counties, etc.). The horizontal dimension of VET governance refers to cooperation arrangements between a range of both public and private actors in the context of social dialogue that takes place in the different VET or skill development policy areas.

Multilevel governance also respects the principles of good governance, namely ensuring that public resources and problems are managed effectively, provide value for money and respond to the critical needs of society and the economy. As such, multilevel governance is underpinned by the principles of openness, public participation, accountability, effectiveness and coherence. The process of multilevel governance of VET is a dynamic one that should in no way dilute political responsibility (adapted from ETF (2013c)).

Good multilevel governance is an aspect of VET reform that the European Commission and its agencies have identified as a flexible, multilevel, social partnership approach that contributes to successful reform, with particularly strong emphasis on innovation at the regional and local level. Following the request from partner countries voiced in the 2010 and 2012 Torino Process<sup>11</sup>, the ETF is advocating and supporting this approach in partnership with international organisations involved in the field of VET (ETF, 2011b).

The Organisation for Economic Cooperation and Development (OECD) has reported on VET systems in many different countries and has recently developed an approach that uses gap analysis to analyse multilevel governance (Charbit, 2011). The United Nations Educational, Scientific and Cultural Organisation (UNESCO) has identified the development of strong and effective multi-partner governance throughout the policy cycle as one of a number of important, interlinked priorities that must be tackled if VET reform is to be successful (UNESCO, 2012), and has recently explored the importance of teacher education and training and its organisation as a key aspect of modernising VET in the Arab region (UNESCO, forthcoming).

The World Bank's Systems Approach for Better Education Results (SABER) programme, in which several of the major international agencies cooperate, has selected as one of its major themes the governance of workforce development (World Bank, 2014). In the SEMED region, reports for Jordan, Egypt, Morocco and Palestine<sup>12</sup>. These reports place a strong emphasis on strengthening VET governance. The International Labour Organisation (ILO) has, over the years, contributed considerably to the engagement of social partners and, importantly, to the analysis of the governance of finance and funding as well as the needs of priority groups (see, in particular, Gasskov (2006)).

The outcomes of the study presented in this report are also intended to be a useful resource for further work on supporting the capacities of VET stakeholders in the region. At the local level, capacity building will aim to increase the ability and competence of training providers and other stakeholders involved in skills development to improve cooperation in order to respond to local labour market needs, as well as pilot projects launched within framework of GEMM project.

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<sup>10</sup> ETF based on Cedefop (2011) and Committee of the Regions (2009).

<sup>11</sup> More info on the ETF Torino Process at: [www.etf.europa.eu/web.nsf/pages/Torino\\_process](http://www.etf.europa.eu/web.nsf/pages/Torino_process)

<sup>12</sup> SABER workforce development country reports are available at: <http://saber.worldbank.org/index.cfm?indx=9&pd=7>

The key aim of the GEMM project is to increase the vertical and horizontal participation of VET stakeholders in policy making throughout the whole policy cycle of planning, development, implementation and review. This is expected to lead to improved ownership of governance models and, by strengthening partnerships and targeting activity, to improved relevance and quality of vocational training systems and their contribution to increasing the employability of women and young people.

The report is set out as follows. Following this introduction, which includes explanations on the methodology used, Section 2 reports on economic, social, demographic and labour aspects of the SEMED region. Section 3 presents the findings of the mapping exercise and the key features of the first selected policy area, namely the overall management and coordination of VET. In addition, the section explores the key challenges that have been identified for VET governance in the region.

Sections 4 and 5 deal in turn with two important features of modern governance that were the key focus of the mapping process: VET finance and funding, and VET quality assurance.

Section 6 returns to a key theme for the whole SEMED region. It discusses further the common challenges that governments, stakeholders and VET providers face as they seek to improve the governance of VET in order to bring about systemic reforms and improvements that can address the gender imbalance (the situation of women) and the situation of young people in the region. A needs-led approach to VET reform and a more competence-based approach to VET are both vital, but a third component is also needed in the overall approach: the development and implementation of an approach to lifelong learning for all.

Section 7 introduces the main conclusions of the report based on findings of the three functions investigated, and considers a set of strategies and policies that should become the focus of further policy discussions to be held by VET policy makers in the SEMED region.

The annexes to the report present a set of country tables and other charts in order to illustrate in more detail the mapping outcomes and other findings.

## 1.2 Methodology

The GEMM project's mapping, analysis and self-assessment of VET governance in SEMED has been developed based on the ETF methodology and focuses on three key functions of IVET and CVT policies and systems: overall planning and management, finance and funding, and quality assurance.

The mapping was planned as a capacity-building action to increase stakeholders' awareness of how to analyse VET governance settings and its different policy areas, and to improve cooperation for working in partnerships.

The mapping took into account the different levels of VET management (international, national, sectoral, territorial/local, and training-provider levels). The emphasis was on describing and analysing the roles and functions of the different actors who have played, or who could play, a key role in collaborating efficiently on VET governance across the whole policy cycle (from strategy formation, through planning, implementation, monitoring and review, to reformulation). The key objectives of the review were:

- to map the system of governance of IVET and CVT in the region, and in particular, three functions: planning and management, financing and funding, and quality assurance;
- to analyse and assess the strengths and weaknesses of the current system of VET governance and identify ways in which this can be strengthened, with particular reference to the role of the government and its agencies, social partners, VET providers and the wider civil society;

- to increase awareness, knowledge, and analytical and deliberative capacities of key stakeholders regarding VET governance modes and models in order to mobilise multilevel participation of actors in the region with a view to supporting employability for young people and women;
- to work together (the ETF, national committees, national and international experts) to elaborate nine national reports and a cross-country report, including relevant conclusions and policy recommendations to support further policy dialogue;
- to answer the general question of who is doing what, when and how, in order to support experts and policy makers involved in the mapping exercise of the three selected governance policy areas.

The implementation of the methodology started with the formation of GEMM national committees in the countries concerned. The national committees were conceived as operational task forces. They provided primary information, advised on the selection of the most accurate secondary information, and facilitated access to other key informants in the country. They also took part in the institutional (self-) assessment phase, and provided feedback on the final reports. Hence, the national committees were the target group within the countries to implement the VET governance review. The national committees were composed mainly of key VET stakeholders, namely national authorities, social partners and other civil society representatives.

Each national VET governance review included three components (with the exception of the review for Egypt and Algeria<sup>13</sup>, which consisted of a desk review and an analysis of strengths, weaknesses, opportunities and threats (SWOT)).

- Mapping activities: These entailed identifying and describing the key actors and institutions involved in VET/CVT policy making. The scope of the mapping component is to describe roles, competences and relationships in the three policy functions.
- Validation of activities: The information gathered in the mapping exercise was validated by the national committees.
- Self-assessment: This was conducted in working groups using ETF good multilevel governance principles and indicators (6 principles and 25 indicators), reinforced by a SWOT analysis.

Experts used the ETF data collection tool to gather the information and to work with the national committees to implement mapping. The instrument includes matrixes to map actors; key boxes to support the classification and organisation of information on VET actors, their roles and coordination mechanisms used to support VET policy making; other key boxes to collect data on good practices; a set of questions to map specific issues relating to the three key areas of VET governance; and a scorecard of the ETF's six principles and 25 indicators (see Annex 2), and a SWOT matrix.

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<sup>13</sup> In Algeria, the mapping and collection of information, as well as the presentation of results have been done in consultation with a non-formalised committee.

## 2. THE SEMED REGIONAL CONTEXT: KEY ISSUES

The current socioeconomic situation in the region has a major impact on the education and training systems of the countries concerned, and on the opportunities of young people who are in transition between education and hoped-for entry into the labour market. This situation is a mixture of long-term developments (such as the demographic boom that has led to large and rapidly expanding numbers of young people in successive age cohorts in the region) and more sudden changes, such as the aftermath of the Arab Spring and the impact of the post-2008 global economic crisis.

The recent ETF analysis of employability in the Mediterranean region (ETF, 2013a) and of changes in policy responses to youth employment in the region (ETF, 2013g) provide a summary of the main trends reported below.

### 2.1 Demographic trends: young population boom

More than 60% of the region's population is under the age of 30, which means that the working-age population will increase from 125 million to 167 million by 2030. The demographic boom in the young population puts pressure on education and training provision. It has a high impact on job prospects and unemployment, because the labour markets in the region are not producing enough jobs to provide sufficient opportunities, in particular for the (most qualified) young people and for women. Later in the 21st century the population profile will change: this is already beginning to happen in countries such as Tunisia and Lebanon, where the average number of children per family has decreased rapidly over a generation. Labour market migration has also intensified for high- and low-skilled workers, both within and beyond the region.

### 2.2 Political turbulence

Successive waves of conflict-related migration from Palestine, Iraq and Syria are one result of the turbulence caused by armed conflict and unresolved tensions in the region (see, for example, Youngs (2014)). The popular discontent that shook the Arab world in 2011 resulted in revolts in Tunisia and Egypt, had effects in Morocco and Jordan, and resulted in civil wars in Libya and Syria. Although it is still too early to understand what the longer-term impacts may be, the uprisings reflected widespread resentment of growing inequality, unemployment, corruption, autocratic governance and unaccountable leaders<sup>14</sup>.

### 2.3 More risky economic prospects

The impacts of both the 2008 global recession and the regional political turbulence have put at risk the relatively high growth rates that many countries in the region had been experiencing for some years. Although the region was sheltered to a considerable extent from the initial impact of the recession affecting Europe and the USA, growth rates have subsequently declined. In economic terms, the most dramatic fall has been in tourism in countries such as Tunisia and Egypt, a decline in manufacturing in countries that traded strongly with Europe, and a decline in inward investment from financiers and remittances from expatriots. Irrespective of the crises, there is a long-term trend for the region's economies to rely heavily on small and medium-sized enterprises (SMEs), and to generate only limited numbers of high-skill jobs and not enough jobs of any kind to provide for the supply of labour.

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<sup>14</sup> For a regional self-assessment, see Arado (2014).



## 2.4 Socioeconomic inequalities

In terms of global comparisons, such as the United Nations Development Programme's (UNDP) Human Development Index (HDI), the countries in the region are classified as high and medium (see Table 2.2). However, the significant economic prosperity in the countries of the region is not translated into equity of distribution, nor is it used for expansive human resources development. This applies to social stratification, to the urban–rural divide and to gender disparities.

## 2.5 High segmentation in the labour markets

Labour markets are segmented into the public sector, the modern private sector and the traditional informal sector of the economy. A low labour market activity rate of 40–50% and an unemployment rate of 10–15% lead to a low level of total employment, with an average of fewer than one working-age person in three having a job; female activity rates in particular are very low.

The informal sector is dominant in the private sector, so that, on average, two-thirds of workers in the region neither contribute to, nor benefit from, social security, and rates of informality are highest among young people and workers with low educational levels. Agricultural employment (often informal) predominates in Morocco and is sizeable in Egypt, Tunisia and some other countries. Elsewhere in the region, service sector jobs predominate, though they are often in low-productive sectors such as petty trade and commerce. Manufacturing provides few jobs, except in construction, mining and utilities.

## 2.6 Youth employment is a pressing challenge

In 2011 only a third of young people in the region were in the labour market (either employed or seeking employment), compared to a global average of a half. A third of young people in the region were in education and training, and the remaining third were NEETs. **TABLE 2.1** shows the proportion of NEETs in five countries in the region.

**TABLE 2.1 NEETs IN THE SEMED REGION BY COUNTRY AND AGE GROUP (%)**

|           | NEET rate           |                     |
|-----------|---------------------|---------------------|
|           | 15–24 age group (%) | 15–29 age group (%) |
| Egypt     | 35.9                | 40.5                |
| Israel    | 15.7                | 16.6                |
| Jordan    | 24.6                | 29.0                |
| Palestine | 30.2                | 36.4                |
| Tunisia   | 25.4                | 32.2                |

Notes: Jordan and Tunisia – ETF calculations based on the ILO School-to-Work Transition Surveys (2012/13); Egypt – ETF calculations based on the Egyptian Labour Market Panel Survey (ELMPS) 2012; Palestine – ETF calculations based on Labour Force Survey; Israel – received from the country (Labour Force Surveys). Year: 2013 for all countries except Jordan and Egypt.

According to the ILO transition survey in Egypt, the NEET rate for the 15–24 age group is 31.6% and for the 15–29 age group 29.0%. However, we use ELMPS data, which has results very similar to those from the ILOSTAT database.

Source: ETF (own calculation)

The large proportion of NEETs constitutes a waste of human resources, a frustration in terms of personal progression and well-being, and a constant threat to social cohesion. The main characteristics of youth unemployment can be summarised as:

- high rates of NEETS;
- a low economic activity rate among the increasing numbers of individuals entering the working-age population;
- extreme levels of disadvantage for women in the labour markets;
- high unemployment rates among population groups that are both young and educated (including to university degree level);
- high numbers of young people in poor-quality jobs with low added value.

## 2.7 Investment in human resources development

Over the past 40 years the countries in the region have invested in education, and, while major challenges persist, some fundamental objectives have been achieved. There has been very substantial progress in achieving UNESCO's Education for All goals of enrolling all children in primary education. There remain issues of quality and progression beyond primary education into secondary and post-secondary education and training, and then into higher education or continuation of education and training through other means; nonetheless, primary enrolment is a success story, as is the decrease in illiteracy among the younger age cohorts. The other notable success across the region is in the enrolment and graduation levels of young women in the education systems (but not, as already indicated, in the labour markets). Among the several challenges to be faced is that VET is perceived as a second or low-status choice, and in most countries except Egypt and Lebanon the proportions of young people following technical and vocational pathways are low.

## 2.8 Skills polarisation

Current trends in skills polarisation, which lead to difficulties in finding employment and to an employability deficit, are best understood by distinguishing between the three groups whose needs have to be addressed.

- Individuals who are educated but unemployed have upper secondary or university qualifications, but neither the skills nor the job opportunities they need. This applies particularly strongly to the growing numbers of highly educated women.
- Undereducated skilled and unskilled young people (mainly male, except in agriculture), who are often in precarious work, have few, if any, opportunities to improve their levels of skills or qualifications, or their prospects.
- NEETS, including many women, are highly vulnerable to social exclusion, are often poorly educated and/or school dropouts, and tend to have low visibility among the other social and economic priorities.

Qualification systems and access to education and training currently tend to be both highly structured and extremely inflexible. As a result, for many young people there are few opportunities to enter education and training pathways in ways that meet their needs, for example if they were not successful in the school matriculation examinations. This inflexibility in current systems shows that there has been little, if any, development towards lifelong learning approaches, in spite of the opportunities that existing provision and developments in information technologies could offer.

## 2.9 Absence of a thriving SME sector

In spite of the trend towards privatisation across the region, the economic and regulatory climate is not yet conducive to the development of a thriving and entrepreneurial SME sector in the formal parts of the economy. It is arguably in this sector that the talents of many of the young graduates in the region could be realised more fully. However, the formal economies tend to be dominated by large companies, and financial and regulatory conditions for start-ups are not favourable. Furthermore, although there are many small enterprises in the informal sector, jobs in the informal sector are often (though not always) low skilled, and offer little prospect of professional development. Such jobs lie outside the field of contracted welfare provision and offer little in terms of formal access to training and development.

## 2.10 Locating and comparing countries in the region

As well as looking at common factors and trends, it is necessary to examine the considerable variations between different countries in the region. Tables 2.2, 2.3 and 2.4 present information on specific countries in relation to a range of indicators, enabling comparisons to be made across the region. **TABLE 2.2** locates each participating country in the region on the UNDP's HDI. An advantage of the HDI is that it attempts to rank countries in a way that includes some quality of life measures linked to health and education, as well as income.

The overall ranking out of 186 countries is shown, alongside life expectancy, mean years of schooling and per capita income, which are the components of the HDI. Israel is categorised among the very high human development group; Libya, Lebanon, Algeria and Tunisia are in the high human development group; and Jordan, Palestine, Egypt and Morocco are classified as the medium human development countries<sup>15</sup>.

**TABLE 2.3** provides more in-depth detail on the comparative performance of participating countries in the region. As well as presenting the rankings of particular countries in the World Economic Forum's Global Competitive Index (GCI) (out of 148 countries; data are not collected for Palestine), the table also shows several of the other indicators used in the GCI. As can be seen, some countries in the region are ranked poorly in terms of transparency of government policy making, education performance, pay and productivity, women in the labour force, access to the internet and overall capacity for innovation.

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<sup>15</sup> These and other international comparisons should be treated with some caution, as although they are based on the best available data, and have been computed as accurately as possible by the UNDP, all such data call for interpretation and carry a risk of errors.

**TABLE 2.2 SEMED COUNTRY RANKING ON THE UNDP HUMAN DEVELOPMENT INDEX (HDI)**

| Country                            | HDI ranking (of 186 countries) 2012 | Health (life expectancy at birth in years) 2012 | Education (mean years of schooling) 2010 | Gross national income per capita (2005 PPP \$) 2012 |
|------------------------------------|-------------------------------------|---|--|---|
| <b>Very high human development</b> |                                     |   |  |   |
| Israel                             | 16                                  | 81.9  | 11.9                                     | 26 224  |
| <b>High human development</b>      |                                     |   |  |   |
| Libya                              | 64                                  | 75.0  | 7.3                                      | 13 765  |
| Lebanon                            | 72                                  | 72.8  | 7.9                                      | 12 346  |
| Algeria                            | 93                                  | 73.4  | 7.6                                      | 7 418   |
| Tunisia                            | 94                                  | 74.7  | 6.5                                      | 8 103   |
| <b>Medium human development</b>    |                                     |   |  |   |
| Jordan                             | 100                                 | 73.5  | 8.6                                      | 5 272   |
| Palestine                          | 110                                 | 73.0  | 8.0                                      | 3 359   |
| Egypt                              | 112                                 | 73.5  | 6.4                                      | 5 401   |
| Morocco                            | 130                                 | 72.4  | 4.4                                      | 4 384   |

Notes: Data are collected by the UNDP from the best available sources, on as consistent a basis as is feasible; PPP – purchasing power parity.

Source: Data extracted from UNDP (2013), pp. 143–146

**TABLE 2.3 SEMED COUNTRY PERFORMANCE (RANK) ACCORDING TO THE GLOBAL COMPETITIVENESS INDEX (GCI)**

|                               | Overall rank out of 148 countries | Transparency of government policy making | Secondary education enrolment | Tertiary education enrolment | Quality of education system | Pay and productivity | Women in the labour force (: men) | Individuals using internet | Capacity for innovation |
|-------------------------------|-----------------------------------|--|-------------------------------|------------------------------|-----------------------------|----------------------|-----------------------------------|----------------------------|-------------------------|
| <b>GCI ref. for indicator</b> |                                   | 1.12                                     | 5.01                          | 5.02                         | 5.03                        | 7.06                 | 7.10                              | 9.04                       | 12.01                   |
| Israel                        | 27                                | 76                                       | 28<br>102.1%                  | 32<br>62.5%                  | 56                          | 64                   | 33<br>0.89                        | 31<br>73.4%                | 4                       |
| Jordan                        | 68                                | 40                                       | 79<br>86.9%                   | 70<br>37.8%                  | 27                          | 55                   | 146<br>0.24                       | 81<br>41.0%                | 46                      |
| Morocco                       | 77                                | 66                                       | 103<br>69.8%                  | 106<br>14.1%                 | 110                         | 67                   | 141<br>0.34                       | NA                         | 129                     |
| Tunisia                       | 83                                | 82                                       | 59<br>92.6%                   | 71<br>37.1%                  | 71                          | 108                  | 136<br>0.37                       | 79<br>41.4%                | 99                      |
| Algeria                       | 100                               | 133                                      | 31<br>101.6%                  | 76<br>32.1%                  | 133                         | 140                  | 148<br>0.21                       | 114<br>15.2%               | 147                     |
| Lebanon                       | 103                               | 139                                      | 87<br>83.3%                   | 41<br>57.7%                  | 13                          | 56                   | 142<br>0.33                       | 46<br>61.2%                | 89                      |
| Libya                         | 108                               | 125                                      | 12<br>110.3%                  | 47<br>54.5%                  | 148                         | 126                  | 135<br>0.40                       | 103<br>19.9%               | 143                     |
| Egypt                         | 118                               | 90                                       | 102<br>72.5%                  | 82<br>27.8%                  | 145                         | 131                  | 143<br>0.32                       | 75<br>44.1%                | 111                     |

Notes: Palestine is not included in the GCI; data are collected by the World Economic Forum from the best available sources, on as consistent a basis as is feasible.

Source: Data extracted from World Economic Forum (2013)

**TABLE 2.4** compares activity, unemployment and youth unemployment rates for men and women in each country. The male labour market activity rates in different countries range from 61% to 78%, while the female rates are far lower at 14% to 30%. It is also striking that the percentage of young women who are unemployed and seeking work is much higher than both the percentage of young men and the total percentage of women who are unemployed and seeking work. Unemployment among young men is two to three times higher than it is among older men; this is the case to a lesser degree in the case of Palestine, and to a strikingly greater degree in the case of Tunisia.

**TABLE 2.4 ACTIVITY, UNEMPLOYMENT AND YOUTH UNEMPLOYMENT RATES BY GENDER (%)**

|           | Activity rate |        | Total unemployment rate |        | Youth unemployment rate |        |
|-----------|---------------|--------|-------------------------|--------|-------------------------|--------|
|           | Male          | Female | Male                    | Female | Male                    | Female |
| Morocco   | 73.6          | 24.7   | 8.7                     | 9.9    | 16.6                    | 17.4   |
| Algeria   | 68.9          | 14.2   | 8.1                     | 19.1   | 19.1                    | 38.1   |
| Tunisia   | 68.7          | 24.8   | 11.3                    | 18.8   | 42.3 (total)            |        |
| Libya     | 76.8          | 30.4   | 19.5 (total)            |        | 33.9 (total)            |        |
| Egypt     | 78.2          | 23.9   | 8.9                     | 22.7   | 22.5                    | 53.2   |
| Palestine | 61.2          | 17.4   | 23.2                    | 27.1   | 36.8                    | 49.6   |
| Jordan    | 61.3          | 14.1   | 10.4                    | 19.9   | 25.2                    | 48.8   |
| Lebanon   | 73.0          | 23.0   | 5.0                     | 10.0   | 21.5                    | 22.3   |

Note: Data for Israel not included in the data source. The same data used is here as in the source, in reformulated format.

Source: Data compiled by the ETF and presented in ETF (2013g), Table 1

### 3. KEY FEATURES AND CHALLENGES OF VET GOVERNANCE IN THE SEMED REGION: MANAGEMENT, LEADERSHIP AND PARTNERSHIP

This section considers further the features, challenges and issues that are at stake in terms of the overall management of, and strategic approaches to, VET in the countries of the region. Management, leadership and partnership at the national level and at more local levels are considered. Annex 1 of this report offers a detailed set of tables that allow complete comparisons between countries on the key issues (structure of VET governance, VET governance settings at national level, and roles in VET at lowest levels)<sup>16</sup>.

#### 3.1 Three models for managing VET subsystems in the region

Each country in the region has strongly established traditions and institutional arrangements that define how the different strands of VET are managed. Traditions have a strong influence, either enabling or frustrating, on reforms to improve the effectiveness of governance. Ministries and other public sector bodies have been accustomed to taking a decision-making and management role with little reference to the requirements or opinions of actors in the labour market. Thus, VET systems are managed mostly from the centre and have tended to be influenced by supply-side training considerations, rather than a demand-led approach based on identified labour market skill needs and supported by the effective involvement of social partners and other VET private actors.

Based on the diversity of arrangements, three types of approach to the organisation and management of different strands of IVET and CVT can be identified in the region (TABLE 3.1).

**TABLE 3.1 TYPOLOGY OF NATIONAL APPROACHES TO THE MANAGEMENT OF VET IN THE SEMED REGION**

| Main types and characteristics   | Country examples                         | Notes  |
|--|--|--|
| <b>Type 1.</b> Key VET decision making is under the authority of a leading ministry.   | Morocco<br>Algeria<br>Tunisia<br>Lebanon | IVET and CVT are led by one ministry; other ministries (e.g. agriculture or industry) may also be 'training ministries'.   |
| <b>Type 2.</b> Different VET subsystems co-exist and are managed by different ministries or agencies. A legally established council has a coordinating role. | Jordan                                   | Three VET subsystems are managed under different ministries. The E-TVET Council is formally identified as having the coordinating role for the sector.   |
| <b>Type 3.</b> Different VET subsystems are managed by different ministries or agencies. There is no overall coordination.                                   | Egypt<br>Libya<br>Israel<br>Palestine    | In Egypt, a proposal has now been adopted to activate a supreme council to coordinate the strands of VET (Type 3 shifting to Type 2). A coordinating council has been proposed in Israel. In Palestine, the decision to bring all VET under a unified authority signals a shift to Type 1. |

<sup>16</sup> An important point to note at the outset is that the mapping, descriptions and analyses are confined to the more formal aspects of VET, and that informal apprenticeship in the informal sector of the labour market lies outside the scope of this analysis. Thus, further work will be necessary on the important, if often under-researched, role of informal approaches to training in the informal sector in order to gain a full understanding of all aspects of training and their relationship to society, the labour market, the economy and wider social change.

Type 1 approaches share a number of characteristics. There is a unified overall responsibility for decision making for the IVET system in one ministry, department or agency, and this extends to a significant extent to CVT, and in some cases also to the organisation of training for labour market insertion. This approach is found in Algeria and Morocco, where responsibilities for IVET and CVT fall within the same ministry or department, and to an even greater degree in Tunisia, where all three aspects of provision are the responsibility of a single ministry, albeit in a rather compartmentalised way.

This does not mean that all training provision comes under a single ministry. In each of these cases, other ministries, such as agriculture and industry, have their own responsibilities in the provision of training, notably IVET. Although they operate independently, they must work within the parameters set by the leading ministry. In each of the Type 1 countries mentioned, the private sector training market has been growing. Nevertheless, the responsible ministry or directorate sets the conditions for accreditation of new training institutions and often for the curricula and examinations that private sector centres must follow. In the case of Morocco at least, accreditation of training is more rigorous for the private sector and the public sector providers.

The distinctive characteristics of Type 2 approaches are best understood in the context of IVET. Here there are several strands or subsystems of provision, falling under the responsibility of different government ministries and agencies. Nonetheless, strong attempts are made to develop or maintain a degree of coordination and coherence between the different subsystems through the overarching influence of a council or coordinating group with an official mandate.

The clearest example of a Type 2 approach in the region is in Jordan, where at least three ministries or agencies are responsible for distinct strands of IVET. Each one operates under different norms and expectations, as they formulate VET provision for different groups of learners under the education, higher education and labour ministries. The formal establishment of the E-TVET Council under the labour ministry is intended to establish a powerful representative body to coordinate the different strands of VET.

The intention is to allow demand-led and other reforms to be generated and coordinated across the sector, so that VET can play an increasingly prominent and successful role in achieving the country's national development and employment strategies. Nevertheless, as experience of similar councils outside the region also shows, the successful establishment of a VET council still faces considerable challenges in coordinating a rather disparate field of official and other stakeholders.

Like Type 2, Type 3 is also characterised by several strands of VET provision, but has no overarching coordinating agency or council. This implies either that there is good informal understanding and cooperation between the key partners or, as is usually the case, that it is difficult to achieve collaboration and co-ownership of priorities and major reforms. Several countries in the region belong to this type.

In Egypt the different and disconnected strands of IVET have made coordination and common development projects extremely difficult to achieve in the wider context of government decision making. This is not to say that no initiatives or developments have taken place, as there are many examples of significant pilots and developments being implemented. However, without effective coordination it has been difficult to find ways of up-scaling and systematising important reforms, and there has been no clear VET leadership or coordination. Recent developments in Egypt suggest that proposals for overarching coordination of the different subsystems are in the planning stage.

Palestine, on the other hand, has two different ministries with major responsibilities for IVET. Dialogue and cooperation have been strong features of the relationship between the different VET leaders. A proposal has

now been adopted by the cabinet to bring the major strands of VET under a single unified system of management<sup>17</sup>.

Israel has two ministries that are involved separately, but in parallel, in managing and organising two different strands of IVET. Communication and cooperation between the ministries is good, both on a formal level and, in particular, on an informal level. The Manufacturers' Association, which represents all the major employers, has called for the establishment of a council to coordinate the different strands, and there seems to be general support for this.

In the countries that fit most closely into Types 2 and 3, government agencies appear to devote most of their attention and funding to IVET, while CVT has a low profile. This may also be the case in Type 1. In Morocco, for example, much of the finance that is raised through the training tax is diverted to IVET rather than CVT (see Annex 1).

### 3.2 The role of VET in shaping national development plans and strategies for human resources development

The countries in the region have identified clear overall aims and programmes to accelerate national development. The population explosion in the Middle East and North Africa resulted in much larger cohorts of young people entering secondary education and subsequently wishing to enter the labour market. These young people are at great risk of exclusion if they cannot find suitable jobs. In this context, the social and economic importance of VET has become more widely recognised.

Therefore, governments in the SEMED region are gradually acknowledging the key role of VET in contributing to development plans and strategies for human resources development, as governments seek to gain a stronger foothold in the expanding global knowledge economy and to create a more highly skilled workforce. Thus, national visions and strategies have been developed and, in particular, human resources development strategies for periods of 10 or 20 years have been formulated.

VET has come to be seen as having important economic as well as social functions. It is even seen as being responsible for contributing an innovative edge, rather than – as in the simpler and more old-fashioned view of VET – as a second-choice pathway for young people who have been rejected by or turned away from post-compulsory general or academic education<sup>18</sup>.

The following three examples indicate how this shift in strategy has been identified and how vocational training is now linked to a wider strategy (see Annex 1).

- In 2008 Algeria adopted a National Employment Plan. In the same year, legislation to reform VET was enacted with the primary aims of improving the links between training provision and the skill needs of the sectoral labour markets through establishing, over a period of time, a demand-led approach to VET.
- In 2010 Lebanon, in spite of the wider tensions relating to the governance of the country, produced a National Education Strategy Framework for the period 2010–15. To this was added a Strategic Multi-annual Action Plan for Vocational Training Reform (2011).

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<sup>17</sup> On 20 May 2014 the Palestinian Council of Ministers decided to establish the National Agency for Vocational Education and Training (NAVET).

<sup>18</sup> A new emphasis on the importance of VET is also to be found in the operation of international organisations such as the World Bank.



- Jordan has a clear national development vision and strategy that is based substantially on human resources development. A National Employment Strategy for 2011–20 has subsequently been developed through a collaborative process, and adopted by government. The Employment Strategy gives high priority to developing and improving VET.

However, some of the countries in the region, such as Egypt, have so far found it difficult to coordinate and agree on a national approach that is shared between the main partners and includes a strong role for vocational training<sup>19</sup>. Similarly, Libya is still at an early stage of reconstruction and has not yet developed national strategies. In countries such as Egypt, Libya and Lebanon, approaches to VET reform have been piecemeal and have tended to engage with particular initiatives or aspects of reform, without a systemic vision or reform programme. While it is important to formulate a clear vision and some broad planning for economic and social development, with vocational training being accorded a significant role, implementing the desired reforms and selecting the key problem areas to work on in order to achieve success is complex and sometimes frustrating.

Tunisia and Morocco have located vocational training development clearly within a wider strategic context, and are specifically attempting to gear their major VET reforms to the systemic development of demand-led training. For a period of some 20 years, Tunisia has been attempting to replace traditional, supply-led VET systems with a demand-led approach that is consistently applied in different areas of reform. This applies to the updating of qualifications and programmes and at least some elements of teacher training, and to the engagement of the social partners, in particular the employers' federations. Successful reform on a large scale is difficult to achieve with limited human and financial resources, and the Tunisian case is noteworthy both for its degree of success and for the barriers and frustrations it encountered.

In its strategic and planning documents, Palestine has recently set out a programme of reform that will, if it can be brought to fruition, also have an impact on many different aspects of training systems. The strategy is wide ranging, comprehensive and coherent in setting out approaches to reforming and modernising technical and vocational education and training (TVET). It also contains some detailed action planning for implementation under the main areas of concern, namely labour market relevancy, engaging stakeholders, systematic frameworks for jobs and qualifications, linkages between VET and the education system, the legislative basis, the VET system, organisational development of VET institutions, development of teaching and learning processes, human resources development, access and equity for target groups, financing, and quality development and assurance.

The revised TVET strategy (approved by the Palestinian Authority in November 2010) was prepared through cooperation between the two main ministries engaged in VET management and collaboration with the social partners and civil society agencies, and with the support of major international donors (e.g. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ))<sup>20</sup>.

### 3.3 How are social partners engaged in VET policy making?

Empowering social partners for more effective engagement in VET policy making in the SEMED region is a key issue on which the ETF has been working with particular emphasis during recent years, in close cooperation with the Southern Mediterranean partner countries (see, for instance, ETF (2011a)).

<sup>19</sup> Furthermore, as each of the country reports state, and as many contributions at the Brussels Conference in March 2014 confirmed, VET remains a second choice in countries throughout the region for learners and others, and is poorly regarded by employers.

<sup>20</sup> More information about GIZ can be found at: [www.giz.de/en/](http://www.giz.de/en/)

The VET governance mapping in the region shows that Libya and Lebanon are possibly the two countries in the region where there is least engagement between the social partners and the public authorities that manage and provide VET. Towards the other end of the spectrum, formal arrangements for engaging social partners in dialogue are fairly well established in Morocco, Algeria, Tunisia, Palestine and Jordan.

Israel has extensive ad hoc arrangements, some of them informal, for engaging employers in a wide range of dialogue and activity, including membership of the VET specialist subject committees. Egypt engages employers' federations in some dialogue and in sectoral and regional initiatives, but the lack of a national coordinating strategy serves to limit the engagement of employers.

In almost all the countries the main employers' organisations and trade union federations have official recognition for their participation in the VET policy dialogue and cooperation that takes place. With a few exceptions it is the chambers or employers' federations – representing, for the most part, the major employers in the important sectors of the economy – that are most prominent in dialogue with the governments over the VET strategy, policy and reform. Trade union federations tend to take a lesser role, or in some cases, to be largely absent from the table<sup>21</sup>.

In most cases the kind of activity that the social partners engage in is best described as consultative dialogue. This tends to occur early in the policy cycle when a policy or strategy is under consideration. Thus, social partners are not usually engaged in practical or implementation tasks within VET policy areas, such as career guidance, the provision of learning materials and environments, or the establishment of NQFs. Moreover, social partners are not normally engaged in the identification of skill needs for the reform of qualifications<sup>22</sup>.

Nevertheless, there are some clear examples across the region in which employers' federations (and trade unions) have been involved more closely with the development of national strategies. For instance, the Partnership Council in Algeria was set up in 2011 to represent mainly ministries, employers and unions. The intention was that the council would contribute to reforms and governance, and that it would have a deeper level of engagement than the previous consultation approach.

In Tunisia and Morocco the social partners are engaged in numerous national councils, although their engagement so far has tended to be in the early stages of policy development. In Palestine, the preparation of a new strategy has involved extensive dialogue with employers, and the representatives of employers have been engaged in the technical working groups that have drawn up elements of the strategy. If a new TVET agency is established, the intention is to have strong stakeholder engagement. In Jordan the social partners were strongly engaged in the development of the National Employment Strategy, and have an important role on the E-TVET Council.

Social partners often take the view that national policy dialogue bodies are accustomed to having an exclusive role and functions in managing and controlling VET, and that such bodies are either reluctant or find it difficult to shift to a more participatory approach to governance. At times this has also been recognised to be the case by the senior managers in ministries and government agencies.

Hence, social partners are present in the region, active in all countries, and organised (with varying degrees of efficiency). Nevertheless, in all countries they need to move forward from a consultative role at the level of

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<sup>21</sup> All these are in line with capacity-building needs identified at the Brussels Conference in March 2014, which are discussed throughout this report.

<sup>22</sup> Several participants in the Brussels Conference in March 2014 commented that ministries frequently confer with social partners more as a matter of form than at a deeper or more persistent level of engagement.

policy development in specific areas, to a wider role of engagement in all other phases of the policy cycle, in particular implementation and delivery. In order to achieve this, investments will be necessary to support the development of knowledge and competences of social partners<sup>23</sup>.

### 3.4 The centralised management culture

The management and administration of VET in the countries of the region have long been characterised by a centralised approach. This is in line with dominant trends of public management traditions and cultures in the SEMED countries. In Section 2 of this report a distinction was made between countries in which the VET system basically falls within the area of responsibility of a single ministry (Type 1) and those in which different subsystems are managed by different ministries and agencies (Types 2 and 3). In all cases, the tradition is for centralised administration, with little devolved responsibility to the lowest levels.

For instance, in Morocco the traditionally highly centralised administration still exercises continuing detailed control over public provision through the supporting work of a number of executive agencies, and exercises quite stringent controls over private sector training provision. This centralised control continues to be exercised despite the emphasis in recent years on a strong policy of regionalisation.

In Tunisia the ministry, supported by four executive agencies, provides leadership and close control of the whole system, despite an intention to devolve more responsibilities to the local level. Here, the remit of the ministry includes innovation, and this may open the door to a greater degree of local initiative. In Libya the ministry exercises control of public provision through a national board. It is too early to assess the extent of the reforms of the different levels of governance that may occur during the reconstruction phase.

Egypt is a paradigmatic case in that the centralised control of the different subsystems of vocational training has been accompanied by a lack of overall coordination and strategy. In fact, this has left space for a number of initiatives that have set up national or local level activities without relinquishing the segmented, centralised control. Palestine, while centralised, has also set up a number of programmes and pilots that operate in districts or sectors, often through cooperation with sectoral organisations, with civil society and, in particular, with international donors. Israel continues to have a highly centralised model of management for aspects such as the national curriculum, national examinations and the National Inspectorate.

However, the centralised culture does not exclude activities at lower levels: districts and local authorities are expected to take the initiative, while school leaders are also encouraged to some degree to be innovators or set up projects, often with the support of the networks of more or less independent education providers. Jordan is intentionally moving towards a social partnership approach that encourages innovation, but the tradition is firmly one of exercising centralised control, albeit in a fragmented system.

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<sup>23</sup> See the country tables in Annex 1, in particular the rows referring to the situation, roles and functions of social partners.

### 3.5 Centralised governance versus regional and local innovation: policy developments at the subnational level

As mentioned before, the centralised approach to management is the traditional approach to, and the recurring theme of, VET governance in the region. This has a strong impact on the ways in which systems are managed and administered at the intermediate level, such as in regions and cities, and also on the roles and functions of school leaders and managers, whose authority to take local decisions is greatly limited.

Nevertheless, a detailed review of local and sectoral initiatives indicates that there is also significant experience across the region of the practical engagement of employers' organisations in local, regional and sectoral initiatives. However, there is some evidence that changes are taking place in the region regarding greater involvement of subnational actors in VET policies<sup>24</sup>.

The increased emphasis on the responsiveness of VET to labour market skill and employment needs (and, hence, the shift from a supply-driven to more demand-led approach to reform) has resulted in a rise in the number of initiatives at the subnational, sectoral and, to some extent, local levels. Although such an approach has not yet become institutionalised, there are certainly more initiatives and examples for which the impetus has come from the local or sectoral level.

Israel provides a good example of a system that is geared to such initiatives. Although the two key ministries exercise centralised control over aspects of VET, the education networks, the Manufacturers' Association and its affiliates and the local authorities are all in a position to lead initiatives, and do so. In particular, the local authorities are the legal owners of the schools that come under the Ministry of Education, and significant responsibilities are delegated to this level. This means that the local authorities have considerable powers to provide additional funding (which varies by local authority), to interpret the nationally established curriculum and to establish local innovations, initiatives and partnerships.

The role of education networks in Israel (e.g. Organisation for Rehabilitation and Training (ORT) and Amal)<sup>25</sup> in mediating between the national and most local level of provision and also between stakeholders in the public and private sector actually helps to bring flexibility and innovation into the arrangements for TVET governance. The evidence shows that education networks can, for example, set up their own pilots and experiments to update pedagogy and, linked to this, they carry out a considerable amount of continuing training with the teachers they employ. Similarly, the Manufacturers' Association both argues for and takes a leading role in a range of innovations and projects, such as establishing new apprenticeship training centres on a public-private partnership basis with the Ministry of Economy.

In terms of policy, Morocco has probably taken the strongest position in the region with the decision that reforms should be led by, and geared to, a regional dimension. This is still at an early stage, so it is not yet appropriate to judge how this approach can operate effectively in a system that was previously highly centralised.

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<sup>24</sup> See the country tables in Annex 1, in particular the rows referring to roles and functions at public national, intermediate and local levels.

<sup>25</sup> More information on these networks can be found at: <http://en.ort.org.il/> and [www.amalnet.k12.il/Amalnet/TopMenu/Amal/About+Amal/](http://www.amalnet.k12.il/Amalnet/TopMenu/Amal/About+Amal/)

### 3.6 Increasing managerial responsibilities at the training-provider level

The starting point for understanding the position of vocational school leaders in terms of taking the initiative and making independent management judgments has to be that, in principle and usually in practice, school managers have little scope for development and independence. There are two exceptions. One is in the VET private sector, where the owners depend on attracting students in order to gain funding, and where school managers may be expected to take an entrepreneurial approach. The other exception is in Israel, where vocational school leaders are expected to take significant responsibility for pedagogic developments, and where one of the two key ministries is currently seeking ways of incentivising ways to support schools to take more the initiative.

In Palestine the training providers are expected to follow instructions on matters relating to the curriculum, but have some space to take the initiative in the overall management of the school and in areas such as advice and career guidance.

In Lebanon a number of schools might on occasion be consulted on intended changes to the curriculum, but are otherwise expected to follow instructions on aspects of curricula and qualifications. However, in the area of advice and guidance, schools have some latitude to develop their own approaches.

In Jordan the community colleges, which fall within the higher education sector and the applied university, have some freedom to organise their own priorities and ways of operating through their system of committees and the management board, and this has led to some innovative new programmes being put in place. However, the schools are not encouraged to take the initiative, although the ministries are supportive of ideas that are proposed. Both the Royal Court and civil society organisations have led projects that have been influential in the Jordanian VET system. In each case the proposing body has been careful to go through the official ministerial channels and to ensure that they have full support.

All this gives an indication of the limits of the autonomy of decision making in the areas of staffing, funding and pedagogic initiatives that form part of the operating culture in many of the region's VET systems. Furthermore, vocational school principals are centrally appointed, and are often moved on to other posts without regard to the establishment of long-term effective management in the individual schools. The teachers also tend to be centrally appointed, often in conditions where it is difficult to attract good candidates to vocational teaching. In many cases, vocational schools in the region are either overstaffed or understaffed, with no action being taken to correct the situation.

Thus, there needs to be a stronger emphasis on policy discussions addressing the issue of how to use, in a more effective manner, coordination mechanisms for improving multi-stakeholder participation in, and the implementation, review and evaluation of, VET policy making (see the Glossary). Such mechanisms include financing- and funding-related mechanisms and quality assurance approaches<sup>26</sup>.

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<sup>26</sup> Coordination mechanisms for VET policy making can be defined as structured outcome-oriented partnership processes, policy tools and/or methods to effectively support either IVET or CVT policy making within the policy cycle. They can be set up by stakeholders (public and private) at both vertical and horizontal governance levels, with binding and/or non-binding policy implications. They are mostly of a political, financial and/or technical nature. The strategic purpose of coordination mechanisms is to support the establishment and regulation of effective working cooperation among different levels of VET policy makers on key policy areas in order to facilitate better performance in VET public management and to improve the attractiveness and relevance of VET policies and systems. Such mechanisms can be set up in ad hoc basis or being oriented in strategic manner to consolidate VET policy development in the short to medium/long term. For definitions, see the Glossary; for a typology of coordination mechanisms, see Annex 4.

### BOX 3.1 COMMON CHALLENGES AFFECTING VET GOVERNANCE IN THE SEMED REGION

- The VET sector remains fragmented, although in different ways in different countries. The responsible government agencies each operate different delivery models and methodologies. Because the linkages between VET providers and the labour market are limited at both national and local level, training is mostly supply driven. Provision is mainly limited to IVET, such that CVT and training for labour market entry are weak features in the system, and there is little, if any, consideration of lifelong learning.
- Employers and the private sector are involved in VET governance, but this is limited for the most part to broad consultations. Thus, practical engagement of employers' organisations throughout the policy cycle is not a feature of VET governance, and is not well supported. This means that a key weakness of the current training systems is that training providers do not meet the skills requirements of the labour market effectively, since there is insufficient liaison between stakeholders on the demand and supply sides.
- Vocational skills have been undervalued in the societies of the region, the emphasis being on academic secondary and then university education, as this pathway has traditionally given access to higher-status work. This means that the image and attractiveness of VET remains low, as viewed by both employers and learners.
- The rigidity of qualifications – and the absence of pathways from vocational training into higher occupations, and from VET programmes into more advanced or academic studies – contributes to the perception that VET qualifications offer little possibility of progression. Furthermore, opportunities for continuing training are poor, and the barriers to returning to education and training are overwhelmingly high for many citizens.
- Government rules and regulations tend to be rigid and based on highly centralised approaches to VET management, with little autonomy devolved to more local levels. Furthermore, management procedures often lack transparency, and management and LMISs are not sufficiently well developed to serve the VET planning and decision-making process.
- Financial provision for VET tends to be insufficient in terms of meeting modern training needs, and the way in which funding for training provision is dispensed from the centre does not contribute towards improving system and provider performance. This also means that the learning environments and equipment of many training institutions need to be upgraded or replaced. Similarly, teacher training tends to be a rather neglected area that requires significant attention.

Source: ETF (adapted from nine national reports)

## 4. VET FINANCE AND FUNDING

For the purposes of mapping, analysing and (self-) assessing VET governance arrangements in the nine countries in the region, and for the preparation of this report, it has been helpful to make a distinction between the terms 'financing' and 'funding'<sup>27</sup>. Financing is taken to mean the sources from which the moneys that are allocated to the various parts of the VET system are derived, while funding is defined as the methodologies for distributing resources to providers and the allocations that are made.

### 4.1 The key issue of transparency

The transparency of the available financial information and the extent to which countries in the region have adequate management information systems that encompass VET finance and funding have emerged as key issues (information gaps) during the mapping process.

Broadly speaking, there is little detailed published data on VET finance and funding in particular countries. In some cases the data for training is not distinguished from the overall education budget, while in others the allocations appear to be a closely guarded secret within finance sections, divisions or ministries. In these cases it is difficult for stakeholders involved in governance to gain accurate information on the important and dynamic aspects of finance and funding, and for researchers and local experts to draw up an authoritative picture. In mitigation, it must be said that these issues are shared with many other countries.

Nevertheless, it should be possible to quantify on an annual basis the sources of financing for the system, the methodologies used to distribute funds to the centres, and the actual levels of funding and different budget lines. Some of this information, such as the proportion of overall funding spent on salaries, is available in several countries, so it may simply be a question of making the data already held in finance departments more readily available.

Tunisia is probably the country in the region that has taken the most comprehensive steps to make information readily available and transparent in this respect. In contrast, it proved difficult to gather robust data on VET spending for Israel, and in Morocco there is currently no overview or reliable published data, and no agency is responsible for reporting on VET finance and funding.

This evidence indicates a significant weakness in management information systems. Even if separate sets of data have to be provided for different segments or subsectors of the VET systems, greater transparency would be a considerable aid to good governance and to more effective VET decision making.

### 4.2 Sources of finance for IVET

The main source of finance for IVET in all countries in the region is the government's allocation of resources from general taxation and other income. Furthermore, the financing and funding procedures in the region tend to be centralised<sup>28</sup>.

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<sup>27</sup> In the preparation of the mapping for the country reports that form the basis of the data and analysis in this report, the details of financing and funding were found to be more sketchy and incomplete in some countries than in other areas covered by the enquiry. In spite of some of the technical difficulties that exist, it is important that the whole area of finance and funding is given priority when the issues of governance and its improvement are under discussion.

<sup>28</sup> See the country tables in Annex 1, specifically the rows referring to financing VET, identifying the main sources of the funding and identifying the methodology used to fund VET providers.

In several countries, it is reported that government allocations to VET spending have increased over recent years, while it seems that in most of the countries the financing of the sector is limited, and investment is too low to generate a modern, innovative approach to the system. If investment is too low, modernisation and reform are likely to stumble repeatedly, rather than succeed.

VET financing in the region is characterised by contributions from state (general) budgets, public treasuries, and donors (international), with small budgetary allocations from employers in a few cases. In all countries these arrangements are subject to audit, but are often lacking in transparency, and information is inaccessible to both stakeholders and researchers (as noted in previous section). Despite the existence of individual initiatives, there is currently little indication that governments are preparing to devolve or decentralise any significant management decisions on finance to the more local levels, except, for example, where there is a strong emphasis on regionalisation, as in Morocco.

Thus, VET finance depends mainly on national revenues, and this underlines the point that public funding is the key to investment in a nation's education and training systems. In the public sector of VET provision the fees paid by students and their families constitute a small percentage of VET financing. Some 80–90% of the budget is spent on salaries, leaving little scope for innovation in an area of provision that is often underfinanced. In any case, limitations on the national budget mean that (with the partial exception of Libya and Israel) underfinancing of the VET system is a persistent and structural issue in all countries in the region.

The self-financing contribution of private schools is an important feature in a few countries (e.g. Lebanon), though its extent depends on the public/private share of the training market. Where there is an extensive private sector of initial training provision, private sector contributions are significant. This is very much the case in countries such as Lebanon and Libya, and is increasingly the case in countries such as Morocco, Tunisia, Egypt and Jordan, where there is a growing market in private training provision. In this respect, private sector contributions refer to commercial activities in the private and not-for-profit sectors of training provision.

Industries and employers tend to make only minor contributions to the financing of public IVET. This reflects the traditional expectation that the state will provide education and training through the compulsory and post-compulsory phases, and that these were not the domain of industry or employers. In countries such as Morocco, where there is an apprenticeship strand of provision, employers can be expected to invest through the provision of facilities and work placements, if not through financial contributions.

Morocco is also an interesting case in that a significant proportion of the finance raised through the training tax is allocated to the IVET rather than to the CVT system. Another interesting example is Israel, where employers make a significant contribution to IVET through participation in initiatives and the provision of facilities, while the apprenticeship scheme managed by the Ministry of Economy is heavily subsidised in kind by the private sector.

In all countries, students and their families are expected to make some contribution towards the cost of their studies. However, in many cases this is a very small amount, and certain individuals, including those from disadvantaged groups, are exempt from making payments. Therefore, it is safe to conclude that the contribution of families to the financing of costs of VET programmes is proportionally small.

In most cases the contribution of donors to VET financing is substantial, and a significant amount of international and bilateral cooperation takes place across the region. In the challenging situation of VET financing in Palestine, international organisations and bilateral cooperation have an important role in providing funding for initiatives and reforms and, in the case of refugee education and training, for financing important parts of the system. Morocco, Tunisia, Egypt, Jordan and Lebanon all participate in international donor-financed and bilateral projects.



Donor contributions bring additional financing into an under-resourced sector. However, as already mentioned, one problem with donor-funded activity is that the financing is time- and project-limited, and this can be a barrier to achieving incremental and sustainable solutions, once the financing completes its cycle. The transparency and efficiency of donor funding are also major issues.

Some countries have made significant efforts to increase VET resources in recent years. Taxes on employers or training levies operate in some countries, including Algeria, Morocco, Tunisia, Egypt and Jordan. In these cases, revenues tend to be directed to CVT, which is an otherwise neglected area. However, the sums distributed and even the legal status of the levies and taxes on employers is constrained. In Jordan, the status of levies on employers is uncertain as a result of a lengthy legal case.

### 4.3 Funding of training providers

Funding mechanisms through which providers in the region receive their allocated budgets are on a traditional, recurrent-input basis. Training providers are given no incentives to supplement their income through sales of goods or services, or to improve their efficiency, performance or outcomes. Thus, the VET financing models in place in the SEMED region do not address the improvement of the input–output relationship (efficiency), nor are they oriented towards having an impact (effectiveness).

It is well known that a combination of both efficiency and effectiveness is needed in order to achieve a sustainable improvement in VET outcomes. However, in only a few countries, such as Tunisia and Morocco, are policies under consideration or being introduced to use funding as a mechanism to generate improved outputs.

All of the countries appear to have clearly defined methodologies for funding VET providers. Where there are multiple strands of provision that come under different ministries or authorities, it is common to find that different methodologies for distributing funds are used in the different subsectors. For example, in Egypt, Israel and Jordan, each of the main providers and ministries follows its own distinct rules and procedures for funding its share of provision.

The funding of school-based VET in Jordan through the Ministry of Education provides an example of the administrative methodology used, and its consequences. The Directorate of Vocational Education's budget approval process is intended to take into account the real funding needs of training centres. The various regional offices distribute budget forms to the schools, who then indicate their needs in terms of training equipment and material. Managers of establishments are allowed to ask for an increase in their establishment's budget of up to 10%. The managers must present supporting documents, although such requests are almost never granted. The regional office returns the completed forms to the Directorate of Vocational Education, where adjustments are made and a budget proposal is drawn up and submitted to the Ministry of Education's Planning and Budget Directorate. The ministry's provisional budget is submitted to its own Planning Commission, and thence to the Ministry of Finance. The total state budget proposal is then submitted to parliament and the King. The allocation procedures to schools are completed through the regional offices of the ministry. In practice, salaries consume a large share of the current expenditure, and spending on capital assets is very low. The lack of necessary funds for the development of the sector is also apparent in the rigid and highly centralised procedures for the financial management of the allocated budget at the level of both the schools and the regional administrations.

Obviously, the budget-making procedures vary somewhat from country to country and according to whether the training institutions come under the authority of a ministry or a government agency. In Libya two different ministries are responsible for different heads, or chapters, of the allocated budget. In Morocco, where – as in

a number of countries – several ministries provide their own specialist training, the average funding varies widely depending on which ministry is responsible.

In Egypt the different training subsystems have all developed, and continue to operate, budget procedures following their own rules and procedures, and there is no overall rationale or prioritisation of budget methodologies. In Israel funds are allocated to schools through a formula based on student numbers. There is an operating methodology, but neither the formula nor the details of the funding seem to be widely known.

In Lebanon funding is undertaken on an incremental or historical basis, and is established on the basis of the previous year's allocation with necessary additions. Ironically, while this has led to some increases in funding to institutions, the current system fails to respect the formal budgeting procedures that were earlier endorsed by the government. Indeed, there is little transparency or openness about the budgeting process.

Allowing for a range of variations, the Jordanian case gives a clear idea of how the process could operate. It also establishes that funding is likely to fall short of needs when modernisation is taken into account, and that procedures are both centralised and rigid. There is little regulatory or financial space for initiatives to be taken through the budget at the more local levels.

Tunisia provides a clear example of the operation of a budget formula. Salaries account for 81% of the state budget and these are paid directly through centralised provision. Beyond this, the Tunisian Agency for Vocational Training (Agence tunisienne de la formation professionnelle (ATFP)), the responsible government department, uses a budget formula for funding different groups of students according to the different VET specialisations, based on an established tariff (or nomenclature). Thus, costs are calculated per class, irrespective of the number of students, and only supplementary aspects such as boarding accommodation are calculated on a per capita basis. Some provision is also made in the budget formula for maintenance and supplementary equipment, and to recognise the needs and performance of some centres. It should also be noted that a training credit (chèque-formation) was introduced in Tunisia in 2006 to cover part of the costs of accredited private training centres.

The Tunisian case also raises an issue that is at the heart of much discussion concerning education and training budget allocation. The major intention behind reforms that have been undertaken in Tunisia over the past two decades is that training should be demand-led and competence-based. It is fully recognised in the planning that the way in which funds are distributed to schools is an important issue in incentivising and rewarding local reforms.

So far, however, it has not been possible to introduce incentives into the funding methodology in order to progress management based on objectives and results. Israel appears to be the only other country in the region that has taken steps in this direction. In this regard, schools and apprenticeship centres are encouraged to use an element of initiative in the way in which they spend their budget and, as already indicated, the Ministry of Economy is investigating ways in which it can incentivise and reward its centres when they might have more autonomy<sup>29</sup>.

## 4.4 Financing CVT

As is the case in many countries outside the region, CVT financing in SEMED is low on the list of priorities for education and training. In a few countries, such as Morocco and Tunisia, governments provide some funding for particular CVT initiatives in development areas and specific sectors, or targeted to priority groups.

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<sup>29</sup> See the country tables in Annex 1, specifically the rows referring to financing VET, identifying the main sources of the funding and identifying the methodology used to fund VET providers.

In the other SEMED countries, governments tend to leave the financing of CVT to companies, and there are relatively few larger companies – often those with an international dimension to their activities – who engage strongly with CVT.

The partial exception is where a training tax or levy is in place. This is the case in Morocco, Algeria, Tunisia, Egypt and Jordan. In Morocco, as already reported and according to the draft law, only 30% of the finance raised from the training tax is allocated to CVT while the rest is diverted into IVET. In Jordan disputes over the legal status of the training levy have inhibited its implementation for several years. Algeria provides an example of how the training tax operates. The training and apprenticeship tax is 2% of a company's salary bill, from which the company's own expenditure on training and apprenticeship is deducted. However, CVT is not a strong feature in Algeria, and reforms are still at the planning stage.

Across the region CVT provides insufficient opportunities for participation, and lacks quality. It is neither systemic nor clearly structured. The absence of legislative frameworks, the fragmented participation of companies, the questionable management of existing funds and the lack of information systems for evaluation all hamper policy development and investments. CVT can be regarded as an obvious aspect of VET to encourage the participation of social partners, and for capacity building.

#### **BOX 4.1 COMMON CHALLENGES RELATING TO VET FINANCE AND FUNDING IN THE SEMED REGION\***

- The questions of transparency in general and adequate management information systems on VET finance and funding have emerged as key issues (information gaps).
- The main source of finance for IVET in all the countries in the region is the government's allocation of resources through the general taxation budget and other incomes. Where there is an extensive private sector of initial training provision (e.g. Lebanon), the contribution of self-financing of private schools is significant. The contributions of industry and employers to the financing of public IVET tend to be a minor factor (except in Morocco). Donor contributions to VET financing are still significant in most cases.
- The financing and funding procedures in the region tend to be centralised. Ministers involved in VET policies manage and approve budgets, in some cases at the request of VET public institutions (e.g. Lebanon). Ministries of finance or planning play a major role in funding allocation in some countries (e.g. Palestine, Libya and Egypt).
- Financing of CVT is low on the list of priorities for education and training, except in a few countries (e.g. Morocco and Tunisia), where the governments provide some funding collected through training taxes. In the other SEMED countries, governments tend to leave the financing of CVT to companies.
- Funding mechanisms through which VET providers receive their allocated budgets are on a traditional and recurrent-input basis. Hence, there are no incentives to supplement income through the sale of goods or services, or to improve performance and outcomes. Neither are there financing models in place that address the improvement of the input–output relationship (efficiency) or that are oriented to have an impact (effectiveness) in order to progress management based on objectives and results.

(\*) See the country tables in Annex 1, specifically the rows referring to financing VET, identifying the main sources of the funding and identifying the methodology used to fund VET providers

## 5. VET QUALITY ASSURANCE

Supply-driven VET systems have limited relevance to the skills demanded in the labour market and to the knowledge and skills needed by learners to enable them to compete for jobs or avail themselves of further learning opportunities. Policy makers in the SEMED region are aware of this when planning reforms. In this respect the focus of attention has shifted from the more traditional approaches to quality control, achieved mainly through audits and inspection, towards more reform-linked, innovative and developmental approaches to quality assurance.

Quality assurance in the region is often associated with control procedures (quality control). However, quality management already forms an important part of the VET systems in the region. Quality management can be defined as ‘all the activities that organisations use to direct control and coordinate quality. These activities may include formulating a quality policy and setting quality objectives. They may also include quality planning, quality control, quality assurance and quality improvement’ (ISO definition).

Thus, centrally managed, supply-driven VET systems in the region have traditionally emphasised the assessment and audit of inputs to the VET process. Quality control systems have been used to ensure that regulations and requirements are met, without much emphasis on supporting the performance of VET providers or generating improvements in teaching and learning. Quality assurance, on the other hand, goes further than this: it identifies a series of active systems, tools and processes that are intended to engage the whole range of actors in a more active approach through evaluation and self-assessment. The aim is to achieve goals and reforms and to improve the performance of the VET system as well as the outcomes that learners achieve. Quality assurance includes a clear element of quality control, but its procedures and tools have a more positive, proactive and engaging purpose. It covers diverse aspects such as the accreditation of training providers and qualifications (including teacher-training requirements), the specification of curricula, the evaluation of the quality of teaching, learning and management, the achievement of reforms, and periodic evaluation of the whole VET system in its wider context.

Some of the countries have identified a working definition for quality assurance and aspects of policy and practice that they consider relevant as they plan reforms intended to set up a modernised quality assurance approach. Palestine, where some of the reforms to the VET system began in a somewhat disjointed way, has recently agreed a programme of reforms that focus on the development of a system based on quality assurance. The revised TVET strategy places strong emphasis on the importance of quality assurance and quality management as defining aspects of all the reforms proposed, stating that ‘a quality system will be used for all components of the TVET system, including internal and external evaluations to ensure the quality of the output’ (Palestinian National Authority, 2010).

The strategy in Palestine refers to strengthening the linkages between VET outcomes and labour market demands, and thereby improving the employability of VET graduates by ensuring that qualifications comply with a set of unified quality standards that are consistent at all levels with best international practice, through the effective and efficient use of available resources. It recognises that this has major training and capacity-building implications at all levels in the system.

The action planning associated with the strategy emphasises the setting up of an appropriate national accreditation and quality assurance body for VET, developing and applying a VET quality assurance system, promoting a quality culture across the whole sector, and developing curricula, assessment and certification that are based on the standards of working life for all VET learners and apprentices. Other elements of the

Palestinian action plan, including the development of new teaching and learning processes and improved teacher training, are also seen as essential for quality assurance and quality management.

Indeed, most of the countries in the region now aim to focus on quality assurance as they reform their VET governance and systems. The emphasis is placed variously on identifying and achieving objectives (Tunisia and Morocco), on outputs (as stated in the Palestinian plans) and on outcomes. Other countries, as this section of the report will show, are initiating reforms to improve VET quality, but perhaps with a less comprehensive view of quality assurance developments<sup>30</sup>.

## 5.1 Identifying labour market skill needs

None of the countries in the region has adequate, systematic arrangements in place for identifying the skills that are in demand in local, national and international labour markets<sup>31</sup>. In other words, there is a lack of fit-for-purpose LMISs in place across the region, and this is an issue that should be addressed as a priority.

This situation makes it very difficult for education and training plans to identify the knowledge, skills, attitudes and competences that citizens will need as they enter and progress through rapidly changing labour markets, now and in the future. In some cases, data are available and may even be used for other aspects of planning, but not in a form that is helpful to education and training policy makers.

Some time ago Morocco highlighted the need for an efficient set of tools and procedures to identify labour market skill needs for the purpose of VET planning and reform, but the planned observatory and national system to identify occupational skill needs has not materialised, even though considerable work is being done in this respect at regional level.

Extensive work has been carried out in Tunisia on developing competence-based occupational profiles based on identified skill needs, although this activity seems to have run into difficulties. No such analysis has yet taken place in Libya. In Egypt there is extensive sector-based experience of skill needs analysis that is based on separate projects and also the work of a new national agency. However, these separate strands have not so far been linked up to form a national approach and a comprehensive methodology.

In spite of the plans mentioned above for quality assurance development in Palestine, there is as yet no operational LMIS in place that is available to VET planners. Israel is an interesting case in this respect because the data that are used internationally to develop LMISs are readily available, and labour market trends and skill needs are tracked for some purposes, but not in a way that is specifically helpful to education and training planners. Jordan is building up sets of occupational profiles that identify the knowledge and skills demanded in the labour market. The plan is that these will form the basis of revised curricula and qualifications, but without a national system in place.

## 5.2 Quality control and quality assurance of curricula and qualifications

The more traditional quality control measures that are in place throughout the region – namely the use of officially endorsed texts and learning materials to conform to the required curriculum and procedures to audit budget spending – remain in use, and audit remains an important function. However, when the quality assurance dimension is added, the requirement to conform to norms and expectations is extended to encompass identified improvements that are based on performance and other data. The key point is that

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<sup>30</sup> See the country tables in Annex 1, specifically the rows referring to developing approaches to quality assurance reforms.

<sup>31</sup> Ibid.

seeking improvements in particular facets of training and across the system as a whole is an integral part of a developmental quality assurance approach.

The case of Palestine was used above to indicate what a quality assurance approach might mean in outline, and the Palestinian situation concerning the quality of curricula and qualifications also provides a case in point. Traditional VET curricula and qualifications were developed by the ministries, and were more or less confined to the supply side and to tasks that schools and colleges could comfortably achieve without extending their reach to partnerships with industries and the labour market. Gradually, however, a change of emphasis is beginning to take place.

In four of Palestine's governorates, with the support of an international donor organisation, partnerships have been established with the chambers of commerce with the aim of improving the links between taught programmes and the labour market skill needs that local employers are able to identify. At the same time several local employment pilots are being set up as public-private partnerships to engage the chambers, VET managers and providers, in order to establish systems that can sustain these tasks and relationships. It may prove difficult to achieve and maintain system-wide up-scaling; however, a shift is taking place in the way in which curricula and qualifications are established using quality assurance criteria.

Over a number of years, Morocco, like Tunisia and Algeria (pilot stage), has developed an approach that is intended to be needs-led, system-wide and competence-based as far as curricula, programmes and qualifications are concerned. Sector-based pilots have been developed and evaluated, and the reformed approach seems to be ready for generalisation in Tunisia and Morocco.

Although they are still a considerable way from achieving a system-wide shift to a quality and quality assurance approach, some countries have established a high-level agency for quality assurance. In Jordan, CAQA is working hard on a sector-by-sector basis to develop a series of occupational profiles, associated knowledge and competences, and linked curricula, through close involvement with employers.

In Egypt, NAQAAE was established in 2007 under the authority of the Prime Minister. Its early and continuing work has centred on providing and applying a quality framework for the development of curricula and qualifications for which different ministries take responsibility. NAQAAE is also responsible for developing a quality-led approach to other aspects of VET provision.

In some of the other countries of the region, the reform and introduction of a quality assurance perspective for curricula and qualifications still lacks momentum. In Lebanon, curriculum examinations are essentially centrally controlled and the development of an NQF has been discussed as one approach to improving both standards and quality assurance for VET qualifications and curricula. In Libya, current approaches to quality control in curricula, qualifications and other areas continue previous practices, and plans to modernise and introduce an approach based more on quality assurance principles are at an early stage.

### 5.3 Inspection and monitoring of providers

All the countries in the region have in place what might be referred to as traditional tools and procedures for monitoring, and an element of quality control to ensure that different VET providers are acting according to rules and regulations.

Thus, for example, it is common to have a procedure that must be followed before a new training centre or specialisation can be launched. In the case of Morocco, as has already been pointed out, the stipulations for a new school in the private sector are more stringent than those that apply in the public sector. Most of the countries have in place some kind of public sector accreditation of schools in the private sector. However, it should be noted that these procedures tend only to apply when a new centre or specialisation is launched,

and subsequently there is no further requirement to undertake ongoing validation or revalidation. Hence, validation tends to be an initial step, and in most of the systems in the region there is no ongoing quality-related evaluation of centres, whether on an external evaluation or self-assessment model, or on a combination of the two.

Furthermore, the countries have inspection systems in place. These tend to be checks to ensure that providers are following requirements, as described in the previous paragraph, with an additional factor that in some countries the inspectors take on responsibility for encouraging the professional development of teachers and the subject areas for which they are responsible. This is the case in Morocco, Algeria, Egypt, Tunisia, Lebanon and Israel. In Lebanon, for example, the inspectorate carries out inspections of schools and has a broad role in guiding teachers and monitoring their performance.

In several cases, countries are establishing new approaches to the evaluation of VET provision as a whole, and these are promising developments in terms of monitoring the entire system. Morocco evaluates the VET system every four years. Tunisia has made considerable efforts in this direction, though apparently with only partial success. Between 1997 and 2007 impact evaluations of major reforms were conducted, but these were discontinued on the grounds of the considerable expense involved, compared to the limited usefulness. Three new commissions have been established to carry out evaluation, but so far these have been only partially effective. Thus, monitoring and evaluation have tended to relate to single issues and have had limited operational impact.

In Egypt it is intended that NAQAAE will eventually bring a strong and coherent element of evaluation to the system, supported by specialist arrangements in each of the main VET management authorities.

In Palestine the plans described above should support the evaluation of the system, and an agency has already been established to license and approve new programmes in higher education, including the technical courses that are provided in the community colleges. In Israel it is the role of the inspectorate to assess whether comparable standards are achieved in different types of schools, while the ministries, education networks and local authorities all have a responsibility to support and evaluate quality in their areas of operation. In Jordan, in spite of the development of the E-TVET Council and CAQA, the sector lacks clear key performance indicators and currently has no appropriate mechanisms for monitoring and evaluating system performance.

These are all indications that several countries in the region have begun or are beginning to develop input-related processes and procedures for evaluation.

## 5.4 A shift towards a quality assurance approach?

The Tunisian approach to quality assurance within the national reform programme for VET has been influential in the region, in particular in the Maghreb countries (Algeria, Morocco). Libya has identified some of the required tools, such as the development of an NQF, and procedures (including a sector council approach and the establishment of the Quality Assurance and VET Providers' Approval Centre, QAVETPAC). However, reconstruction is not yet sufficiently advanced to ensure that these approaches in VET governance come to fruition.

However, Egypt's quality assurance agency has been allocated a role by the Prime Minister's office to introduce a quality assurance approach. Nevertheless, there is as yet insufficient evidence of the development of a culture based on quality assurance rather than on the more traditional controls; in any case, overall governance of the sector is splintered, and it is currently difficult to achieve coherent and comprehensive approaches to reform and practice.

Israel takes a dynamic approach to reform and to quality assurance. The intention is that requirements for curricula, examinations and assessment will be centralised and that the national inspectorates will provide a mechanism for quality provision and assurance, while the different actors will have a measure of devolved responsibility and autonomy. However, there is no statement of strategy and objectives, and partnership relationships, though extensive, are often informal. A coherent strategy could address some of the challenges, for example through the development of an LMIS that education and training planners could use to plan VET, and through a coherent approach to tackling the inequality faced by specific social groups.

Palestine is in the process of planning a more unified approach to the management and governance of the training subsystems and extending the functions of the existing accreditation and quality assurance agency for VET. As is the case with other reforms, this will call for substantial international support. Moreover, ways will have to be found to ensure that the results of international projects both achieve the required system change and are sustainable in the longer term, once donor support and funding has decreased. In these respects, Jordan has made rather more progress with its reforms, and work has already taken place on some of the processes and tools for a system-wide approach to quality assurance. Quality assurance is also an important theme in higher education development, and with time and a clear vision and coordination between the subsectors, the signs are that a quality assurance approach can eventually be developed in Jordan.

Finally, Lebanon has an ambitious action plan that includes an approach to quality assurance, but this will need steady, continuous development in a policy environment that has been characterised, up to now, by stops and starts rather than by a consistent developmental policy over time.

#### **BOX 5.1 COMMON CHALLENGES FOR VET QUALITY ASSURANCE IN THE SEMED REGION\***

- The focus of attention in most SEMED countries is progressively 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.
- The centrally managed, supply-driven VET systems in the region have traditionally emphasised the assessment and audit of inputs to the VET process. Quality control systems have been used to ensure that regulations and requirements are met, without much emphasis on supporting the performance of VET providers or generating improvements to teaching and learning.
- None of the countries in the region has adequate or systematic arrangements in place for identifying the skills that are in demand in local, national and international labour markets. Thus, there are no fit-for-purpose LMISs in place in the region, and this is a priority to be further addressed.
- All the countries in the region have in place traditional tools and procedures for monitoring as an element of quality control to ensure that different actors providing VET are acting according to the rules and regulations.
- Several countries (in particular, Maghreb countries) are establishing new approaches to the evaluation of VET provision as a whole, and these are promising in terms of monitoring the entire VET system.
- There is a shift towards a quality assurance and quality management approach in some countries, in particular in the Maghreb, where the development of NQFs, sector council approaches and quality assurance agencies are being established.

(\*) See the country tables in Annex 1, specifically the rows referring to quality assurance.



## 6. LINKING IMPROVEMENTS IN GOVERNANCE TO SOCIAL PRIORITIES: INCREASING THE EMPLOYABILITY OF WOMEN AND YOUNG PEOPLE THROUGH LIFELONG LEARNING

### 6.1 Good multilevel governance and the challenge of lifelong learning

The evidence gathered for this report suggests that there is a strong need in every country of the SEMED region to move to a more demand-led approach to VET by placing strong emphasis on identifying and meeting labour market skill needs and adapting VET qualifications, curricula and programmes accordingly.

This should form part of a comprehensive performance-based strategy based on a multi-stakeholder participatory approach at both vertical and horizontal levels, in order to expand the pool of available skills and competences, either on an ad hoc basis or as part of a national development plan. This could establish a foundation for providing sufficient numbers of skilled individuals to replace others who are leaving the workforce, including through retirement, and to supply recruits for employment and self-employment for new or changing job profiles in a developing labour market.

From a learner's perspective the education and training systems in the region tend to be inflexible, and little is currently changing in this respect. Entry into higher education is mostly possible only through the school matriculation examination. If a young person misses out on this, there are no second chances. For learners following technical and vocational tracks the pathways into more academic forms of progression are either very limited or, as is often the case, non-existent.

One reason that many VET qualifications are seen as a dead end is because they are exactly that: VET qualifications that are not accorded much status and from which there are no further prospects for study or advancement. This contributes a great deal to the maintenance of VET's very low status compared to other educational options in the region<sup>32</sup>.

Once young people have entered the workforce or are seeking employment, they have very few opportunities for learning, other than through hands-on experience of working life. The opportunities for CVT are severely limited (almost non-existent in some sectors). Furthermore, existing opportunities tend to be offered to those who already have a high level of education and high job status.

The key point is that the identification of a lifelong (and lifewide) learning policy is a necessary component of a needs-led and competence-based approach to VET governance. Indeed, these three aspects – a demand-led approach, more competence-based approaches to training, and a practical, inclusive approach to lifelong learning – should be developed together to shape an effective and sustainable framework in which VET can make a significant contribution to human resources development.

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<sup>32</sup> See Annex 3 on the double marginalisation of VET in the Maghreb.

## 6.2 Young people and women: groups at risk of exclusion

As previously described, many groups of women and young people in the region face major disadvantages in terms of employment and access to education and training. Lack of access, few opportunities or available progression pathways, inflexible education and training systems, and dead ends are factors that contribute to a failure to address the needs of groups that are frequently excluded, specifically women (ETF, 2010) and young people (ETF, 2012).

There is a great deal of potential to increase the participation of women in the labour market in line with the rapid improvement in their performance in the education system: in many countries in the region, female university graduates now outnumber male graduates, although they tend to specialise in the humanities. In this respect, the progress over the past two decades has been considerable. Nevertheless, the engagement of women in the labour market compared to men is among the lowest in the world. In spite of the potential, female employment lags behind female educational attainment (as seen in Section 2 of this report).

Women face strong horizontal and vertical segregation in the workplace. Horizontal segregation means that certain jobs are considered suitable for women, while many others, from which women are excluded, remain the preserve of men. The reasons for this are partly legal and partly cultural, and seem to be deeply embedded in the mores of the labour market and society. Furthermore, even in areas where female participation in the labour market is comparatively high, women face vertical segregation, which means that they are often not appointed to senior management positions. Equal opportunities in the workplace are not established, nor are facilities provided to allow women to combine working and family responsibilities.

As a result of cultural and other factors, little attention is being paid to matching skills supply and demand specifically in relation to women. Training and labour market entry provisions for women remain inadequate, despite a number of initiatives, and the transition from school to work requires more detailed attention, support and career guidance.

With regard to the employability of young people, several factors require closer attention. Again, it is important to recognise the progress that has been made. In particular, there is almost universal access to the early stages of education for boys and girls across the region, and this has been an important development over the past two decades. In addition, there is now a relatively high level of investment in the education sector compared with that in other regions.

However, the quality and relevance of the education and training provided are key challenges in terms of employment and employability. This report has also highlighted the need to upgrade VET. This can only be achieved through substantial investment and leadership that is both geared to improving quality and focused on vulnerable groups.

Tackling the situation must involve employment and active labour market policies as well as the supply of skills through education and training. Employment policies need to be mainstreamed if unemployment and underemployment among young people are to be addressed. The role of the public services should be clearly identified, and the growing importance in the region of the private and not-for-profit sectors harnessed. Active labour market policies must to be clearly targeted in order to achieve the required outcomes. This has implications for governments, social partners and other actors at the national and local levels; it also has implications for international cooperation and third-sector activity.

The challenge of youth employment and employability is an urgent one, and multiple barriers exist. Specific groups should be targeted in order to implement employment priorities on both the demand and supply sides, for both the short and long term. For this, clear policies, action frameworks and an active set of partnerships in which all stakeholders can take ownership are necessary components for success.

### 6.3 Combining good multilevel governance, a demand-led approach and a focus on lifelong learning

In terms of VET governance, the importance attached to a needs-led approach to VET development and a competence-based approach to curricula and qualifications has increased considerably, as has the recognition of the need to form more effective multilevel partnerships while engaging the social partners more proactively. However, schemes for enhancing the employability of young people and women currently reach only a small proportion of the target groups. Furthermore, VET tends to operate within its own sphere of activity, without strong links to the wider education systems, and CVT is even more marginalised. A systemic approach to lifelong learning is still lacking. Combining these factors is the fundamental challenge for good multilevel governance in the VET sector and across the education system.

## 7. CONCLUSIONS: KEY IMPLICATIONS FOR POLICY DIALOGUE AND IMPLEMENTATION

This report covers a range of issues in describing VET governance in the SEMED region. It also develops the theme of good multilevel governance in VET, focusing on how to achieve improved dialogue and effective coordination at both vertical and horizontal levels throughout the policy cycle. A key priority is to achieve improved opportunities and outcomes for learners, not least for groups at risk of unemployment and exclusion, such as young people and women.

The issues covered by the report have a common thread, namely the recognition that VET has a significant economic and labour market role, as well as an important social role, as part of a wider system of education and training. Increasingly, VET is also expected to be innovative in terms of helping learners to gain a wide range of transversal as well as technical skills, including entrepreneurial skills and learning to manage their own development. Thus, VET has economic, social and innovative functions.

In spite of this, VET is not yet regarded highly by learners, their families and employers across the region. It is seen as a second-choice progression pathway and is often marginalised compared to general secondary and higher education. CVT opportunities are restricted (or, in many cases, non-existent) for many workers and job seekers. Reforms to VET governance are taking place in most of the countries, but these are best understood as ‘work in progress’, and are often at quite an early stage.

To summarise briefly, the three key policy functions investigated in the mapping process indicate that three types of VET management co-exist, producing highly centralised VET systems, with weak engagement on the part of social partners and other private actors throughout the VET policy cycle.

Furthermore, VET finance is input-oriented and is based mainly on the centralised management of government resources and revenues (except where the private training sector is prominent). Quality control procedures exist in all of the countries, focusing on auditing and inspecting inputs, but with little reference to outcomes. Nevertheless, the development of quality assurance procedures to contribute to outcomes is a matter of interest for countries in the region.

However, the lack of reliable management information systems and LMISs, which should include trends for skills and competences, represents a huge gap in all the countries in terms of the information needed to steer and evaluate VET reforms and to monitor subsystems.

### Inter-related governance strategies and policies for VET systems

The basic argument and findings presented in this report are that a range of interconnected policies should be developed and implemented if VET is to perform better in its economic, social and innovative functions, and that one of the pillars on which improved performance can be established relates to effective good multilevel governance. All these have several facets.

Successful management of VET systems and their reform in the SEMED region should be based on the implementation of a whole series of interconnected policies, rather than a single-policy solution. Success is unlikely to be achieved by concentrating on just one or two policies, even if they have ‘star quality’. In this respect, based on the issues described previously, a set of key strategic messages have been formulated for further policy dialogue and implementation, as follows.

### **Improve collaboration and coordination between the national public authorities responsible for all aspects of the education and training system**

The report captures the fact that in several countries in the region, coordination between the public authorities responsible for particular VET subsystems is poor. Improving governance linkages between the different subsystems can be achieved in various different ways, for instance, through unification, the establishment of an overarching VET council, agency or sector council, or improved communication and coordination mechanisms (interministerial cooperation groups, steering or joint committees, tripartite bodies, etc.)<sup>33</sup>. All this could help to improve the overall performance of VET policies, including the transparency and effectiveness of management arrangements in relation to planning, implementing and reviewing such policies. As a result, such measure could contribute to improving the visibility, image and status of VET.

Furthermore, more effective management and leadership in the field of VET policies can create opportunities for improved linkages to be forged between the vocational, general and higher education systems. This could eventually open up more flexible pathways offering wider opportunities to greater numbers of (VET) learners.

### **Engage more deeply with the social partners and civil society (in particular the private sector) throughout the VET policy cycle and in order to improve the alignment of VET supply with labour market demand**

The organisation and sound development of VET policies and systems could be based on the move towards decisions being made at the most appropriate levels, and management responsibilities being appropriately allocated (subsidiarity principle). A shift away from highly centralised management, without diminishing the strategic leadership role of government, and an energetic approach to harnessing the skills and contributions of stakeholders, such as employers, social partners and civil society organisations, should become a driver for change in the region.

The first step to structure multilevel governance for VET is the identification of the important vertical and horizontal aspects of the system (tiers of government and education and training policy actors performing in the different VET policy areas). This is followed by a description of who the key stakeholders are – or should be – and an indication of their roles and functions across the different areas of VET policy and practice, and across the whole of the policy cycle, working in partnership with other (public and private) stakeholders, as appropriate (who? what? how?)<sup>34</sup>.

The solutions should resolve tensions in the roles and responsibilities of different government ministries and agencies by allocating appropriate functions and responsibilities to stakeholders. Such solutions should involve public and private sector stakeholders working together in clearly established, innovative partnerships.

The evidence collected in this study is that public authorities engage significantly in dialogue on VET and related policies with employers and trade unions in most countries in the region. However, this tends to occur

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<sup>33</sup> See Annex 4, which shows a taxonomy of coordination mechanisms for VET policy making.

<sup>34</sup> One of the self-assessment tools that contributed to the nine-country mapping that forms the basis of this report sets out a series of principles and indicators that can help to evaluate the performance of VET governance and to identify where strengths and weaknesses are found. The self-assessment is organised around six principles of good governance: relevance, effectiveness, subsidiarity and proportionality, transparency, accountability and participation. VET stakeholders in the region may find these principles and indicators useful as they further assess current governance systems and practices, and as they seek to make improvements through capacity building in both systems and the skills of stakeholders. The principles and indicators are also a useful evaluative tool. The underlying message for developing appropriate governance solutions is that they should fit the particular context and, as far as possible, be developed from existing good practice (see Annex 2).

only early in the policy cycle, and is limited to broad consultation. Developing a closer and more proactive partnership that engages employers' organisations and trade unions can lead to improved governance processes and outcomes, particularly in terms of increasing the relevance of VET to the needs and demands of the labour market. Social partners are authorised voices of the labour market and their effective involvement should inform which skills and competences are needed for current and future employability. In other words, the social partners are key actors in contributing to the improved alignment of VET supply with labour market demand.

Thus, social partners (employers and trade unions) also have the potential to play a greater role in some of the practical aspects of VET management and provision. This might be achieved by introducing new regulations to create the most effective arrangements. For instance, legislation could relate to the type of partnership approaches for policy development and for implementation and review. The use of non-binding mechanisms (soft regulation tools) to support such developments can be also very useful tool too.

This serves as a reminder that the third sector and civil society (in particular private actors) could be more closely engaged in aspects of VET governance with a view to achieving a more balanced and demand-led approach to VET development. Engagement of the private sector in VET has proved to be very effective in many VET systems around the globe, for example, where policy frameworks create favourable conditions for private sector engagement and where private actors perceive that they can act as equal partners (owners) in VET reform, implementation and review processes.

### **Allocate decision making to the most appropriate levels and pilot the devolution of specific decision making and accountability to territorial and local levels, including VET providers**

Even in countries that have devoted considerable attention to developing a regional or more local dimension of decision making in VET governance, systems tend to remain highly centralised. This refers to the ways in which management responsibility is exercised: all important decisions still tend to be made at the national/ministry level. However, VET can be more responsive to territorial and local needs if appropriate decisions are delegated to more local levels.

This is an exacting task. In a centralised tradition, this may need to be a gradual process and should be accompanied by appropriate audit and quality assurance measures. The potential gain is that decisions can be taken at a level that best meets regional and local needs, thus improving the relevance and effectiveness of VET provision which, in turn, might become more attractive for companies.

However, there is comparatively little experience in the countries of the region of generating initiatives at the local or VET provider level. This is a challenge, as it is widely acknowledged that more autonomous governance of vocational schools is beneficial, among other things, for improving educational performance or for ensuring a match between skill provision and the real needs of companies that operate in national and/or local labour markets.

### **Involve teacher and trainer communities and VET providers (including social partners) in qualification and curricular reform through formal and non-formal consultation mechanisms, in order to shift to a more competence-based approach to teaching and learning**

All the countries in the region have recognised the need to move away from the supply-led dominance of VET provision. Likewise, all the countries have either some experience or considerable experience of establishing VET provision that is more sensitive to the needs of the labour market and to the skill demands of employment. Progress in this direction has so far been either piecemeal or project-based, except in a small number of countries where more extensive developments in this direction have been undertaken.

A major issue with the move towards a more demand-led approach to VET arises if it then proves difficult to transform broad standards into effective curricula, and teaching and learning programmes, and into qualifications and assessment processes that reflect the new standards. This requires a number of supporting policies and actions, particularly those relating to teacher training and professional development, to the leadership of schools and training centres, and to the development of partnerships at the intermediate and local level such that a more competence-based approach to teaching and learning becomes possible.

Again, because the facilities and materials needed and the skills profiles of teachers, trainers and school managers are different from, and in some ways more demanding than, those require by traditional VET teaching, developments need to be carefully planned and implemented, and also to be possible within available (and probably more extensive) budgetary resources.

However, the involvement in such processes of the teacher and trainer community, VET providers and social partners through formal or non-formal consultation mechanisms is a precondition for success when governments are planning the shift to more competence-based approaches to teaching and learning.

### **Ensure that there is effective coordination between education and training subsystems in order to create coherent and flexible pathways to meet citizens' lifelong learning needs**

If improved links can be forged in the overall governance situation between the education and training sectors and subsectors, this will create opportunities to open up the links and pathways between different types of IVET and CVT. The whole purpose would be to create the conditions in which citizens have flexible opportunities to meet their own learning needs and a better chance to respond to the rapid and unpredictable changes that characterise modern economies and labour markets.

This has major implications for policy areas, including entry to and progression from all types of qualification, the framing of curricula and programmes, the introduction of more flexibility into the systems so that learning opportunities are well adapted to individuals' lifestyles and constraints, good systems of guidance, and the optimal harnessing of ICT.

For VET specifically, this means ensuring that all qualifications and diplomas are connected to progression routes. It also means placing far greater emphasis on opportunities for CVT, which the report has shown to be a marginalised element in all the countries (almost non-existent in some sectors). In practice, for both young and more senior workers who are in the workforce or seeking employment there are few, if any, further chances to improve skills and competences.

For at-risk groups, such as young people and women, who have difficulty gaining access to the labour market and to decent jobs, opening up lifelong learning opportunities is a much-needed systemic counterpart to the provision of useful one-off training and employment projects, schemes and opportunities.

The practical coordination required to connect education and training to lifelong learning can be achieved by arranging the formal participation of relevant stakeholders around tools such as lifelong learning strategies, NQFs, work-based learning policies and arrangements, and occupational standards.

### **Support the more purposeful allocation of resources and introduce more innovative approaches to financing in order to meet the challenge of securing sufficient VET financing**

Although the allocation of public finance to education and training has improved considerably in a number of countries over the past decade or so, funding for VET remains inadequate for the most part. A part of the challenge is to secure more state funding for VET and to ensure that time-limited international and donor funding is used both optimally and sustainably. A further challenge is to seek an increase in the financial

contributions made by industry to the financing of VET, in terms of finance, the provision of facilities, and management and expertise, and through public–private cooperation.

While recognising that many families are unable to pay, in a region where the distribution of wealth and income is highly unequal, it is nevertheless important to identify ways in which learners, training providers and communities can increase their contributions. In part, this could be achieved by entitling VET providers to generate income through the sale of goods and services that they can produce.

Although some countries have begun to identify ways in which the budgets allocated to training providers can incentivise or reward good practice and the achievement of objectives, the centralised budgeting procedures that operate are based on traditional models of funding that do not incentivise efficiency or the concerted achievement of reforms. For the most part, such historical, input-based approaches to the funding of VET provision contain no incentives to use the limited available funding efficiently, and no encouragement or rewards for successful innovation.

Nevertheless, some countries in the region have begun to experiment with output-oriented or objective-based funding formulas and methodologies. Although many participating countries found it difficult to report in any detail on the funding of VET providers, this is an area of governance that it would be risky to ignore.

### **Create a framework and culture for quality assurance and management that permeates the different VET policy areas**

The report has described how current auditing and monitoring systems (described as ‘quality control’) can be developed and expanded to form part of the basis for a shift to a more proactive and reform-oriented system of quality assurance. As several of the countries in the region have recognised, this requires a review, and revision and extension of current standards, policies and procedures is a challenge. It also requires improvement of capacities at different levels in the system so that the actors involved can implement, evaluate and review the wide range of policies and measures that are needed for reform programmes in which a quality assurance approach has a prominent role. Management information systems and LMISs need to be in place if quality assurance and evaluation systems are to be effective.

A quality assurance approach should engage all the main VET actors and stakeholders, and should encompass a range of policies, including approaches to qualifications, curricula and assessment, the education and training of teachers and trainers, and the way in which stakeholders are engaged. Quality assurance in practice permeates the principal facets of VET systems and reforms that are summarised throughout this report: shifting to a more demand-led system; ensuring that VET provision is based around the technical and broader competences that learners need in the labour market and in their social lives; and developing education and training systems so that lifelong learning becomes a realistic prospect for an increasing number of citizens.

It is a major task for the stakeholders engaged in VET governance to identify the most appropriate and pervasive approaches to quality assurance and to continue to build capability in this respect. This calls for careful consideration of different models and policy learning to support policy options in order to create such a quality assurance framework and culture.



# ANNEXES

## Annex 1. Snapshot of governance functions by country

### MOROCCO

|   |                               |  |
|---|-------------------------------|--|
| How VET is managed, by subsector and responsible public authorities   | IVET                          | Responsibility of the Vocational Training Department (département de la formation professionnelle (DFP)) through the Office of Vocational Training and Employment Promotion (Office de la formation professionnelle et de la promotion du travail (OFPPT)). Other ministries also provide training, as do private sector and newer public-private partnerships.  |
|   | CVT                           | Also the responsibility of the DFP, but largely at the initiative of enterprises. Now seems to be declining and limited to major enterprises.  |
|   | Employment programmes         | Under the employment ministry through Anapec (Agence nationale de promotion de l'emploi et des compétences).   |
|   | Comment                       | Consensus on the need for reform provides fertile ground for initiatives. However, there are several barriers, including fragmentation of the system. Emphasis is placed primarily on IVET.  |
| Situation, roles and functions of government and social partners      | National strategy             | VET now has high priority through the 2000 National Charter for Education and Training, and numerous reforms are under way. New (but fragmented) institutions have been established to improve VET management.   |
|   | Social partners               | The General Confederation of Moroccan Enterprises (Confédération générale des entreprises du Maroc (CGEM)) represents employers. It is active in employment and VET and has published its Vision 2020. Trade union federations represent employees (Union marocaine du travail (UMT), Union générale des travailleurs du Maroc (UGTM), Confédération démocratique du travail (CDT), Fédération démocratique du travail (FDT), and Union nationale du travail (UNT)).   |
|   | Dialogue and collaboration    | The national VET strategy was drawn up collaboratively. Social partners have significant representation on the Economic and Social Council (2011). Sectoral reforms call for deeper stakeholder engagement.  |
| Roles and functions at public national, intermediate and local levels | National                      | The (previously) highly centralised administration directed by the employment and vocational training ministry continues to exercise detailed control over public VET provision through several agencies, and oversight of the private sector.   |
|   | Intermediate                  | Regionalisation is an objective, supported by the regional commissions for the improvement of employability (Commissions régionales pour l'amélioration de l'employabilité (CRAME)) and regional/sectoral commissions for the private training sector.   |
|   | Local                         | VET providers in the public sector have little autonomy. Although governance is compartmentalised, and despite plans to decentralise, it remains centralised.  |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance            | State budgets (spent by a number of ministries), the training tax (taxe de formation professionnelle (TFP)), enterprise spending and student contributions, plus donor contributions.  |
|   | Remarks                       | There is currently no overview or reliable published data on VET finance and funding, nor an agency responsible for reporting. Thus, there is a lack of transparency. Spending on VET is comparatively low. A more coherent approach to budget management by results (governance by objectives) is in preparation. The TFP is under tripartite management, with most of the revenue going to IVET.   |
| Identifying the methodologies used to fund VET providers              | Funding methodology           | Different authorities allocate funding in different ways. Priority funding is allocated to the levels of technician and specialist technician. For apprenticeships, the DFP makes a fixed contribution, to which is added the contribution awarded to the training centre and that of the enterprise. The training tax is disbursed to enterprises through training contracts.   |
|   | Comment                       | The average amount of funding per student varies greatly between different providing authorities in the public sector. Procedures for funding VET are not transparent and make it difficult to see the whole picture. The allocation of funds raises problems of efficiency and equity, and the procedures were criticised by the County Court in 2011. The demand for access to training exceeds the supply of places, and there are issues of equity because the inflexibility of the system excludes unemployed people from gaining further access to qualifications. |
| Identifying current aspects of quality control and quality assurance  | LMIS                          | There is no adequate LMIS in place, although mandated provincial commissions meet regularly.   |
|   | Curriculum and qualifications | Pilot sectoral studies have identified occupational skill needs and have developed skill needs analysis for a competence-based approach to training. The methodology is ready to be applied in all sectors, but practical barriers to implementation remain. It is proving difficult to operationalise the large number of qualification profiles that are now published.  |

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|   | Evaluation and inspection | Formal procedures for launching new establishments and courses in the public sector are in place; the government award formal qualifications with national recognition. Private training establishments must follow more stringent accreditation procedures than public ones. An evaluation of the VET system takes place every four years, and is now supported by, for example, the Torino Process and the World Bank's SABER project.                       |
| Developing approaches to quality assurance reform | Reforms                   | As indicated, a considerable number of reforms have been developed, but many of these have not progressed further than the pilot stage. Thus, a series of initiatives has been established, and these constitute a substantial foundation for improving the quality of the system. It is also worth noting that the stakeholders recognise the need to make progress towards a system founded on a competence-based approach, standards and quality assurance. |
|   | Comment                   | As yet, a national policy of quality assurance has not really developed. An effective quality assurance policy can only be developed at the national level if there is a clear strategic leadership based on a vision shared by the main stakeholders. Procedures and processes should apply equally to different parts of the system, including public and private provision.   |

Source: Adapted from the country report prepared for the GEMM project

## TUNISIA

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| How VET is managed, by subsector and responsible public authorities   | IVET                       | IVET is the responsibility of the vocational training and employment ministry (ministère de la Formation professionnelle et de l'Emploi (MFPE)) through four executive agencies. Several other ministries provide training, in coordination with the MFPE, and private providers are also active.  |
|   | CVT                        | CVT is also the responsibility of the MFPE. Considerable growth has been achieved, partly through the training levy (taxe de formation professionnelle (TFP)) <sup>35</sup> .  |
|   | Employment programmes      | Labour market insertion programmes also come within the MFPE, but provision is distinct and separate from the other strands.   |
|   | Comment                    | Substantial reform over 20 years has emphasised demand-led training and a competence-based approach. The quality, relevance and attractiveness of VET remain a challenge. Tensions exist in the education and employment linkages of VET.  |
| Situation, roles and functions of government and social partners      | National strategy          | The MANFORME programme (1996 onwards) created sustained VET reforms (towards a more demand-led, competence-based approach, with reformed curricula, more institutional autonomy and an emphasis on quality assurance), with a commitment to social partner engagement. The new strategy adopted in 2013 recognises the need to relaunch the VET system.  |
|   | Social partners            | Employers are represented in consultative and tripartite arrangements by UTICA (commerce and industry), UTAP (agriculture and fishing) and FTH (hospitality). The UGTT (Union générale tunisienne du travail) represents employees. New social partners have emerged following the 2011 Revolution.  |
|   | Dialogue and collaboration | Numerous consultative bodies operate: the Higher Council for Human Resources Development, the Permanent Commission for VET Coordination, the Economic and Social Council. Social partners are also consulted by national agencies.   |
| Roles and functions at public national, intermediate and local levels | National                   | The MFPE provides leadership and control of the VET system through its four executive agencies; the remit includes innovation.   |
|   | Intermediate               | The MFPE has regional directorates, but they have limited resources and autonomy. Regional training committees also operate.   |
|   | Local                      | In practice, providers have little devolved authority in a system that remains centralised. The school councils that were provided for in 1994 and 2000 have not materialised.   |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance         | Mainly state budgets, plus funds for promoting training and apprenticeship (FPFPA) derived from the TFP, and enterprise and student contributions (particularly in the private sector).  |
|   | Remarks                    | There was an increase of 8.6% in the VET budget between 2010 and 2012. Training is poorly funded compared to other education subsectors. Various training ministries receive finance for training. Since 2009, management by objectives has been piloted: budget objectives are assessed against performance indicators, subject to internal and external evaluation. About half of the TFP is returned to firms for training. |

<sup>35</sup> The TFP was introduced in 1956. Based on a 2% levy on the company payroll (only 1% for manufacturing companies), the TFP aims to encourage companies to invest in the implementation of training actions for their staff in order to have the possibility to receive a refund.

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| Identifying the methodologies used to fund VET providers             | Funding methodology           | Salaries account for 81% of state spending on VET. The Tunisian Agency for Vocational Training (ATFP) uses a budget formula to fund groups of students according to the different specialisations, using an established tariff (nomenclature). Only the cost of accommodation is calculated on a per capita basis. A limited amount of funding is also used for maintenance and supplementary equipment, and to recognise the performance and needs of some centres. In 2006 a training voucher scheme (cheque-formation) was introduced for students in private training centres. |
|  | Comment                       | The IVET funding system is inefficient and unfair: it is not based on student numbers, but on the number of groups. This also applies to the number of teachers and trainers, since some centres have supernumerary teachers, while others face shortages on account of rigid central procedures that limit any possibility of redeployment. The funding system lacks well-integrated management information. These factors, together with a lack of evaluation of the initiatives undertaken, are barriers to the development of management based on objectives and results.      |
| Identifying current aspects of quality control and quality assurance | LMIS                          | There is no adequate LMIS in place. Work to develop competence-based profiles has run into difficulties.   |
|  | Curriculum and qualifications | The catalogue of VET qualifications and competences is maintained in a partnership between the ministry and employers' federations, based on sectoral studies. More than 400 programmes have been revised, but often without sufficient regard to what teachers and trainers can achieve. Since 2008 the development of new programmes and qualifications is intended to conform to the NQF, but, again, implementation has not been straightforward.  |
|  | Evaluation and inspection     | New public training establishments are set up on the basis of needs analysis. Impact evaluations were conducted between 1997 and 2007, but their complexity and limited usage led to discontinuation. Three commissions were established to carry out evaluations, but these are not yet fully effective. Monitoring and evaluation remain isolated, and underutilised insufficiently operational.   |
| Developing approaches to quality assurance reform                    | Reforms                       | Quality assurance is at the heart of a series of initiatives undertaken in Tunisia, particularly through the MANFORME programme. For some years the aim has been to establish a VET system based on demand, introduce the development of competence-based training, strengthen work experience and apprenticeship, and develop strong partnerships with the sectors and social partners at all levels. Quality assurance standards conform to ISO standards.   |
|  | Comment                       | Clearly, quality assurance is seen as a key aspect of VET development in Tunisia. Numerous initiatives have been implemented, but these have been experimental rather than systemic, and information and evaluation has been insufficient to sustain them. It is likely that this is further complicated by the isolation of the VET system and the lack of progression pathways linking it with the other subsystems, leaving VET marginalised in its contribution to lifelong learning.  |

Source: Adapted from the country report prepared for the GEMM project

## LIBYA

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| How VET is managed, by subsector and responsible public authorities | IVET                       | IVET is the responsibility of the Ministry of Higher Education and Scientific Research through the National Board of Technical and Vocational Education (NBTVE), plus a large private sector.  |
|   | CVT                        | CVT is formally under the Ministry of Labour, which runs only four centres. Most CVT is delivered by private training providers.   |
|   | Employment programmes      | The Ministry of Labour and the Prime Minister's office are currently developing programmes that prioritise former military personnel.  |
|   | Comment                    | VET is considered a pathway for low-performing students from both basic and secondary education, and is associated with poor quality and a lack of labour market links.  |
| Situation, roles and functions of government and social partners    | National strategy          | Reforms are being planned, by the NBTVE and the Ministry of Labour, but most are not yet being implemented. With international support, a demand-led sector skills council approach is being developed, with tourism as the pilot sector.      |
|   | Social partners            | Large-scale international and national enterprises are potential partners for employer engagement, but arrangements are not yet operational.   |
|   | Dialogue and collaboration | As yet there is no clear participation in VET governance by industrial organisations, employers and other non-governmental actors. Decision makers are convinced of the need to engage these actors, but no significant steps have been taken. |

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| Roles and functions at public national, intermediate and local levels | National                      | The Ministry of Higher Education manages and administers public VET through the NBTVE. VET governance and reform are not yet a priority under the new Congress.   |
|   | Intermediate                  | Regional offices of the NBTVE administer public sector IVET provision.  |
|   | Local                         | Schools in the public sector carry out instructions, implement decisions on curricula, etc. Private schools may initiate activities.  |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance            | Public TVET is mostly financed from the public treasury. Donors, including the UNDP, contribute on a project basis. There are no taxes or levies on employers. City authorities may contribute. Contributions from learners are small.  |
|   | Remarks                       | The Ministry of Finance finances the first chapter of the budget (salaries and incentives) and the second chapter (operational expenses); the Ministry of Planning finances the third chapter (development plans). Budgeting takes place with little reference to development priorities, and the Ministry of Planning requests public sector institutions to provide their annual plans without preparing a general framework in advance. Ministerial auditors ensure that budgets are spent as approved.  |
| Identifying the methodologies used to fund VET providers              | Funding methodology           | Procedures are centralised, but are not geared to priorities. Public sector institutions submit their annual plans to the Ministry of Planning so that the budget can be prepared, although there are as yet no priorities identified. The DGs administer the allocated budget for the first and second chapters and may delegate to the intermediate-level authorities. For developments and projects prioritised by the government (the third chapter), only the NBTVE and the Ministry of Labour are involved. Audit arrangements are in place.  |
|   | Comment                       | A committee has been established to develop the national strategy for 2014–30; the committee has started to set goals and priorities for 2014 and 2015. This task is incomplete, so priorities against which budget allocations are set and monitored have not been established. VET provider principals have no devolved authority to make budget decisions. The employment policies of the previous regime mean that many supernumerary teachers are employed in some institutions, often with no requirement to actually work. The funding system is not yet efficient or transparent. |
| Identifying current aspects of quality control and quality assurance  | LMIS                          | No adequate LMIS is in place.   |
|   | Curriculum and qualifications | Current approaches to quality assurance development are a mixture of the previous requirements for quality control and auditing, which the administration does not always have the capacity to administer thoroughly, and recently introduced measures that have not yet been well tried and tested, and are not fully implemented.   |
|   | Evaluation and inspection     |   |
| Developing approaches to quality assurance reform                     | Reforms                       | The NBTVE is currently working to establish sector skills councils, initially in the tourism and hospitality sector. The aim is to engage actors on both the demand and supply side of skills development to define the skills needed. Similarly, the Directorate of Training Quality Assurance (DTQA) is taking action to engage labour market institutions in identifying the skill needs associated with vocational training programmes proposed by local private training providers.  |
|   | Comment                       | The 2008 standard Arab classification of occupations is currently in use, and work has been carried out on developing, though not implementing, a qualifications framework. In the medium term, the intention is for QAVETPAC and the DTQA to be responsible for quality assurance of the relevance of VET programmes, but this role has not yet been activated.  |

Source: Adapted from the country report prepared for the GEMM project

## EGYPT

|   |                       |   |
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| How VET is managed, by subsector and responsible public authorities | IVET                  | The Ministry of Education, Ministry of Higher Education and vocational training centres represent separate strands of IVET provision and management. Other ministries also make provision. There is little effective coordination between the various bodies. |
|   | CVT                   | Several ministries have responsibilities for CVT.   |
|   | Employment programmes | Several ministries have responsibilities for employment programmes.   |
|   | Comment               | Management of the subsystems is fragmented, and there is little close cooperation among ministries. There is a lack of successful, operational coordination mechanisms.   |

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| Situation, roles and functions of government and social partners      | National strategy             | Considerable, though isolated, experience of VET reform exists through local enterprise training partnerships, the operation of the Education Development Fund and the Supreme Council of Technical Councils, etc. However, there is no overall strategy or coordination of reforms. Reform proposals could bring improved coordination.  |
|   | Social partners               | Employers' organisations in tourism, industry and construction have been prominent for several years. Employers and the major industries in the tourism and construction sectors have a role in the Sectoral Training and Skills Development Councils and in the enterprise training partnerships at the sectoral level.  |
|   | Dialogue collaboration        | The relaunched Supreme Council for Human Resources Development could provide strategic lead, supported by the new National Council for Education and Scientific Research and the National TVET Authority. These would provide opportunities for improved interministerial cooperation and social partner engagement (which have so far been ad hoc, by project, or absent).   |
| Roles and functions at public national, intermediate and local levels | National                      | Under VET governance arrangements in the previous regime, the subsystems and most major projects were under central, though fragmented, control, with no clear system-wide decision-making process.   |
|   | Intermediate                  | The main ministries have directorates in the governorates and city/district offices. Sectoral and local enterprise training partnerships operate in some governorates.  |
|   | Local                         | VET providers have little local autonomy. However, the Boards of Trustees of the Technical Colleges under the Ministry of Higher Education have some decision-making responsibilities.  |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance            | The main sources are public financing through the national budget, enterprise financing, and international donor activity.  |
|   | Remarks                       | The lack of financial resources and poor targeting are major obstacles. Enterprise funding may be through training levies (firms with more than 10 employees are expected to pay 1% of their net profit into the Fund) or through firms directly financing their own training programmes.   |
| Identifying the methodologies used to fund VET providers              | Funding methodology           | The Ministry of Finance/Treasury allocates a budget to each ministry, an approach intended to give ministers greater control over budget allocation. There is a degree of regional/governorate involvement. The Ministry of Education, for example, transfers funds (largely for salaries and running costs) to the directorates (the Madeira); from there, the funds go to the departments of education (the Ida rah), before they are distributed to schools.               |
|   | Comment                       | The various VET subsystems all develop and operate budgeting procedures according to their own traditions, and there is no overall rationale or prioritisation in relation to budget methodologies, nor are they linked to objectives or results. With regard to the funding of VET providers, the system is centralised, and budgets allow little flexibility, except when a particular initiative is established and funded. Equipment, for example, is centrally provided. |
| Identifying current aspects of quality control and quality assurance  | LMIS                          | No adequate LMIS is in place.   |
|   | Curriculum and qualifications | Typically, the Ministry of Education's Centre for Curriculum and Instructional Materials Development (CCIMD) designs, revises and evaluates VET curricula and instructional materials, and provides in-service training. Ad hoc curriculum committees include private sector specialists. However, it is considered that these do not, in practice, make an effective link between education programmes and the world of work.  |
|   | Evaluation and inspection     | The Ministry of Education has an inspectorate, and is supported by agencies for educational research and for examinations and evaluation. Nevertheless, mainstream VET provision remains supply-led and, in the main, out of touch with labour market needs. NAQAAE was established in 2007, and is intended to introduce a quality assurance approach.   |
| Developing approaches to quality assurance reform                     | Reforms                       | In order to support compliance with the NAQAAE quality standards framework, the Ministry of Education established the Quality Assurance Division and Quality Assurance Units at both the governorate and local level. Similarly, the Ministry of Higher Education has established in-house quality assurance units to support technical colleges.   |
|   | Comment                       | The quality assurance framework developed and adopted by the NAQAAE covers a wide range of areas, sets performance standards and indicators, and includes identifying standards for reformed curricula and qualifications. In the fragmented situation of VET and education governance, it is not yet clear how effective the NAQAAE's reforms will prove to be.  |

Source: Adapted from the country report prepared for the GEMM project

## PALESTINE

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| How VET is managed, by subsector and responsible public authorities   | IVET                       | The Ministry of Education and Higher Education and the Ministry of Labour manage and maintain separate strands of IVET provision. The United Nations Relief and Works Agency (UNRWA) is responsible for refugee training. Some private and not-for-profit community colleges exist.   |
|   | CVT                        | There is no common policy on CVT. The Ministry of Labour provides CVT through its own vocational training centres, while vocational secondary schools provide very little CVT as there are no incentives to do so. All resources gathered through CVT provision go back to the Ministry of Finance. The Ministry of Education and Higher Education provides CVT through university and community colleges.  |
|   | Employment programmes      | The National Employment Strategy foresees the establishment of several institutions to be in charge of employment programmes (National Employment Agency, TVET Agency, Palestinian Fund for Employment and Social Protection (PFESP)). Of these, only the latter is currently operational.  |
|   | Comment                    | Good coordination and cooperation exists between the main providers, and there is currently a proposal to bring the Ministry of Education and Higher Education provision into unified governance in a new TVET Agency. International agencies have an important role.   |
| Situation, roles and functions of government and social partners      | National strategy          | Although VET is a low national priority, experience, vision and strategy for reform is shared. The ambitious 2010 TVET revised strategy was developed under the joint leadership of the education and labour ministries, and includes a comprehensive reform programme and action planning.   |
|   | Social partners            | The Federation of Chambers of Commerce and Industry, the Palestinian Federation of Industry, and, on occasion, their constituent associations, occupy, at least partly, the role of social partners. Civil and women's organisations have a consultative role. Trade union federations are more marginal.   |
|   | Dialogue and collaboration | A high level of cooperation and dialogue exists between the education and labour ministries and employers, supported by international agencies. In May 2014 the cabinet approved a single national agency for VET, with stakeholder engagement, and with the approval of both the main ministries providing VET.  |
| Roles and functions at public national, intermediate and local levels | National                   | Although the two key ministries cooperate closely, reforms so far have been piecemeal, often not fully implemented, and dependent on the contributions of international agencies.   |
|   | Intermediate               | Some initiatives are implemented at the governorate level, with the participation of social partners or civil society. An initiative to establish local employment and TVET councils (LET councils) is under way.   |
|   | Local                      | At the local level (except for the private community colleges and to some extent the not-for-profit colleges), TVET providers have little autonomy to take the initiative or to make decentralised decisions.   |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance         | Almost all finance for IVET comes through general budget or donor activity; student contributions are limited. Private community colleges are self-financing. There are no levies or other requirements on employers for CVT.   |
|   | Remarks                    | Government finance covers fixed expenses. Donor activity is a major factor; a drawback is that it is project-based. This has consequences, such as a high dependency on temporary sources of finance for developments, learning resources and staffing. The sustainability of the project once it is completed is a major issue.  |
| Identifying the methodologies used to fund VET providers              | Funding methodology        | The funding methodology is well established. Provider establishments estimate and justify their spending needs for the following year on a pro forma. The Ministry of Education and Higher Education draws up requests and presents them to the Ministry of Finance. Given the shortage of resources, the allocation that is allowed is usually considerably smaller than that requested, and the General Direction is responsible for making adjustments and allocations. Donors, on the other hand, provide funding on a project-by-project basis. The ministries must follow the auditing requirements laid down in their regulations. |
|   | Comment                    | VET providers have little autonomy over their budgets and income. Budgets are allocated on a traditional input basis, and resources are scarce, so funding is not used to incentivise reform. The contributions of donors via funded projects and other activities are time-limited. While this supports initiatives and fits in with donors' methods of operating, the temporary character of this significant funding stream creates problems, with many budget activities, including projects and staffing, implemented on a temporary and non-renewable basis.  |

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| Identifying current aspects of quality control and quality assurance | LMIS                          | An LMIS system exists, but its effective use in the VET context and its sustainable development are at issue.  |
|  | Curriculum and qualifications | Traditional qualifications and curricula are supply-side led, but some first steps are being taken to change the emphasis. For example, one donor project aims to enhance partnerships with the chambers of commerce in four governorates to improve the links between taught programmes and labour market skill needs. The local employment and TVET councils are also piloting the development of local public–private partnerships through the local chambers, in order to increase the relevance of VET programmes to labour market skill needs. |
|  | Evaluation and inspection     | Although the current quality control mechanisms concern mainly the auditing and inspection of inputs, and there is no overall approach to quality assurance, some developments are taking place. Notably, Accreditation and Quality Assurance Commission (AQAC) has been established to license higher education providers, including community colleges, and to approve new programmes and qualifications using quality criteria.   |
| Developing approaches to quality assurance reform                    | Reforms                       | The revised TVET strategy places strong emphasis on the importance of quality assurance and quality management as defining aspects of all the reforms proposed, stating that ‘a quality system will be used for all components of the TVET system, including internal and external evaluations to ensure the quality of the output’. Reforms are at the planning stage.  |
|  | Comment                       | As the strategy recognises, the planned approach has major training and capacity-building implications at all levels, including setting up an appropriate accreditation and quality assurance body, promoting a quality culture across the whole sector, teacher training, and developing curricula, assessment and certification that are based on the standards of working life for all TVET learners and apprentices.   |

Source: Adapted from the country report prepared for the GEMM project

## ISRAEL

|   |                            |   |
|---|----------------------------|---|
| How VET is managed, by subsector and responsible public authorities   | IVET                       | The Ministry of Education and Ministry of Economy develop, maintain and finance parallel and separate systems of VET. The former has overall responsibility and the latter takes in young people who do not qualify for a place in Ministry of Education’s schools.   |
|   | CVT                        | By agreement, the reports on Israel deal only with IVET.  |
|   | Employment programmes      | By agreement, the reports on Israel deal only with IVET.  |
|   | Comment                    | Provision is mainly public. Each ministry operates separately, but with clear, often informal liaison. Education networks are a distinctive feature, managing many vocational schools and centres.  |
| Situation, roles and functions of government and social partners      | National strategy          | There is no overall strategy for the parallel VET systems managed by the Ministry of Education and the Ministry of Economy. However, reforms and innovations have been successfully established in the different subsystems.  |
|   | Social partners            | The Manufacturers’ Association, which represents larger employers, has government recognition as the representative of employers, and is often engaged in a wide range of VET issues. Histadrut is the trade union federation, but is more marginal in VET.   |
|   | Dialogue and collaboration | Formal and informal dialogue between the ministries and with the Manufacturers’ Association is frequent, though not systematic. The Manufacturers’ Association has proposed a new public council to promote VET.  |
| Roles and functions at public national, intermediate and local levels | National                   | The system is often described as centralised. Working independently but in parallel, the two key ministries have centralised control of curricula, public exams and inspection, and have established regulatory frameworks.   |
|   | Intermediate               | Districts/local authorities have considerable authority to set up initiatives and to provide additional funding to VET providers. The education networks, which manage many schools, also act as an intermediate and partly autonomous tier of governance.  |
|   | Local                      | While required to adhere to centralised conditions, VET providers are given considerable local autonomy, as well as incentives, to set up partnerships and initiatives.   |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance         | For the Ministry of Education provision, the government, local authorities and education networks are the main sources of funding. For the Ministry of Economy provision, the government, education networks and larger employers contribute.   |
|   | Remarks                    | There are no specific taxes or levies on employers, but the Manufacturers’ Association and its members in different branches contribute directly to particular initiatives and skills development programmes. The local authorities are responsible for infrastructure and equipment, and make financial contributions. The education networks also contribute to funding some of their own provision, including continuing teacher training. |



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| Identifying the methodologies used to fund VET providers             | Funding methodology           | Each ministry manages its own budget. Funding is distributed to TVET providers through a per capita formula that differentiates according to the estimated tariff for different programmes. The total budget per class is determined by the number of students multiplied by the budget per student. In addition, funding is allocated for projects that meet identified special needs, and for new initiatives. Education networks, employers and local authorities may increase budgets.  |
|  | Comment                       | Funding is allocated to schools through a per capita formula using an established methodology. However, the methodology and allocations do not appear to be readily available to the wider public, and are thus not transparent. Although allocations are made in order to address the needs of particular groups, it has been pointed out (OECD) that this is a considerable challenge. In terms of budget management, there is some discretion at the local and provider level on how the budget is used, for example for initiatives and pedagogic innovation. |
| Identifying current aspects of quality control and quality assurance | LMIS                          | Though data are available, no adequate LMIS is in place.  |
|  | Curriculum and qualifications | In terms of quality, the system is both dynamic and diverse. The two main ministries work separately but in parallel. The definition of curricula (and control of textbooks) and the setting and control of national examinations are all under ministry control, these being measures intended to guarantee a level of quality and equity across the diverse range of schools and populations. Each area has a subject committee, including industry representation.   |
|  | Evaluation and inspection     | Similarly, the work of the inspectorate is maintained at ministerial level, in an attempt to ensure comparable standards in schools of different types. Each ministry has a single inspectorate. In other respects, responsibility for quality assurance is shared between the ministry, education networks and local authorities.  |
| Developing approaches to quality assurance reform                    | Reforms                       | Although there is no single systematic strategy for quality assurance, nor for the development of VET, the overall approach is to control curricula, national assessments and inspection centrally in order to provide a kind of central guarantee, and to encourage innovation and initiatives at different points in the system and through different actors, often linked informally. Evaluation of reforms is carried out annually.   |
|  | Comment                       | In spite of a dynamic approach to reform and to quality assurance, there is no single broad and collective statement of strategy and objectives, and partnership relationships are often informal, though extensive. This leaves gaps and challenges, such as major disparities in outcomes for different social groups and, at a more technical level, the lack of an LMIS.  |

Source: Adapted from the country report prepared for the GEMM project

## JORDAN

|   |                            |   |
|---|----------------------------|---|
| How VET is managed, by subsector and responsible public authorities | IVET                       | The Ministry of Education, the Ministry of Higher Education (through the technical university) and the Ministry of Labour (through the vocational technical colleges) are responsible for distinct VET subsystems. Provision is fragmented, with the E-TVET Council, under the Ministry of Labour, providing coordination. There are some private and not-for-profit providers. |
|   | CVT                        | CVT is mainly based in enterprises, and the government has a low profile, taking little responsibility in this area.  |
|   | Employment programmes      | The national strategy identifies entitlement to unemployment benefits. The public entities have undertaken small-scale micro-credit and training initiatives.   |
|   | Comment                    | With several strands of provision and multiple stakeholders, VET remains fragmented, although the establishment of the E-TVET Council is leading to some improvements in terms of VET strategy and coordination.  |
| Situation, roles and functions of government and social partners    | National strategy          | Jordan has a clear human resources development strategy, and a National Employment Strategy is in place for 2011–20. The VET sector is fragmented, and it is intended that the E-TVET Council will develop a sector-wide VET strategy.  |
|   | Social partners            | As Jordan moves to a tripartite approach to human resources development, the recognised social partners are the Chamber of Commerce, the Chamber of Industry and the General Federation of Jordanian Trade Unions.  |
|   | Dialogue and collaboration | To date, the E-TVET Council has been only partially successful in coordinating the VET stakeholders, as the system remains fragmented. Social partners are now engaged in broad policy initiatives and in the E-TVET Council, though they are not involved much beyond consultation.  |

|   |                               |   |
|---|-------------------------------|---|
| Roles and functions at public national, intermediate and local levels | National                      | The VET subsystems are fragmented, and each responsible ministry or agency traditionally takes a centralised management approach. The E-TVET Council has helped to create consensus on the need to reform supply-driven governance, but this has not yet been achieved.   |
|   | Intermediate                  | Initiatives in specific governorates and development zones aim to generate development and create jobs. However, there is little coherent experience of bringing together government agencies, social partners, local industry and training providers at the governorate level.   |
|   | Local                         | Local providers, except those in the private sector, have little delegated responsibility to take management decisions that involve initiatives, forming local partnerships or responding to local labour market and social demands.  |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance            | The annual public budget, international donations and loans and contributions from trainees (which are more symbolic than substantial) are the main sources of finance. The sale of products provides a small amount of income.   |
|   | Remarks                       | Overall education expenditure has been in decline (from 4.9% of gross domestic product (GDP) in 2001 to 3.8% in 2011). Over 90% of recurrent expenditure is on salaries, leaving authorities with little room for manoeuvre. There is little provision for development funding. The costs per instructional hour per trainee in TVET are higher than those in academic programmes at comparable levels of instruction. Vocational technical colleges and community colleges are currently taking more direct responsibility for raising finance.          |
| Identifying the methodologies used to fund VET providers              | Funding methodology           | Funding procedures vary greatly between the different subsectors of VET managed by the different public bodies. Each one has its established procedures, and, in practice, the limited funding available is largely taken up with salaries.   |
|   | Comment                       | There is little cost-consciousness, and the incentive is to spend the allocated budgets in full. The funding gap leaves little room for innovation. Lack of available data (costs), low use factors, diseconomies of scale, high dropout rates and high administrative costs in some sectors contribute to inefficient spending. Local managers have little devolved responsibility for budget decisions.   |
| Identifying current aspects of quality control and quality assurance  | LMIS                          | There is no adequate LMIS in place.   |
|   | Curriculum and qualifications | Accreditation and quality systems operate within TVET as follows: the Higher Education Accreditation Commission (HEAC) for technical education; CAQA, which is established under the E-TVET Council (Ministry of Labour); and the Ministry of Education for vocational education in schools.  |
|   | Evaluation and inspection     | In terms of accountability for results, the sector lacks key performance indicators, and no appropriate mechanisms for monitoring and evaluating system performance exist. The E-TVET Council uses the annual Torino reporting process as a self-assessment instrument, and this could lead to the identification of key performance indicators, eventually supported by a monitoring and evaluation system.  |
| Developing approaches to quality assurance reform                     | Reforms                       | Working under the tripartite E-TVET Council, CAQA's role is to develop curriculum and qualification standards, to ensure quality, to license and accredit TVET institutions, and to conduct vocational tests and provide licences to practise. CAQA is supervising the development of a series of sector-based occupational standards. The Ministry of Education does not yet use a needs-led approach to developing VET qualifications and curricula: curriculum review is primarily education-led, but with some representation from the world of work. |
|   | Comment                       | Linked with the developing quality assurance system in higher education, a clearer approach to quality assurance could develop over time, though this requires both vision and coordination within and between sectors.   |

Source: Adapted from the country report prepared for the GEMM project

## LEBANON

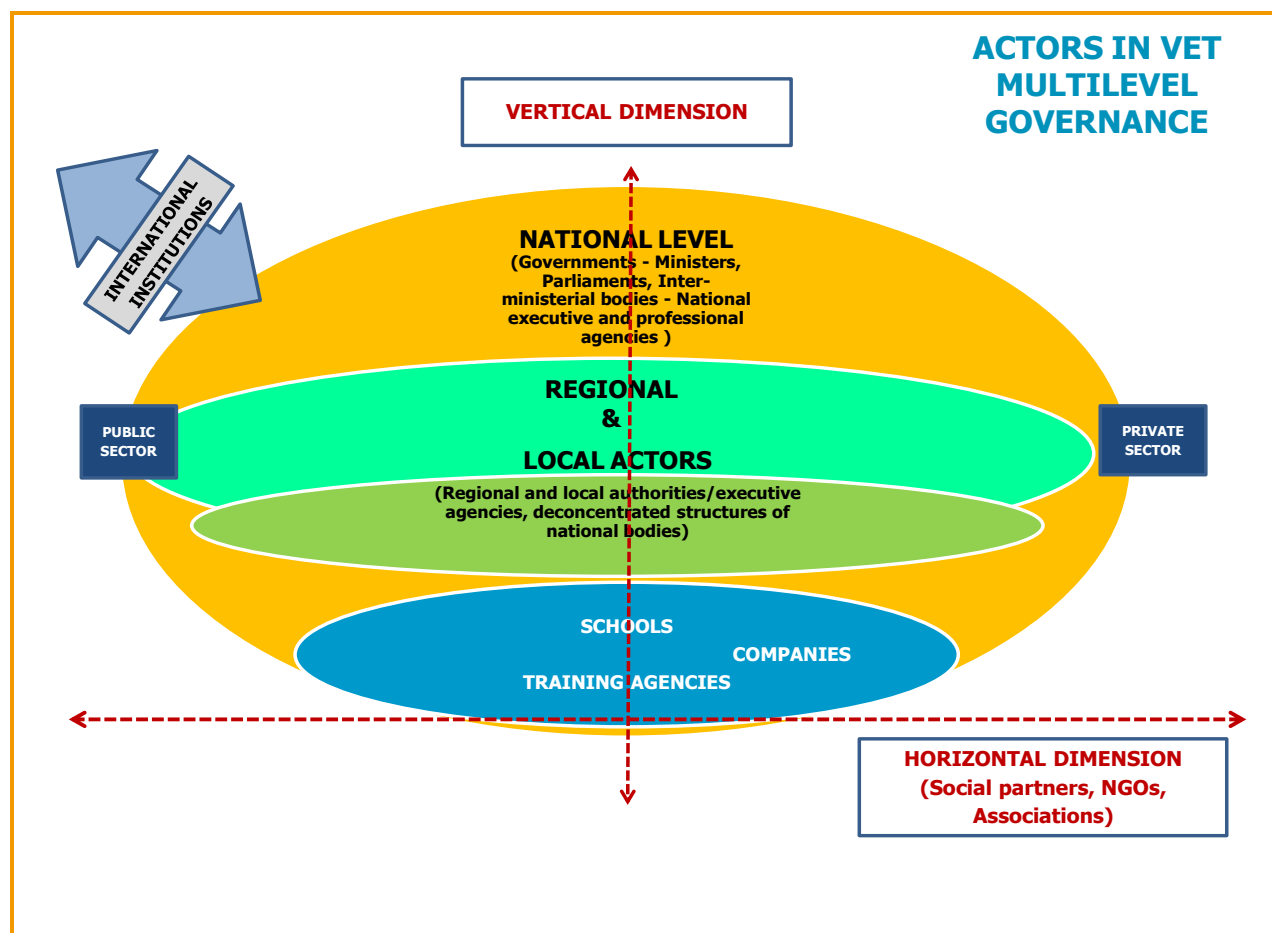
|   |                       |   |
|---|-----------------------|---|
| How VET is managed, by subsector and responsible public authorities | IVET                  | VET is the responsibility of the Ministry of Education and Higher Education, and is managed by the Directorate General of Vocational and Technical Education (DGVTE). The large private training sector is accredited by the DGVTE, although the sector operates fairly independently.                                      |
|   | CVT                   | The responsibilities of the DGVTE include CVT, but there are currently no or very limited initiatives in this field. CVT is organised mainly by the civil society or by enterprises. Some small-scale initiatives are also organised by universities, by the Ministry of Social Affairs and the National Employment Office. |
|   | Employment programmes | The National Employment Office develops some short training courses on specific skills. However, these initiatives are sporadic and not framed within a broader strategy. Its capacities (human and financial) for addressing unemployment in an efficient way remain very limited.   |
|   | Comment               | The respective role and functions of the ministry and the DGVTE are not clearly identified or distributed. Educational provision in Lebanon is highly regarded, though VET is not. The VET system lacks a coherent strategy for development.  |

|   |                               |   |
|---|-------------------------------|---|
| Situation, roles and functions of government and social partners      | National strategy             | The National Education Strategy Framework (2010) and the Education Sector Development Plan 2010–2015 apply to general education, not to VET. A Strategic Multi-annual Action Plan for VET reform was approved in 2011. Some progress has been made, but reforms are slow, mainly owing to the recurrent country sociopolitical instability and the persistent lack of capacities of the DGVTE to push reforms through.  |
|   | Social partners               | Employers and their organisations are largely absent as key partners in VET governance, although they participate in some specific initiatives. Trade unions scarcely feature.  |
|   | Dialogue and collaboration    | VET lacks strong leadership. Reforms tend to be partial, and are frequently not carried through to implementation. Employers and their organisations are largely absent as key partners in VET governance, except in some specific cases such as the dual system, joint projects, and other types of projects that featuring some form of partnership with the business sector.   |
| Roles and functions at public national, intermediate and local levels | National                      | Public VET governance is centralised. The ministry initiates policies and has a role in major decision making. The DGVTE initiates policies and is the key strategic player. Governance remains fragile owing to the recurrent sociopolitical instability.  |
|   | Intermediate                  | Employers and their organisations have a marginal role in VET governance, although they participate in a few specific initiatives. Trade unions feature little, even in VET consultations.  |
|   | Local                         | Unlike the private training providers, public training providers have little, if any, autonomy to take local management decisions, and they depend on the management of the DGVTE.  |
| Financing VET: Identifying the main sources of VET funding            | Sources of finance            | The general public budget is the main source of finance. There is no provision to encourage employers to support VET, for example through training taxes. Schools raise some income, particularly through tuition and examination fees.   |
|   | Remarks                       | The Ministry of Finance is responsible for setting the budget framework. The enacted budget procedure has not been adopted since 2005, and since then the government has followed a different procedure for annual budget proposals, which has not been approved by parliament.   |
| Identifying the methodologies used to fund VET providers              | Funding methodology           | According to the legislation, the annual budget allocation process for funding VET provision begins with local managers submitting their needs on a standard form and ends with parliamentary and royal approval. This procedure has not been followed since 2005. In practice, the Minister of Finance applies a procedure known as the Twelfth Budget Rule. This entails taking the previous year's budget for each government unit or department, adjusting it for changes (in particular, personnel) and dividing the total budget by 12 to determine the unit's monthly budget.  |
|   | Comment                       | This approach to funding is an incremental or historical approach. This means that the annual budget allocated to the DGVTE over successive years has been approximately 10% higher than in the previous year. However, very little input is requested from VET stakeholders (either education and training providers or employers) on budget needs and allocations, nor on the adequacy of funding. Because a historical funding mechanism is adopted in practice, there is no clear needs analysis, no mechanism to use funding for VET providers as an incentive to achieve specific reforms or outcomes, and no formula-based budget to encourage school or system-wide improvements. |
| Identifying current aspects of quality control and quality assurance  | LMIS                          | There is no LMIS in place.  |
|   | Curriculum and qualifications | There is no established cycle for curricula development and update. The evaluation of students is conducted through examinations determined at central level. There was an attempt to develop a Lebanese NQF between 2009 and 2012, but this is currently on hold owing to the difficulties in pushing forward legislative reforms.   |
|   | Evaluation and inspection     | Some quality control measures are in place, such as the recognition of private training schools. The inspectorate within the DGVTE inspects schools and has a broad role in guiding teachers and monitoring their performance. The measures in place relate to more or less traditional forms of centralised quality control rather than to attempts to improve outcomes through a quality assurance approach.  |
| Developing approaches to quality assurance reform                     | Reforms                       | NQF development is on hold. The 2011–14 Strategic Multi-annual Action Plan for VETs intended to review and modernise the VET structure and administration, strengthen partnerships, revise vocational specialisations and curricula, and increase human and financial resources. The action plan also sets out the intention to create a quality assurance agency.  |
|   | Comment                       | The ambitious action plan should be linked to a comprehensive and inclusive approach to quality assurance. Little consultation has so far taken place on the action plan, and implementation has been limited.  |

Source: Adapted from the country report prepared for the GEMM project

## Annex 2. Multilevel governance: actors and assessment

### Actors in multilevel governance



Source: ETF (2013c)

### Principles and indicators for assessing and developing good multilevel governance

| Principle | Indicators   | Scoring                           |
|-----------|--|-----------------------------------|
| Relevance | Governance systems support the economic role of VET, e.g. by anticipating/matching skill needs and linking this to more competence-based curricula.                              | (1)---(2)---(3)---(4)---(5)---(6) |
|           | Governance systems support the social equity role of VET, e.g. by opening up access to learning and accreditation to wider groups, or expanding CVT, etc.                        | (1)---(2)---(3)---(4)---(5)---(6) |
|           | Governance systems encourage VET to help find innovative solutions, e.g. by introducing sustainability or entrepreneurial skills and/or key competences.                         | (1)---(2)---(3)---(4)---(5)---(6) |
|           | Governance systems mobilise efficient financing and funding mechanisms at all levels of the VET system.  | (1)---(2)---(3)---(4)---(5)---(6) |
|           | Governance systems respond to learner and labour market needs, e.g. by introducing more flexibility, linking formal/informal sectors, developing more outcomes-based approaches. | (1)---(2)---(3)---(4)---(5)---(6) |
|           | Governance systems help to improve the professional standards and professional development of VET teachers and trainers.   | (1)---(2)---(3)---(4)---(5)---(6) |

| Principle                        | Indicators   | Scoring                           |
|----------------------------------|--|-----------------------------------|
| Effectiveness                    | Feedback shows that current governance systems support VET provision and the implementation of reforms, particularly at the VET provider level.  | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | VET governance supports the achievement of national development goals and a range of broader policies, at national, intermediate and provider level.                                       | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Goals are formulated in response to shared concerns and identified policy gaps, while taking into account feasibility of resources for implementation.                                     | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Quality management and assurance mechanisms operate or are developing, and these are helping to improve quality and apply standards.   | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Governance procedures recognised to be efficient, in that they provide good value for money.   | (1)---(2)---(3)---(4)---(5)---(6) |
| Subsidiarity and proportionality | Decisions are taken at the most appropriate level and/or at the lowest level to optimise VET policy implementation.  | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Evidence shows that roles and responsibilities of stakeholders do not conflict and do not leave gaps in the policy-making process.   | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Both hard regulation (laws, etc.) and soft regulation (recommendations, opinions, cooperation agreements, etc.) are used and apply at each stage and level in the policy cycle.            | (1)---(2)---(3)---(4)---(5)---(6) |
| Transparency                     | The VET policy cycle is an open process that engages the identified relevant stakeholders.   | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Policy dialogue is coordinated and supported by relevant documentation, reports, guidelines, etc.  | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Management information systems and other data meet the governance needs of the stakeholders.   | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Formal and informal mechanisms for sharing information operate, so that information is used regularly by VET stakeholders.   | (1)---(2)---(3)---(4)---(5)---(6) |
| Accountability                   | Governance practices comply with standards, regulations and procedures and are agreed by different stakeholders.   | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Governance responsibilities, roles and functions are defined clearly and take into account the outcomes expected by users and stakeholders.  | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Decision makers assess and respect the contributions and recommendations of the different VET stakeholders.  | (1)---(2)---(3)---(4)---(5)---(6) |
| Participation                    | The appropriate range of stakeholders engaged collaboratively throughout the VET policy cycle.   | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Different government agencies (e.g. ministries) and the different levels of government (e.g. national/regional/local) are actively engaged.  | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Coordinated participation mechanisms (e.g. social dialogue, consultation, advisory bodies) enable stakeholders to participate at key points.   | (1)---(2)---(3)---(4)---(5)---(6) |
|                                  | Different actors, at vertical and horizontal levels, are working in partnerships to shape anticipation of VET policies and systems-related issues (e.g. by using foresight methodologies). | (1)---(2)---(3)---(4)---(5)---(6) |

### Annex 3. Double marginalisation of VET in the Maghreb

Several characteristics of VET within the wider education and training systems are common to the countries of the Maghreb (Morocco, Algeria and Tunisia). These characteristics suggest that VET tends to be both isolated from the wider education systems, and rather marginalised.

In each case the management of the subsystems for IVET and CVT are closely linked and form part of the responsibilities of a specific ministry. In principle this can be considered a strength. In Algeria, IVET and CVT are the responsibility of the Ministry of Professional Education and Training, while training for labour market entry is the responsibility of the Ministry of Labour, Employment and Social Security. In Morocco, IVET and CVT are the remit of the Training Department, while labour market training comes under the Employment Department. In the case of Tunisia all three aspects are the responsibility of the same ministry, but labour market training is quite distinct and separated from IVET and CVT.

However, there is a disconnect between VET and the wider education system. Furthermore, where joint initiatives have been set up (for example, to create a vocational baccalaureate under the education ministry or in cooperation between the two ministries), in each case the initiatives have been unsuccessful in opening up new progression routes for learners. It is to be hoped that the transfer of the VET Department in Morocco to the Ministry of Education will prove more successful in linking general education with IVET and CVT.

These common characteristics appear to be the cause of a double marginalisation that VET experiences in education and training systems in the three countries. VET is marginalised in comparison to general education while, within the VET system, CVT is marginalised in comparison to IVET.

Several factors are evidence of this marginalisation. VET is allocated a small share of the public budget compared to general education. The budget allocations reflect the proportion of each age cohort that follows the VET pathway as compared to general education. In each of the three countries only approximately 12% of the age cohort follows the VET pathway. This figure is somewhat higher when the other ministries that manage training in their particular field are taken into account, but would certainly amount to less than 20% of the age cohort. This implies that IVET is being underutilised, as policies are developed to respond to the demographic trends (described in Section 2) and to the need to refocus education and training systems in order to meet both labour market skills and social needs.

It is also worth considering whether the lack of linkages between the education and IVET systems is a basic cause of the poor quality of vocational qualifications, in particular at the intermediate levels (ISCED levels 3 and 4). This leaves learners in vocational pathways at the end of lower secondary education with no hope of returning to general education because there are no links or progression routes. VET students are likely to be demotivated by the lack of flexible progression routes. Furthermore, the quality of the training systems is poor in all three countries, and this reflects systems of both VET provision and governance. Quality is criticised on all sides, leaving employers broadly unsatisfied with the skills of VET graduates, while a high proportion of young people without the skills for employability become unemployed.

The second marginalisation concerns CVT in relation to IVET. In all three countries, the responsible managers direct most of their attention to IVET. This is particularly the case in Morocco, where many of the financial resources intended for CVT are diverted to initial IVET provision. It can also be argued that this is the case in Tunisia, where the number of employers participating in training is no longer increasing. In Algeria, although some measures are in place to mobilise employers to increase their training, their application remains limited. On the other hand, active labour market policies are much more fully developed using other mechanisms.

In summary, the lack of links between the different subsystems deprives them of opportunities to create synergies that link them, and to develop flexible lifelong learning activities for citizens, not least women and young people. Nevertheless, it is encouraging that Morocco and Tunisia are engaged, or are becoming engaged, in medium- and longer-term strategies. Key points in the new approach should include building strong links between VET and other parts of the education and training system, and establishing a global vision of lifelong learning that encompasses all the subsystems.

Source: Adapted from Masson (2014)

## Annex 4. Typology of coordination mechanisms for VET and skills policy making

| Type of coordination mechanism              | Type of partnerships associated  | Policy mechanisms/tools  | Remarks   |
|---|--|--|---|
| 1. Legislative or normative-oriented        | Government-led partnerships  | <ul style="list-style-type: none"> <li>National and subnational (regional) VET/lifelong learning legislation</li> <li>National and regional VET/lifelong learning strategies</li> <li>Education and training policy contracts (bilateral cooperation agreements among national/regional parties)</li> <li>National bipartite/tripartite agreements</li> <li>Training regulations</li> <li>NQFs</li> </ul>  | <p>Social partners and other stakeholders might be strongly involved. In some cases, they are policy initiators and/or key users/ implementers of the tools.</p> <p>Soft regulation might be delivered and/or used by both governmental and non-state stakeholders.</p>   |
| 2. Institutionalised policy advice-oriented | Consultation and advice partnerships   | <ul style="list-style-type: none"> <li>National agencies for VET and other supervisory bodies (e.g. qualification authorities)</li> <li>Regional development agencies</li> <li>Interministerial cooperation groups</li> <li>Steering and/or joint (social partners) committees, boards, etc.</li> <li>National, sectoral and regional skill councils (and other advisory bodies)</li> <li>Tripartite bodies</li> <li>Observatories (labour market and training at national, regional levels)</li> <li>Education networks</li> <li>Communities of practice</li> </ul> | <p>Mostly structured around and supported by policy analysis. Other types of stakeholders might be involved as policy advisers (social partners, experts).</p> <p>National agencies for VET can have executive functions while playing a role as umbrella organisations for working groups (e.g. sector skills councils).</p> <p>Knowledge-based regulating tools are normally created after deliberation processes have taken place. Education networks might also be knowledge oriented (sometimes they are also training providers).</p> |
| 3. Public-private structure-oriented        | Self-regulated (governing) partnerships<br>Public-private partnerships<br>Mobilisation of resources partnerships | <ul style="list-style-type: none"> <li>Social dialogue arrangements: collective bargaining agreements for skill development (e.g. training agreements at sectoral or company level)</li> <li>Sectoral training funds and other co-funding mechanisms (e.g. levies, tax subsidies, grants, individual learning accounts)</li> <li>Work-based learning contracts</li> </ul>  | <p>Strongly focused on providing (co-)funding solutions to mobilise additional resources to deliver skills provision.</p> <p>Social partners (employers) representing private interests.</p> <p>Cooperation outcomes might have legislative status (e.g. collective bargaining agreements).</p> <p>Territorial, local and sectoral actors and VET providers might be strongly engaged in policy making.</p>   |
| 4. Knowledge creation-oriented              | Knowledge-based partnerships   | <ul style="list-style-type: none"> <li>Skill needs methodologies, assessments, analysis (national, regional and sectoral)</li> <li>Skills forecasts (national, regional and sectoral)</li> <li>Occupational standards</li> <li>Performance-based indicators and benchmarks (monitoring systems)</li> <li>Evaluation strategies, studies and other monitoring tools (e.g. indicator systems)</li> <li>Recommendations, (joint) opinions, declarations, statements, etc.</li> </ul>  | <p>Focused on policy analysis, monitoring and review to inform and/or shaping policy development.</p> <p>Performance systems can be set up to monitor coordination and improve accountability among central and regional/local governments.</p> <p>Soft regulation might be elaborated to influence policy formulation, implementation and review.</p> <p>Cooperation might be further institutionalised (e.g. research centres, observatories, joint committees, councils).</p>  |

Source: Galvin Arribas, ETF (based on GEMM and FRAME projects methodologies)

## ABBREVIATIONS AND ACRONYMS

|               |  |
|---------------|--|
| <b>ATFP</b>   | Agence tunisienne de la formation professionnelle (Tunisian Agency for Vocational Training)                        |
| <b>CAQA</b>   | Centre for Accreditation and Quality Assurance (Jordan)  |
| <b>CVT</b>    | Continuing vocational training   |
| <b>DFP</b>    | Département de la formation professionnelle (Vocational Training Department, Morocco)                              |
| <b>DG</b>     | Directorate General  |
| <b>DGVTE</b>  | Directorate General of Vocational and Technical Education (Lebanon)  |
| <b>DTQA</b>   | Directorate of Training Quality Assurance (Libya)  |
| <b>ELMPS</b>  | Egyptian Labour Market Panel Survey  |
| <b>ETF</b>    | European Training Foundation   |
| <b>E-TVET</b> | Employment, Technical and Vocational Education and Training [Council] (Jordan)                                     |
| <b>EU</b>     | European Union   |
| <b>FTH</b>    | Fédération tunisienne de l'hôtellerie (Tunisian Federation of Hotels)  |
| <b>GCI</b>    | Global Competitive Index   |
| <b>GEMM</b>   | Governance for Employability in the Mediterranean  |
| <b>HDI</b>    | Human Development Index  |
| <b>ILO</b>    | International Labour Organisation  |
| <b>ISCED</b>  | International Standard Classification of Education   |
| <b>ISO</b>    | International Organisation for Standardisation   |
| <b>IVET</b>   | Initial vocational education and training  |
| <b>LMIS</b>   | Labour market information system   |
| <b>MFPE</b>   | Ministère de la Formation professionnelle et de l'Emploi (Ministry of Vocational Training and Employment, Tunisia) |
| <b>NAQAAE</b> | National Authority for Quality Assurance and Accreditation of Education (Egypt)                                    |
| <b>NBTVE</b>  | National Board of Technical and Vocational Education (Libya)   |
| <b>NEET</b>   | (Young people) not in education, employment or training  |
| <b>NQF</b>    | National qualifications framework  |
| <b>OECD</b>   | Organisation for Economic Cooperation and Development  |
| <b>SABER</b>  | Systems Approach for Better Education Results  |
| <b>SEMED</b>  | Southern and Eastern Mediterranean   |
| <b>SME</b>    | Small and medium-sized enterprise  |
| <b>SWOT</b>   | Strengths, weaknesses, opportunities, threats  |



|               |  |
|---------------|--|
| <b>TFP</b>    | Taxe de formation professionnelle (training tax)   |
| <b>TVET</b>   | Technical and vocational education and training  |
| <b>UNDP</b>   | United Nations Development Programme   |
| <b>UNESCO</b> | United Nations Educational, Scientific and Cultural Organisation   |
| <b>UTAP</b>   | Union tunisienne de l'agriculture et de la pêche (Tunisian Union of Agriculture and Fishing)                           |
| <b>UTICA</b>  | Union tunisienne de l'industrie, du commerce et de l'artisanat (Tunisian Union for Industry, Commerce and Handicrafts) |
| <b>VET</b>    | Vocational education and training  |

# GLOSSARY OF KEY TERMS FOR VET GOVERNANCE

| Key term                                      | Definition   |
|---|--|
| Access to education and training              | <p>Conditions, circumstances or requirements (qualification, education level, competences or work experience, etc.) governing admission to and participation in educational institutions or programmes.</p> <p>Source: Cedefop (2011) based on UNESCO (1995)</p>   |
| Accountability                                | <p>Obligation to demonstrate that work has been conducted in compliance with agreed rules and standards or to report fairly and accurately on performance results vis-à-vis mandated roles and/or plans. This may require a careful, even legally defensible, demonstration that the work is consistent with the contract terms.</p> <p>Note: Accountability in development may refer to the obligations of partners to act according to clearly defined responsibilities, roles and performance expectations, often with respect to the prudent use of resources. For evaluators, it connotes the responsibility to provide accurate, fair and credible monitoring reports and performance assessments. For public sector managers and policy makers, accountability is to taxpayers/citizens.</p> <p>Source: OECD (2002)</p> <p>The requirement that officials answer to stakeholders on the disposal of their powers and duties, act on criticisms or requirements made of them and accept (some) responsibility for failure, incompetence or deceit. Mechanisms for holding officials accountable can be inter-organisational, as between branches of government; intra-organisational, as between supervisors and subordinates; and extra-organisational, as when an organisation and its functionaries answer directly to customers or stakeholders. Accountability mechanisms can address the issues of both who holds office and the nature of decisions by those in office. Accountability requires freedom of information, stakeholders who are able to organise and the rule of law.</p> <p>Source: UNDP, Glossary of key terms</p> |
| Attractiveness of VET                         | <p>Capacity of VET to encourage individuals to choose VET and propose qualifications that open up career prospects.</p> <p>Comment: The attractiveness of VET depends on various factors, such as the image of VET and the parity of its esteem with academic pathways, flexible pathways allowing mobility between VET and academic education, and the involvement of stakeholders in VET governance, including social partners.</p> <p>Source: Cedefop (2011)</p>  |
| Civil society                                 | <p>Individuals and groups, either organised or unorganised, who interact in the social, political and economic domains and who are regulated by formal and informal rules and laws. Civil society offers a dynamic, multi-layered wealth of perspectives and values, seeking expression in the public sphere.</p> <p><b>Civil society organisations:</b> the multitude of associations around which society voluntarily organises itself and which can represent a wide range of interests and ties, from ethnicity and religion, through shared professional, developmental and leisure pursuits, to issues such as environmental protection or human rights.</p> <p>Source: UNDP, Glossary of key terms</p>  |
| Coordination mechanisms for VET policy making | <p>Coordination mechanisms for VET policy making can be defined as structured outcome-oriented partnership processes, policy tools and/or methods to effectively support either IVET or CVT policy making within the policy cycle. They can be set up by stakeholders (public and private) at both vertical and horizontal governance levels, with binding and/or non-binding policy implications. They are mostly of a political, financial and/or technical nature.</p> <p>The strategic purpose of coordination mechanisms is to support the establishment and regulation of effective working cooperation among different levels of VET policy makers on key policy areas in order to facilitate better performance in VET public management and to improve the attractiveness and relevance of VET policies and systems. Such mechanisms can be set up in ad hoc basis or being used in strategic manner to consolidate VET policy development in the short to medium/long term.</p> <p>Source: Galvin Arribas et al./ETF (2012)</p>  |

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## Decentralisation

Transferring authority from the central level to lower levels of management. Therefore, at first glance, decentralisation refers to the locus where certain education management authorities are exercised. The heart of the transfer of authorities is the distribution of decision-making competences among the actors of management at different levels.

Source: Adapted from Radó (2010)

**Horizontal decentralisation** sometimes refers to the concentration of authorities at a certain level of power by giving preference to a specific level or to a particular actor, such as self-governments or schools.

Source: Adapted from McGinn (1996)

**Administrative decentralisation** seeks to redistribute authority, responsibility and financial resources for providing public services among different levels of government. It is the transfer of responsibility for the planning, financing and management of certain public functions from the central government and its agencies to field units of government agencies, subordinate units or levels of government, semi-autonomous public authorities or corporations, or area-wide, regional or functional authorities. The three major forms of administrative decentralisation are deconcentration, delegation and devolution.

Source: DPADM in collaboration with CEPA

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## Deconcentration

Considered to be the weakest form of decentralisation. It refers to the transfer of certain administrative authorities to lower levels of administration that are directly subordinated to a central government agency. The purpose of transferring decision making is simply to bring it closer to the users of the service, that is, deconcentration is aimed at increase the efficiency of central administration.

Source: Adapted from Radó (2010)

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## Delegation

A more extensive form of decentralisation. Through delegation, central governments transfer decision-making authorities to organisations that are not fully controlled by the centre. Although these organisations may have a great deal of discretion, the statutory basis of decentralisation is, in most cases, rather weak. In the case of delegation, the transfer of decision making is temporary, and the delegated task can be withdrawn quite easily. Therefore, decentralisation by delegation does not create the necessary stability for medium- or long-term planning, and allows little room to clearly (re-)define the roles of the actors at the lower levels.

Source: Adapted from Radó (2010)

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## Deregulation

The process by which central government control is reduced or eliminated, as a distinct form of transferring authority to lower-level management. In a deregulation process (withdrawal of regulations), the transfer of authority is made in an indirect way by widening the latitude of actions at lower levels. However, the underlying purpose is not necessarily to weaken or eliminate central control: in several cases the justification for deregulation is the assumption that fewer and simpler regulations increase the efficiency of control. Deregulation is an instrument that can be used in connection with any forms of decentralisation, or even without any transfer of authorities. However, devolution of decision-making authorities cannot be achieved without the removal of old regulations or without replacing them with procedural regulations. Moreover, decentralisation may generate the need for new types of regulations, such as setting quality standards for services that are no longer managed centrally.

Sources: Halász (2001); and Radó (2010)

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## Devolution

The transfer of authority over specific public functions to subnational levels or autonomous organisations. The distinctive feature of devolution is its statutory nature: it occurs on the basis of legislation. Devolution is the most far-reaching form of decentralisation in that the transfer of authority over financial, administrative, or pedagogical matters is permanent and cannot be revoked at the whim of central officials.

Source: Fiske (1996); and Radó (2010)

In most cases, devolution it is not simply the decision-making authority that is deployed to regional or local self-governments or to schools; rather, it is the devolution of certain mandatory tasks that entail specific decision-making obligations.

Source: Radó (2010)

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| <p><b>Effectiveness</b></p>                        | <p>The degree to which a planned effect is achieved, usually without reference to costs. Planned activities are effective if these activities are realised. Similarly, planned results are effective if these results are actually achieved.<br/>Source: Adapted from Cedefop (2005) and ISO (2000)</p> <p>The capacity to realise organisational or individual objectives. Effectiveness requires competence; sensitivity and responsiveness to specific, concrete, human concerns; and the ability to articulate these concerns, formulate goals to address them and develop and implement strategies to realise these goals.<br/>Source: UNDP, Glossary of key terms</p>   |
| <p><b>Efficiency</b></p>                           | <p>The relationship between results achieved (outputs) and resources used (inputs). Efficiency can be enhanced by achieving more with the same or fewer resources. The efficiency of a process or system can be enhanced by achieving more or getting better results (outputs) with the same or fewer resources (inputs).<br/>Source: ISO (2000)</p>  |
| <p><b>Financing and funding (IVET and CVT)</b></p> | <p><b>Financing:</b> How the budget is raised in order to fund the VET system (where money comes from). Financing refers to the different processes for gathering and securing resources for all kinds of expenditure for IVET and CVT.</p> <p><b>Funding:</b> How the budget is distributed within the IVET and CVT systems (where money goes to). Funding refers to the rules, procedures and mechanisms through which money is allocated to training providers in different parts of the system.<br/>Source: ETF (2013b)</p>   |
| <p><b>Governance</b></p>                           | <p>Governance must ensure that public resources and problems are managed effectively, efficiently and in response to critical needs of society. Effective governance relies on public participation, accountability, transparency, effectiveness and coherence.<br/>Source: Cedefop (2008), based on EuroVoc Thesaurus</p> <p>The exercise of political, economic and administrative authority in the management of a country's affairs at all levels. Governance is a neutral concept comprising the complex mechanisms, processes, relationships and institutions through which citizens and groups articulate their interests, exercise their rights and obligations, and mediate their differences.<br/>Source: UNDP, Glossary of key terms</p> <p>Governance, as the 'activity of governing', generally refers to the process whereby elements in society wield power and authority, influencing and enacting policies and decisions that affect public life.<br/>Source: EuroVoc Thesaurus</p> <p>Governance comprises rules, processes and behaviour relating to procedural, structural, functional and instrumental aspects of governing.<br/>Source: Benz (2004)</p> |
| <p><b>Governance in education and training</b></p> | <p>Model for VET policy-making management based on coordinated action to effectively involve VET public and private stakeholders at all possible levels (international, national, sectoral, regional/local, provider) for objective setting, implementation, monitoring and review. Good multilevel governance in VET aims to reinforce interaction and participation of such stakeholders while improving relevance, accountability, transparency, coherence, efficiency and effectiveness of VET policies.<br/>Source: ETF based on Cedefop (2011) and Committee of the Regions (2009)</p> <p>Engagement and participation of civil society in formulating, implementing and monitoring strategies for educational development.<br/>Source: UNESCO (2002)</p>   |
| <p><b>Good governance</b></p>                      | <p>The European Union (EU) focuses on five principles that underpin good governance: openness, participation, accountability, effectiveness and coherence. Each principle is important for establishing more democratic governance and more effective delivery of public policies.<br/>Source: European Commission (2001)</p> <p>Good governance can be defined as the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises mechanisms, processes and institutions through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences.<br/>Source: UNDP (1997)</p>   |

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### Good governance in education and training and VET

Transparent and accountable management of education and training policies and systems for the purposes of making education and training and VET attractive and associated with excellence in order to improve its image. Good governance in education and training and VET needs to facilitate the right implementation of policies in ways that are effective, transparent, accountable, equitable and coherent, while maintaining mechanisms to take on board at all possible levels relevant public and private stakeholders (such as social partners, civil society, training providers, company owners, and regional and local representatives), in the development, financing and implementation of quality assured programmes within the education and training policy framework.

Good governance in VET comprises six principles: relevance, effectiveness, subsidiarity and proportionality, transparency, accountability and participation.

Source: Galvin Arribas et al./ETF (2012)

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### Multilevel governance

Multilevel governance is a dynamic process with horizontal and vertical dimensions, which does not any way dilute political responsibility. On the contrary, if the mechanisms and instruments are applied correctly, it helps to increase joint ownership and implementation. Consequently, multilevel governance represents a political 'action blueprint' rather than a legal instrument, and cannot be understood solely through the lens of division of power.

Source: Schmitter (2004), pp. 45–74

Within multilevel governance, the vertical dimension refers to the linkages between higher and lower levels of government (supranational, national, regional, local) including their institutional, financial, and informational aspects. The horizontal dimension refers to cooperation formulas (e.g. arrangements) between regions, and between local levels (municipalities/communities). Such agreements should be conceived as tools to improve the effectiveness of local public service delivery and implementation of development strategies. The horizontal dimension is of particular interest, underlining the role to be played by social partners and civil society working in partnership and cooperating with public authorities, in the desirable context of social dialogue.

The Committee of the Regions of the European Union considers multilevel governance to mean coordinated action by EU Member States and local and regional authorities based on partnership and aimed at drawing up and implementing EU policies. It leads to responsibility being shared by the different tiers of government concerned and is underpinned by all sources of democratic legitimacy and the representative nature of the different players involved. By means of an integrated approach, it entails the joint participation of the tiers of government in the formulation of Community policies and legislation, with the aid of various mechanisms (consultation, territorial impact analysis, etc.).

Source: Committee of the Regions (2009)

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### Partnership

Term used to characterise every kind of cooperation involving public and/or private actors operating at the same level of government (horizontal partnership) or at various levels of government (vertical partnership). The partnership goal varies according to both the specific policy domain (e.g. environment, local development) and the policy phase (agenda-setting formulation, implementation, etc.) involved.

Source: Vesani and Graziano (2008)

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### Common Quality Assurance Framework (CQAF)

Set of common principles, guidelines and tools developed by the European Forum on Quality in VET (2001–02) and the Technical Working Group on Quality in VET (TWGQ, 2003–05) in the context of the Copenhagen process, to support Member States in promoting continuous improvement of quality in VET systems; VET providers in improving the training offer; and individuals in acquiring better skills and competences.

Source: Cedefop (2011)

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### Quality assurance in education and training

Activities involving planning, implementation, evaluation, reporting, and quality improvement, implemented to ensure that education and training (content of programmes, curricula, assessment and validation of learning outcomes, etc.) meet the quality requirements expected by stakeholders.

Comment: Quality assurance contributes to a better matching between education and training supply and demand. Quality assurance covers the macro-level (educational system level), meso-level (level of individual educational institutions) and micro-level (level of teaching-learning processes).

Source: Cedefop (2011)

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| Quality audit        | <p>A systematic and independent examination to determine whether quality activities and related results comply with planned arrangements, and whether these arrangements are implemented effectively and are suitable for achieving quality objectives.</p> <p>Source: ISO (1994)</p>   |
| Quality management   | <p>Includes all the activities that organisations use to direct, control and coordinate quality. These activities include formulating a quality policy and setting quality objectives. They also include quality planning, quality control, quality assurance and quality improvement.</p> <p>Source: ISO (2000)</p>  |
| Regional development | <p>The provision of resources, either national or international, to reduce regional disparities by supporting (employment- and wealth-generating) economic activities in regions.</p> <p>Source: OECD (2011)</p>  |
| Rule of law          | <p>Equal protection (of human as well as property and other economic rights) and punishment under the law. The rule of law reigns over government, protecting citizens against arbitrary state action, and over society generally, governing relations among private interests. It ensures that all citizens are treated equally and are subject to the law rather than to the whims of the powerful. The rule of law is an essential precondition for accountability and predictability in both the public and private sectors. The establishment and persistence of the rule of law depend on clear communication of the rules, indiscriminate application, effective enforcement, predictable and legally enforceable methods for changing the content of laws, and a citizenry that perceives the set of rules as fair, just or legitimate, and that is willing to follow it.</p> <p>Source: UNDP, Glossary of key terms</p>  |
| School autonomy      | <p>A form of school management in which schools are given decision-making authority over their operations, including the hiring and firing of personnel, and the assessment of teachers and pedagogical practices. School management under autonomy may give an important role to the school council – representing the interests of parents – in budget planning and approval, as well as a voice/vote in personnel decisions. By including the school council in school management, school autonomy fosters accountability.</p> <p>Source: Barrera-Osorio et al. (2009)</p>   |
| Social dialogue      | <p>All types of negotiation, consultation or simply exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue, or it may consist of bipartite relations only between labour and management (or trade unions and employers' organisations), with or without indirect government involvement. Consultation can be informal or institutionalised, and often it is a combination of the two. It can take place at the national, regional or enterprise level. It can be inter-professional, sectoral or a combination of all of these.</p> <p>Source: Arrigo and Casale/ILO (2005)</p>  |
| Subsidiarity         | <p>An organising principle according to which central authority should have subsidiary (supplementary) functions only. It means that central governments should perform only those tasks that cannot be performed effectively at a more immediate level, that is, those tasks that are closest to the actual action and where the necessary information is available. It also applies to lower hierarchical relations; if a task can be performed in a school, the decision should not be pushed to the local level, etc.</p> <p>Source: Adapted from Radó (2010)</p> <p>The principle of subsidiarity seeks to ensure that, in areas of non-exclusive Community responsibility, decisions are taken at the most appropriate level. As a result, in these areas, tests must be carried out to ensure that Community action is justified with regard to the options available at national, regional or local level. Respect for the principle of subsidiarity and multilevel governance is indissociable: one indicates the responsibilities of the different tiers of government, while the other emphasises their interaction.</p> <p>Source: Adapted from Committee of the Regions (2009)</p> |

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### Transparency

Sharing information and acting in an open manner. Transparency allows stakeholders to gather information that may be critical to uncovering abuses and defending their interests. Transparent systems have clear procedures for public decision making and open channels of communication between stakeholders and officials, and make a wide range of information accessible.

Source: UNDP, Glossary of key terms

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### Tripartism

Tripartite cooperation refers to all dealings between the government and workers' and employers' organisations concerning the formulation and implementation of economic and social policies.

Source: Arrigo and Casale/ILO (2005)

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