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TORINO PROCESS 2014

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Acknowledgements

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SUMMARY REPORT

The previous Torino Process report[1] on Egypt is from 2010. Since then the country has undergone a transitional period of political, economic and social instability following the popular mass revolutions in 2011 and 2013. Great expectations on the part of young people and other groups in society have put unprecedented pressure on the government to seriously tackle unemployment and to move towards a more transparent and democratic society. This has created additional pressure to reform the education system, including technical and vocational education and training (TVET). However, progress in TVET reform has remained modest and slow, largely as a result of the highly volatile environment and the unique circumstances of this period. But other factors, such as the lack of a unified and agreed vision on TVET, also contributed to the fact that the progress of reform has fallen behind expectations.

It is only recently that signs of acceleration in TVET reform have become evident as a number important policy decisions have been taken or announced, although many of these remain to be fully implemented. The most notable developments concern the area of governance:

- reshaping the governance structure of TVET through the adoption of a system of cascading councils, including structures at regional level;
- creating the position of a Deputy Minister for Technical Education as a first step towards the possible establishment of a separate TVET Ministry;
- upgrading TVET to the level of the Constitution;
- restructuring the Ministry of Education (MoE), including the establishment of a School-to-Work Transition Unit and a Planning and Coordination Unit in the TVET sector.

In terms of vision and implementation, there has been a shift in the TVET policy agenda towards a more employment-oriented focus (e.g. projects on school-to-work transitions and career guidance, the National Programme for Training for Employment (NPTE) of the ITC (Industrial Training Council), the planned Fund for Training and Employment). A subtle trend towards a more demand-oriented TVET vision is also evident (e.g. new partnerships between the private sector and TVET providers, provision of work-based learning, plans to upgrade practical training in schools) within the still mainly supply-driven context. The new National Strategic Plan (NSP) for Pre-University Education 2014–2030 also suggests a renewed emphasis on the social agenda and access to TVET. Most recently, there has also begun to be increased policy attention on vocational training in response to a lack of skilled workers in the labour market.

At the same time the main policy challenges identified in 2010 persist, and both the internal and external efficiency of TVET can still be considered low. Improvements are necessary in the responsiveness to labour market needs and in the attractiveness and quality of TVET. The capacities of ministries, agencies and other stakeholders in TVET need to be enhanced. The status of various strategic documents on TVET that have been developed in recent years must be clarified, and a number of pending policy decisions need to be tackled with greater determination. Examples include the development of a much needed framework for private sector and employer participation in TVET,

[1] The Torino Process is a participatory process leading to an evidence-based analysis of vocational education and training (VET) policies in ETF partner countries. In Egypt and other countries it was first introduced in 2010 as a biennial methodology. The second round took place in 2012 (Egypt could not participate owing to events following the Revolution) and this report reflects the third round of the Torino Process. It aims to monitor policy progress in Egypt against the 2010 baseline until the end of 2014.

progress on a national qualification framework (NQF) and quality assurance system for TVET, strengthening entrepreneurship education, and fostering the professional development of TVET teachers and trainers.

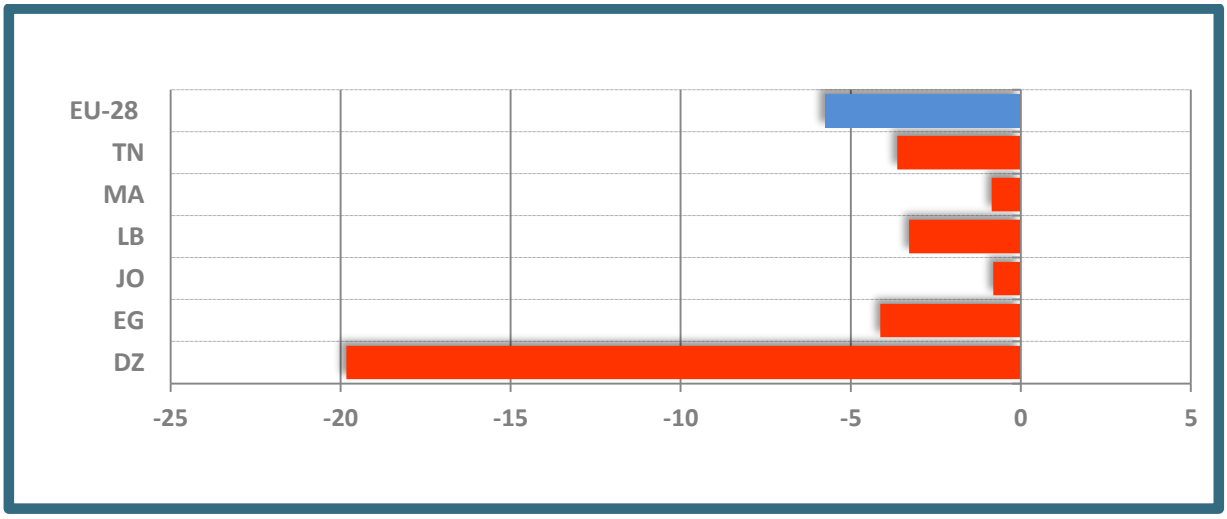
Finally, it is recommended that a clear decision be taken on which innovative TVET models and project initiatives that were piloted in the past decade should be up-scaled and sustained in order to achieve an impact at system level of TVET provision. Parliamentary elections are set for early 2015, and it is hoped that the new promising policies will have continuity and will contribute to a systemic change in TVET, or at least make a visible difference, even in the short to medium term.

1. VISION FOR THE NATIONAL TVET SYSTEM

1.1 Introduction to the TVET system

The technical secondary education pathway and its agricultural, industrial and commercial streams (three- and five-year programmes) represent a large part of the Egyptian education system at this level, absorbing nearly 50%[2] of young people in Egypt at secondary education level. With almost 1.7 million students (CAPMAS, 2014) and 140 000 teachers, it also forms the bulk of TVET provision in the country. However, in the period 2010–2014, TVET participation has continued to decrease. Participation in TVET as share of upper secondary education, especially between 2012 and 2014, fell by over 4%. This is similar to the trends both in some Arab Mediterranean countries and in the EU (see **FIGURE 1.1**[3]). In Egypt it is due to several factors, such as the persisting challenge of ensuring the attractiveness of TVET, growing demand from students for higher education, and earlier policies aimed at rebalancing the two trajectories of general and technical education.

FIGURE 1.1 CHANGES IN PARTICIPATION IN UPPER SECONDARY TVET IN EGYPT AND SELECTED COUNTRIES BETWEEN 2012 AND 2014 (%)



Notes: TN, Tunisia; MA, Morocco; LB, Lebanon; JO, Jordan; EG, Egypt; DZ, Algeria.

Sources: TRP 2012 and TRP 2014 statistical databases. EU-28 average: ETF calculations based on data from the United Nations Educational, Scientific and Cultural Organization (UNESCO).

Although the remarkable growth of technical education that occurred in recent decades seems to have come to a halt and a reverse trend emerged, the magnitude of the overall system has been maintained. Egypt remains the country with the largest share of TVET participation in the region, and recent national projections show that the school-age population for technical secondary education will increase by 7% between 2012 and 2015 and by more than 20% by 2025 (MoE, 2014). These projected growth rates assume an equal increase for both general and technical education in the projected period and do not take into account possible policy changes.

In addition to secondary education, formal TVET is also provided at the lower end as well as upper end of the educational chain (see Annex 1). Vocational preparatory schools (grades 7–9) as an alternative to general preparatory schools are a unique feature of basic education in Egypt. While it is

[2] If Al-Azhar secondary school students are not counted, the ratio between general secondary and technical secondary education is almost 40:60 (CAPMAS data).

3 ETF calculations based on UNESCO data. The latter show a share of 49% for TVET, the first time the figure had fallen below 50%.

claimed that these schools provide early familiarisation with TVET, in fact they are used as a pathway for students who do not pass the primary education exam (in grade 6). Such students are moved to vocational preparatory schools or withdraw from education, and can only join vocational secondary education later on. Several attempts by the MoE (the most recent one through a ministerial decree in 2013) to abolish this type of school, as part of broader reforms in education and reconsideration of the policy of streaming, have failed. The number of preparatory schools decreased only slightly in the reporting period (from 279 in 2009/10 to 268 in 2012/13), while the number of students increased in the same period (from 124 000 to 141 000). Resistance from teachers (because certain privileges exist in TVET schools, such as less supervision of teachers) and from parents (e.g. because of economic considerations) were reported to be the primary cause (ETF, 2013b). The MoE recently changed its policy and is now working on developing these schools, offering opportunities to students to develop the practical skills required by the labour market.

Egypt's vertically segmented education system makes a basic distinction between technical and vocational education, the latter being relatively small at secondary education level, accounting for around 200 000 students in 2011 and following a decreasing trend. Vocational education in the country is traditionally considered a 'third choice' after general education and technical education. Moreover, vocational education at secondary level operates in only one field – paramedical (three-year schools) – and mainly aims to produce class technicians, whereas technical schools prepare first-class technicians.

Formal TVET is also provided in higher education in technological colleges (middle technical institutes are under this umbrella) and Institutes of Industrial Education). Increased policy attention has been given to post-secondary TVET in recent years, evidenced by various reviews and reports (Ministry of Higher Education (MoHE) study on TVET at post-secondary level; Organisation for Economic Co-operation and Development (OECD) Skills beyond School review (OECD, 2015); plans for a practice-oriented four-year Bachelor of Technology after secondary education).

In addition, a number of alternative learning options, both formal and non-formal, exist to mainstream TVET. Accurate data are missing and various reports contain differing, incomplete or non-comparable figures. While the United Nations Development Programme (UNDP, 2010) estimates that there are around 1 200 vocational training centres (VTCs) belonging to 7 ministries, a report from the World Bank (El-Ashmawi, 2011) lists some 800 training centres belonging to 12 ministries. The duration of such vocational training programmes ranges from one month to two years, with most being technical training, usually centre-based. Delivery often overlaps and there is a need to improve common training standards and certification requirements. The Ministry of Manpower and Migration (MoMM) plays a key role in identifying qualification levels, setting criteria and issuing approval to run training centres. This includes, for example, trainers, equipment and courses.

Other alternative TVET learning pathways include various types of apprenticeship schemes and experimental models, such as 'School in every factory', and other new forms of cooperation between TVET providers and businesses, which are aimed at improving labour market relevance and enabling students to gain practical skills. Many of these remain on a small scale but would have potential for expansion if appropriate reinforcement mechanisms were in place.

Continuing vocational training (CVT) has traditionally been a weak segment of TVET and is not considered a priority by the government, given the challenges that the government is facing in initial TVET in the context of a continuously increasing young population. However, some notable initiatives have been launched by the Ministry of Industry, Trade and Small and Medium-Sized Enterprises (MoITS) (ITC), such as the NPTE, which targets 100 000 people to be trained annually, the Beaidak Project on Training for Employment (supported by United Arab Emirates (UAE)), and the piloting of Continuing Education Centres (CECs) supported by the Aga Khan Foundation.

1.2 Vision for the TVET system

At the strategic level there is a growing understanding that the lack of a unified or agreed vision for the TVET system shared by all key stakeholders constitutes a major barrier for further TVET development. Such an overarching vision, in which TVET is seen in the context of lifelong learning, has not yet been formulated. In recent years, instead of a single framework a number of strategic documents have emerged that refer to TVET segments and that have been promoted by different actors. These policy documents co-exist in parallel, and there is a risk that they will contribute to further fragmentation and confusion regarding the vision for TVET. While some strategic documents cover only technical education, and have expired or were not fully implemented (e.g. the NSP for Pre-University Education Reform in Egypt 2007–2012 and its priority programme on secondary education), other documents target the entire TVET system, although their status remains unclear (e.g. TVET Reform Strategy 2009, Master Plan for TVET 2010, Draft Egyptian TVET Reform Strategy 2013–2018 proposed by the TVET-I programme). As a result of these incoherent policy directions, implementation of TVET policies has remained very limited and piecemeal. Ultimately, this mirrors the complex governance structure in TVET and the formal coordination arrangements that have in the past proved to be ineffective or poorly functioning (e.g. previous Supreme Council for Human Resources Development and other bodies).

The most recent policy document (NSP for Pre-University Education 2014–2030) and its underlying principle – 'providing quality education for every child' – gives some attention to the technical secondary education sector and renews the commitment to reform. It also provides a longer-term perspective for TVET development (17 years compared to 6 years for the previous plan), learning lessons from the overambitious previous NSP (2007–2012). Although it fails to develop an overarching, clear and explicit vision, it places the 'skilful technician capable of competing in different markets' at the centre of TVET policy outcomes. The plan also gives strategic direction in three key areas, namely access, quality and education management, and has a strong social agenda focusing on equal opportunities, poor areas and second-chance offers. A long list of single objectives, planned activities and related indicators is attached to these key areas, though these remain rather too general and appear to be largely isolated from other TVET segments (e.g. increasing the number of technical education schools, developing school curricula in line with labour market needs, piloting specialised technical schools based on the community school model, providing supplementary programmes for general secondary school graduates, offering a bridging course that leads to higher education, raising awareness of TVET). In terms of ambition, guiding principles and specific target setting, the new plan falls short of the previous NSP. It also fails to provide a proper analysis of the implementation challenges faced in the past, and the links between the previous and new NSPs are generally weak. Further elaboration and operationalisation of the strategic directions are needed, along with a well-resourced action plan, as the budgetary needs of the planned reform of secondary education are extensive (see Section 5.2 on financing).

Most recently, an important signal of the need to strengthen TVET was given by the new Egyptian Constitution (approved through a referendum in January 2014) which for the first time introduced a reference to both technical education and vocational training (Article 20): 'The state shall encourage technical and technological education, vocational training and related development; it shall further favour expansion in technical education at large, in accordance with international quality standards and in a manner congruent with the needs of the labour market.' As Articles 19 and 20 of the Constitution specify the minimum total public expenditure on education (4% of gross domestic product (GDP)) and higher education (2% of GDP), which will gradually increase over time, this may also have a positive impact on the future funding of TVET.

1.3 Capacity for innovation and change

A first shift towards a more outcome- and transition-oriented TVET was marked by the establishment of a School-to-Work Transition Unit in the MoE in June 2014 (Ministerial Decree No. 283), with donor support provided by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). This unit, which is headed by the Technical Education Sector and which is becoming important for its vision, includes a division on career guidance that is the first of its kind in the history of TVET and education in Egypt. Its function is to recommend policies, mechanisms and standards for school-to-work services and to review the impact of initiatives and pilot projects that support students' school-to-work transition. The bylaw of the ministerial decree is still pending, but regional school-to-work units have already been established at governorate level. In addition to career guidance, these also have an employment and entrepreneurship function.

As part of the changes in the organisational structure of the MoE after the Revolution, a number of other new structures have been introduced (e.g. merging the IT bodies under one sector, Quality Unit, Decentralisation Unit, and units for international cooperation). Two other new units relevant for the VET sector have been established by decree: a Planning and Coordination Unit (2012) aimed at enhancing coordination with national and international development partners and supporting the harmonisation of programmes in line with the strategy on technical education; and a Research and Development Unit (2014), which is working on proposals for the development of technical education and is carrying out research projects. The Professional Academy of Teachers (PAT) has extended its mandate to TVET and significantly expanded its staffing levels (from 6 staff in 2011 to 206 in 2013), but provision for TVET teachers and trainers remains limited. The proportion of 'educationally qualified' teachers suggests that quality may be more of a problem in the agricultural and commercial TVET streams than in the industrial TVET stream. Almost 60% of teachers in agriculture and 50% of teachers in commercial secondary schools are not educationally qualified, while the overall share for technical schools is around 20% (MoE, 2014).

A number of national and international reports on TVET in Egypt have been prepared in recent years to support the country's governments, in particular after the Revolution in 2011. Among these are studies on sector-based human resources development (HRD), decentralised education and training for employment, decentralised TVET organisation, TVET information and management systems, and TVET governance and financing. The OECD and World Bank (2013) jointly conducted a comprehensive review of national policies for education (including TVET); the OECD (2015) also carried out a review of post-secondary education (Skills beyond School); and the World Bank (2013) separately produced the SABER (Systems Approach for Better Education Results) report on TVET (workforce development). In addition, a number of reports on employment and employability have touched upon TVET (e.g. ADEA Country Report for Egypt). However, it is not clear whether the evidence or recommendations provided by these reports have so far had any impact on TVET policy and capacity for innovation and change.

1.4 Drivers of innovation and change

Though it is clear that the political, economic and social instability has not created an environment conducive to the progress and pace of reforms in all sectors, including TVET, paradoxically it may ultimately have served as a driver of change for the future, both through the new pressure it has exerted and by highlighting the urgent need to tackle long-standing challenges. Furthermore, the aforementioned tendency towards a more employment-oriented focus in the policy agendas of government and donors since the Revolution may be another driver of change for the traditionally supply-driven TVET system. Examples include employment and job-creation programmes and school-to-work initiatives (e.g. International Labour Organization (ILO)) that were launched and combined with demand-oriented training provision, apprenticeships and career guidance.

One of the main drivers for innovation and change during the reporting period has been donor support, through programmes and projects piloting education and business partnerships, new models of TVET provision and support for overall policy development (e.g. EU TVET-I project, extended to 2014; United States Agency for International Development (USAID) – Egyptian Competitiveness Project; International Organization for Migration (IOM) project on tourism). In particular, the EU TVET-I project has been a key driver of change through a number of innovations introduced into the VET landscape, although its systemic impact is not yet evident. Major innovations have been the Enterprise–TVET Partnerships (ETPs), which have introduced a new model to link education and business, the Alternance Training Scheme as a new type of VET provision (see Sections 2.3 and 5), and a new draft TVET strategy for Egypt. A similar, if not more important, role can be expected for the follow-up EU project (TVET-II, with planned EU funding of EUR 50 million plus EUR 67 million co-funding by the Egyptian government), which was designed and prepared during the reporting period (Financial Agreement signed in December 2013) and will start in 2015. It aims to boost the employability of young people by improving the governance of TVET, enhancing its relevance and quality, and fostering transition to employment.

Other important drivers of change are the new NSP 2014–2030, which sets the policy agenda for the future; the Education Development Fund (EDF), which is piloting integrated technical clusters as a new concept in TVET; the two Sectoral Training and Skills Development Councils, which are developing a demand-driven approach to the provision of training in industry, building and construction; and the ETPs – as part of the EU TVET-I project – which have introduced a new model that links business and education.

Given past experience that “mushrooming” projects have brought not only innovation and reform stimuli to the TVET landscape, but also complications (for example, in terms of overlap and incoherence), policy makers in various ministries have become increasingly active in donor coordination. A stronger role was assigned to the Ministry of Foreign Affairs (MoFA) and the Ministry of International Cooperation, and dedicated committees (in the MoITS) or units (in the MoE, and also in TVET sector) were created. Some ministries (e.g. the MoMM) announced new measures aimed at a more strategic and demand-driven approach towards donor interventions by calling on donors to ensure better coordination between themselves before approaching the ministry, as in the past it has happened that different donors have presented similar project proposals to the same ministry. The effects of this move from the traditional policy of ‘all funds and projects are welcome’ to a more selective policy are yet to be seen, as an overall framework for donor interventions in TVET does not seem to exist. Moreover, there continues to be a lack of policy decisions on which of the innovations and pilots should be up-scaled, mainstreamed and sustained.

1.5 Action and assessment of progress since 2010

The main policy challenges identified in 2010 persist. Egypt is still struggling to cope with all major issues concerning a VET system, namely labour market responsiveness, attractiveness for students, and quality of provision. A report from the MoE (2011) contained the following critical comment with regard to technical and vocational education: ‘the problem is that this education is of questionable quality and many students do not appear to learn the trades for which they are being trained’.

Various governments have attempted to address these issues since 2010, but with little success. The new government is determined to make a difference, but there is as yet no clear overarching vision. However, the first signals and signs of action are promising, and the following trends can be observed:

- assigning a higher priority to TVET within the education and training agenda than in the past (e.g. TVET upgraded to the level of the Constitution; the introduction of a position of Deputy Minister for Technical Education);

- a shift in the TVET policy agenda to a more employment-oriented focus (e.g. school-to-work transitions, career guidance) and a subtle trend towards a more demand-oriented TVET vision (e.g. various new partnerships between the private sector and TVET providers, provision of work-based learning) within a context that is still supply-driven;
- strong determination to reshape the governance structures in the TVET landscape (e.g. system of cascading councils, including at regional level), as this may be the key to tackling a number of problems;
- renewed emphasis on access while maintaining a focus on the quality of TVET (e.g. policy statements to expand TVET; in addition to the National Authority for Quality Assurance and Accreditation of Education (NAQAAE), the establishment of a quality unit and recently increased emphasis on quality in the MoE; various project-based initiatives in schools and VTCs);
- increased opening up of technical education (three- and five-year streams) to higher education by changing admission criteria, and plans to offer additional courses for transition to higher education.

All these developments point in the right direction. However, major uncertainties and challenges remain, including the following.

- What mechanisms are planned for achieving greater access in a context of decreasing TVET participation?
- Which of the several strategies developed is the one that should ultimately be followed, and why?
- An additional challenge is that of shaping the structures that have been announced and to develop appropriate mechanisms to allow for their effective operationalisation and timely implementation.

For this purpose enhanced capacities for strategic TVET planning are needed. New and improved methods of cooperation and coordination between all key stakeholders in TVET and the ability to involve the private sector to a much greater extent will be necessary, and the key to success.

2. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING ECONOMIC AND LABOUR MARKET DEMAND

2.1 Economic and labour market factors that shape demand for skills

Key economic trends

Egypt is a lower-middle-income country, and since the Revolution in 2011 its economy has been under continuous strain owing to the political transition process, which has created a wide spectrum of challenges reflecting the different aspirations and needs of Egyptian society. The GDP growth rate fell from 4–5% in 2009/10 to 1.8% in 2011, and continued at 2.2% in 2012; as a result, the country has been unable to generate employment (World Bank World Development Indicators). A substantial reduction in tourist numbers as well as diminished foreign and domestic investment have signalled a period of recession. The budget deficit, inflation and the balance of payments are the main economic problems that the country is currently facing, together with increasing unemployment.

Furthermore, Egypt did not score well in the reporting period in terms of international business and human development rankings. It finished 110th in the World Bank's Doing Business ranking in 2012, and according to the World Economic Forum's Global Competitiveness Index 2014/15, the country ranks 119 out of 144 participating countries (with a score of 3.60). Critical categories include security, efficiency and macroeconomic environment. In relation to safety and security, Egypt has fallen to the lowest rank out of 140 countries, and this has had an enormous impact on tourism and foreign direct investment. Corruption is also a challenge, as recognised by Transparency International: Egypt ranked 118 out of 176 countries in the 2012 Corruption Perceptions Index. The UNDP Human Development Index ranked Egypt 112 out of 187 countries in 2012, in the medium human development category. Egypt scored very poorly in the Gender Inequality Index, ranking 126 out of 148 countries, much lower than its neighbours in the region. It faces huge regional disparities, and its Gini coefficient (30.8 in 2008) indicates a high level of inequality. The poverty headcount ratio in relation to the national poverty line has been increasing continuously, reaching 15.4% of the population in 2008 (World Bank World Development Indicators).

Key labour market trends

According to CAPMAS 2012 figures, agriculture continues to account for a significant proportion of employment in Egypt (27%), while industry accounts for 25% (including construction and utilities) and the services sector dominates employment with 48%. Most of the new jobs in recent years have been created by the private sector (albeit in the informal sector), while public employment has been decreasing since 2005 (except in some sectors, such as education) as a result of the deficit-reduction measures applied by successive cabinets.

Egypt has traditionally had low activity and employment rates, mainly owing to low levels of female participation in the labour market, and this trend has continued to decline. First jobs are dominated by informal private wage work, with this being true for all employed persons. Firm size is of particular importance in relation to informality, as larger employers are also more likely to be able to offer benefits and formal employment to their employees. However, employment in the private sector continues to be dominated by small firms and informal work. In 2012, 45% of employment was in firms with 1–4 employees, and this has changed little over time; 17% of employment is in firms with 5–9 employees (Said, 2014). According to the World Bank, informality as a proportion of GDP was estimated to be 36.2% before the Revolution, while the proportion of the labour force that did not contribute to any social security was 44.5% among employees, and the proportion of the labour force that was self-employed was 28.2% (World Bank, 2011).

According to Egyptian Labour Market Panel Survey (ELMPS) data, in 2012 the total activity rate for the 15–64 age group was 51.1%, with a male activity rate of 80.2% and a female activity rate of 23.1% (Economic Research Forum, 2013). There has been slight increase in activity rates since 2006, this increase being more pronounced for males than for females (CAPMAS). According to ELMPS data, the total employment rate was also low at 47%. Since the Revolution, the unemployment rate has been increasing constantly, rising from 9% in 2010 to 12% in 2011, 12.7% in 2012 (CAPMAS), and a peak of 13.2% (3.6 million jobless Egyptians) in 2013. Unemployment is a particular problem for women, as the female unemployment rate is more than double the male rate (24% as against 10% in 2013).

The 'paradox' of unemployment (or the phenomenon of 'educated employment'), which has already been a feature of the Egyptian labour market for a decade, persists. Unemployment rates for low-educated (or uneducated) workers are very low, whereas unemployment increases in steps for graduates of general and TVET secondary schools (10.4%) and then for university graduates (13.6%).

TABLE 2.1 UNEMPLOYMENT RATES BY EDUCATION LEVEL AND SEX (15–64 AGE GROUP) (%)

Education level	Total	Male	Female
Illiterate	2.0	2.1	1.8
Literate without schooling	2.5	2.0	7.2
Elementary school	3.0	2.5	10.0
Middle school	3.6	2.4	13.9
General high school	10.4	6.4	29.8
Vocational high school	12.3	4.7	37.4
Post-secondary institute	12.6	6.2	29.1
University	13.6	7.5	25.0
Post-graduate	4.7	1.0	10.4
Total	**8.7**	**4.2**	**23.8**

Source: ETF calculations based on ELMPS 2012.

However, whereas education affects the employment prospects of men only slightly, it drastically changes the employment prospects of women. Female unemployment rates are 30% for those with general secondary education (6% for men), 37% for TVET secondary education graduates (5% for men), 29% for those with post-secondary education (6% for men) and 25% for university graduates (7% for men). Education activates women to join the labour market, but as this market is to a great extent closed to female workers, they end up being unemployed. Moreover, the impact of TVET on male and female rates is completely the opposite: it reduces male unemployment while it further increases female unemployment (see **TABLE 2.1**).

Based on ETF calculations from the 2012 ELMPS data, the youth unemployment rate is 19%, but again, this varies greatly between men and women. While young men have rate of 10%, the unemployment rate for young women is 50%[4]. Thus, access to education is not changing the gender

[4] Data on young people vary widely depending on the source. For 2012, the unemployment rate of young people aged 15–29 from the ILO School-to-Work Transition Survey was 13% (9.6% for men and 24.7% for women). For the previous year, CAPMAS reported an unemployment rate for young people aged 15–24 of 29.7% (22.5% for men and 53.2% for women). Similar disparities in the data are found for the statistics on NEETs (young people not in employment, education or training). While ILO School-to-Work Transition Survey data give the rate for those aged 15–24 as 28.4% for 2012, 10% for males and 45% for females (based on ETF calculations), the rate from the ELMPS survey for the same year is 35%, 17% for males and 54% for females. The Labour Force Survey for 2012 reports a NEET rate for young people aged 15–24 of 31.6%, 19.6% for males and 45.7% for females (data from ILOSTAT database). These differences might be due to the different sampling strategies used by these surveys, and to seasonal effects relating to the different times at which the data was collected, which might affect both the ILO and ELMPS data, but should not affect the Labour Force Survey (for more information on the

disparities in access to the labour market, but rather, it is having a somewhat perverse effect. In 2012, 77% of those unemployed were young people (aged 15–29 years). Furthermore, over 80% of the total number of unemployed individuals had at least a secondary education school diploma and almost a third had a post-secondary degree. This indicates that the transition from school to work is a difficult one.

The labour market barriers that are most often cited are inappropriate general education, inadequate technical skills, inadequate soft/life skills, lack of financial capital, job-matching problems, lack of labour market information, lack of labour demand, and discrimination. The effectiveness of secondary and higher education provision can thus be seriously questioned.

Labour emigration remains an important issue for Egypt, though it has been negatively affected by the international financial crisis in recent years. Egypt is the fourteenth highest main receiver of remittances in the world and the second highest in the region. In 2010 the stock of Egyptian emigrants abroad was 3.7 million (4.4% of the population), most of whom were working in Arab countries (Saudi Arabia, Jordan, the Gulf countries), with a smaller number in the USA and Europe (in particular in Italy and France, some of these in irregular employment). Egyptian migration is currently experiencing 'the permanence of temporary migration' (European University Institute, 2013), whereby migration towards Arab countries is becoming less temporary.

2.2 Mechanisms for identifying demand for skills and matching skills supply

The linkage between the education and training system and the labour market is still weak in Egypt, and the mismatch between the type and level of skills needed by the workforce and those being supplied by education and training has not improved (World Bank, 2013).

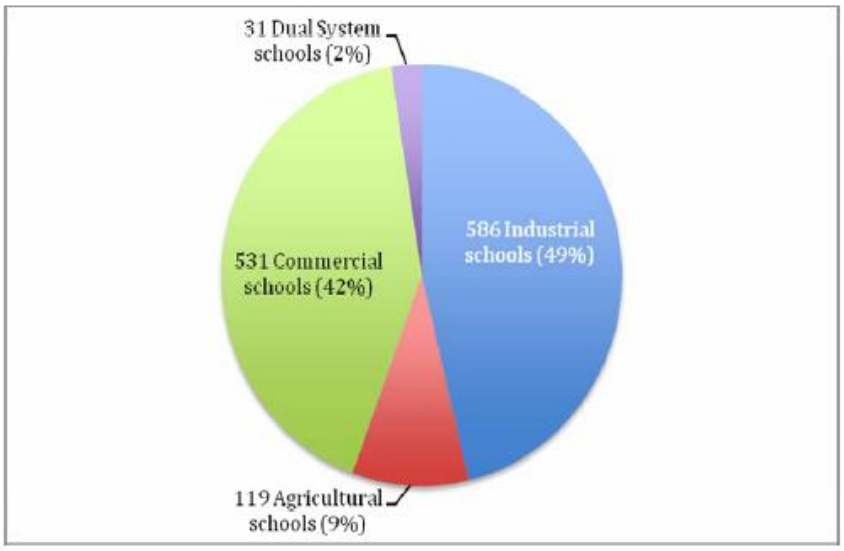
For example, while agriculture employs 27% of the workforce, only 9% of technical secondary education schools are agriculture-related. With regard to manufacturing, the opposite is true (12% of workforce versus 47% of total technical secondary schools) (see **FIGURE 2.1**).

Inadequate TVET provision has resulted in a shortage of skilled workers (especially for levels 2 and 3, and higher technical levels), creating bottlenecks in the more dynamic sectors. Major enterprises with capital-intensive investments have decided to decrease labour utilisation as a result of a shortage of middle-level skills (MoHE, 2011; World Bank, 2013).

This issue has been reiterated by the new Deputy Minister for Technical Education, who came into office in mid-2014. He views this shortage as a major policy challenge that has been partly created by the 'overproduction' by technical schools (around 600 000 graduates per year) of technicians who are overqualified for the formal and informal labour markets.

differences in the NEET rate see: NEETs in ETF Partner Countries, in press). Nevertheless, what is clear from all the different sources of data both on NEETs and on youth unemployment is the enormous difference between the male and female rates.

FIGURE 2.1 NUMBER AND PROPORTION OF DIFFERENT TYPES OF TECHNICAL SECONDARY SCHOOLS, 2011/12



Sources: World Bank, 2013; MoE, Technical Education Strategy 2011/12–2016/17, September 2011.

A recent OECD review of post-secondary VET in Egypt (2015) confirmed that a lack of data on the labour market outcomes of graduates makes it difficult to estimate the extent to which current VET provision meets labour market demands. In 2011 a survey by the MoHE among business people and industry managers revealed that the demand for post-secondary VET graduates will grow during the next few years. The proportion of VET graduates in the labour force in Egypt would thus increase from 47% in 2012 to 52% in 2016 (OECD, 2015).

On the other hand, stakeholders from the tourism sector report inefficiencies and a lack of criteria in relation to the distribution of VET pathways between secondary and post-secondary VET. While Egypt has a large number of higher-level VET institutions in tourism (which tend to produce unemployed graduates), there are only a small number of technical education schools at secondary level that specialise in tourism[5].

Although numerous institutions have been involved over time in gathering labour market information (e.g. CAPMAS, specialist agencies such as the Information and Decision Support Centre (IDSC), the MoMM, various donor projects), there is still no structured labour market information system in place to analyse labour market needs and skills demand on a regular and national basis. In addition, serious problems persist with the consistency, coherence and coordination of data for policy purposes, as indicated in the 2010 Torino Process report. The Egyptian Observatory for Education, Training and Employment, set up in 2006 and hosted by the IDSC, has been charged with addressing this gap, but its impact has been limited owing to insufficient resources, the fact that it was allocated no specific budget, and the fact that it never became a formal entity. Moreover, its activities have slowed down in the context of political instability since 2011. Recently, with German donor support (GIZ), the idea of an observatory has been revived with a regional approach through the establishment of Regional Labour Market Observatories, which were piloted in two regions (6th of October City and Sadat City). To date, six regional observatories have been introduced and four more are in the pipeline[6].

[5] Anecdotal evidence gained at the Discussion meeting of the National Committee Egypt on the draft Torino Process report, Ministry of Foreign Affairs, Cairo, 16 December 2014.

[6] The Regional Labour Market Observatories are composed of seconded staff from the public and private sector, civil society and academia who are producing regional labour market information through a participatory process and proposing employment-related interventions for the respective region.

In addition, a project from the UK and the Netherlands (2014–16) foresees the development of a labour observatory and building the capacity of the Information Technology Industry Development Agency (ITIDA), an executive arm of the Ministry of Communications and Information Technology, to host the observatory.

The NPTE was approved in 2013, to be implemented under the umbrella of the ITC, within the MoITS. It aims to improve the skills of Egyptian industrial labour through training and qualifications, match individuals with decent jobs and set up an Industrial Labour Market Information System, supported by USAID and the UAE. In the pilot phase, 17 000 people were granted a job (in 10 different sectors; 50% of these jobs were in textiles).

In 2014 the ILO and GIZ, in cooperation with the MoE and MoMM, revived the national concept for introducing career guidance in Egypt, which was developed by a high-level National Task Force with ETF support before the Revolution. This first concept on career guidance in Egypt was adopted at the end of 2010 by the four ministers concerned (education, higher education, manpower and migration, industry and trade), but was 'forgotten' after the Revolution. It provides a conceptual platform for national authorities and donors to build strategic and large-scale projects in employment and education, including TVET. With funding from Italian Cooperation, the ILO has in recent years been working with the MoMM and MoE to organise job fairs, provide training on career guidance to TVET teachers and counsellors, and set up a small number of career guidance units in public employment offices. In addition, GIZ supports the MoE in developing a model for school-based career guidance, focusing on the transition from school to work. This was piloted in two regions (Giza and Menoufeya) in 2014 and is now being implemented in 49 schools in 12 governorates across Egypt[7].

Overall, the role of public employment services in relation to identifying skills demand and matching skills supply remains very limited, despite previous and ongoing donor support. Most of the 300 employment offices under the MoMM are underdeveloped, understaffed and underresourced, providing a very limited range of services, and mainly issuing working permits and registrations.

Non-governmental organisations (NGOs) and non-profit organisations are the main implementing organisations of active labour market policies (ALMPs); they support five times as many interventions as government agencies in Egypt, representing 86% of all ALMP interventions.

2.3 Potential of the VET system to influence economic and labour market needs

The Revolution of January 2011 gave great prominence to the issue of unemployment as the main preoccupation of Egyptian society, together with the challenges of combating corruption and moving towards the establishment of a democratic state based on the principles of transparency, accountability and social justice, thus highlighting the need for multi-level reforms. Prior to the Revolution, Egypt did not have an approved policy or strategy for employment, and this is still the case. The successive cabinets that have been appointed since the Revolution have vowed to put in place policies for employment creation, but most of these have been very short-term measures. With unemployment escalating to new levels, a comprehensive framework strategy for employment policy measures remains one of the most pressing topics on the political agenda.

The Youth Employment National Action Plan (2010–2015) that was developed before the Revolution by MoMM, with support from ILO, GIZ and the UN, was never ratified by parliament, and was not allocated resources. The plan aimed to reduce youth unemployment and provide decent and productive jobs in relation to three main policy priorities: (i) TVET (improving the quality of the system,

[7] Part of the approach is to qualify teachers to become Career Facilitators. Accreditation is carried out in cooperation with PAT.

and skills in languages and new technologies); (ii) enterprise development (promoting entrepreneurship programmes); (iii) labour market policies and programmes (developing public employment services and the labour market information unit of the MoMM, and reviewing labour market regulations).

The Economic and Social Development Plan for 2014/15 developed by the Ministry of Planning[8] has allocated more funds to the Directorates of Education within the framework of the move towards decentralisation of pre-university education. The same ministry is currently preparing a Sustainable Development Strategy 2030 with the vision of maximising the country's potential and competitiveness in order to revitalise its historical role as a leader in the region. The strategy features education among the main elements, and also refers to TVET objectives in terms of upgrading technical education and developing it as an attractive choice for young people.

Currently, however, the potential of the Egyptian TVET system to influence economic and labour market needs is still limited as a result of deep-rooted legacies (e.g. supply- rather than demand-led vision, low status of TVET, fragmented governance, the targeting mainly at the public sector, with little or no experience with the private sector) coupled with reform challenges. These legacies and the lack of a clear vision have led to chronic policy challenges and a vicious circle that make it very difficult to improve the attractiveness, quality and responsiveness of TVET. According to the NSP for Pre-University Education 2007–2012: 'Technical education, in its current form, is inadequate to meet the needs of the society, and/or internal and external markets. […] The low level of recognition has fostered a belief that general secondary education is for the elite while technical education is for the poor.'

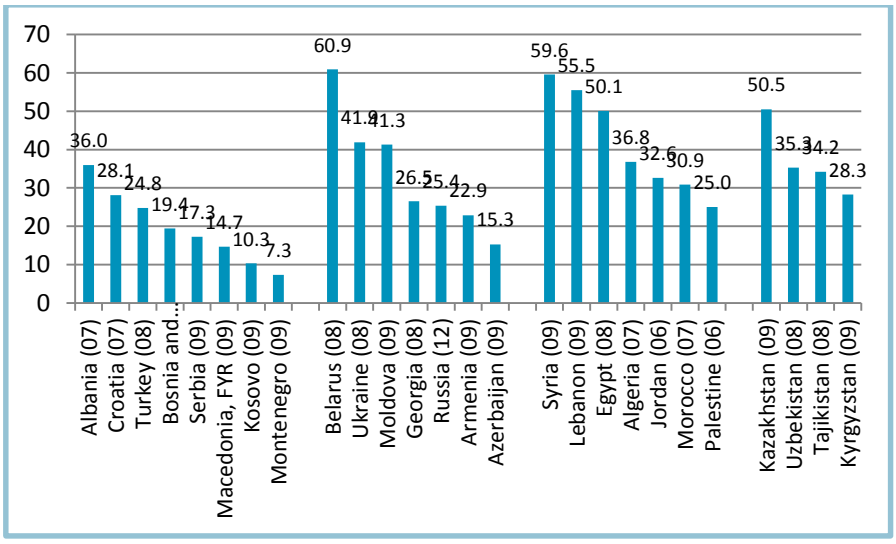
A major problem in the system has been the traditional separation of TVET institutions from enterprises in industry, agriculture and commerce, with too little contact and cooperation between them. This isolation of school-based TVET institutions, including their leadership, from the labour market and the resulting weak labour market relevance of TVET provision still prevails. Although there are no data available more recently than from 2008 (as Egypt did not participate in the subsequent round of the EBRD and World Bank Enterprise Survey), it is evident that the proportion of firms that view low labour skills levels as a major constraint for business in the country (50%) is among the highest of comparable low- and middle-income countries (World Bank, EBRD, 2008).

An ETF survey, in cooperation with the Egyptian National Competitive Council, came to similar conclusions[9]. The latest Small Business Act (SBA) assessment showed that while most countries in the region have made improvements in developing skills for SMEs in the period 2008–2013, Egypt's performance has deteriorated, though it started from, and maintained, a higher level than the countries with which it was compared (ETF, 2014).

[8] www.mop.gov.eg/plan/NewPlan.aspx

[9] This survey revealed the perception of key stakeholders (both in the business community and within education and training) of the relationship between education and training and the country's economic competitiveness. Around 60% of stakeholders were of the opinion that the government's expenditure on education and training, together with a lack of planning and an ad-hoc approach to overcoming the low quality of education, has resulted in a cumulative deterioration in quality, which is reflected in outdated curricula that do not meet the needs of the labour market (ETF, 2011).

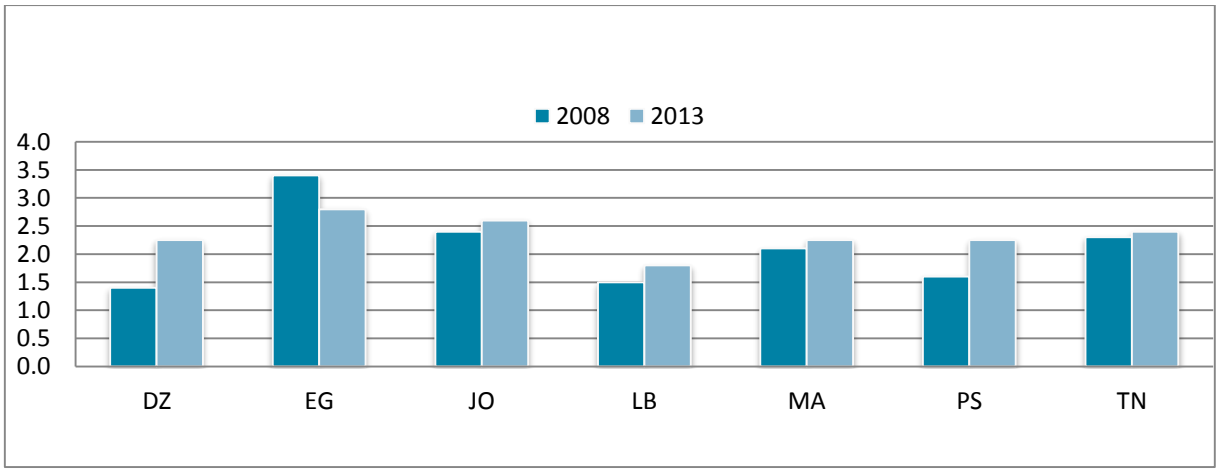
FIGURE 2.2 FIRMS IDENTIFYING LOW LABOUR SKILL LEVELS AS A MAJOR CONSTRAINT FOR BUSINESS (%)



Sources: World Bank and IFC (2008); ETF (2013).

Notes: The calculation of the indicator is based on the rating of the obstacle as a potential constraint to the current operations of the establishment. For the Business Environment and Enterprise Performance Survey (BEEPS) 2008, firms were asked a question to confirm that they had applied for government contracts in the past fiscal year, while in the previous rounds of BEEPS the question was asked of all firms participating in the survey. Owing to differences in scales used in the European and Central Asian countries in 2002 and 2005 (four-point scales) and those used in the 2008 surveys (five-point scales), indicators based on business constraint questions are not fully comparable. End users are encouraged to bear this in mind when analysing historical trends. Readers should download the raw data for additional information.

FIGURE 2.3 SMALL BUSINESS ACT ASSESSMENT RESULTS – SUB-DIMENSION 8.1: COMPARISON OF ENTERPRISE SKILLS IN 2008 AND 2013 (WEIGHTED SCORES)



Source: OECD, EC and ETF (2014).

Notes: DZ, Algeria; EG, Egypt; JO, Jordan; LB, Lebanon; MA, Morocco; PS, Palestine; TN, Tunisia.

In response to existing skills gaps and shortages, employers are increasingly looking for alternative solutions. In particular, some international and larger enterprises (e.g. Mercedes Egypt) have started to set up full company-based initial VET programmes in order to ensure the appropriate supply of skills in both the short and long term. Others, mainly SMEs in industry, are trying to engage in public–private partnership models, such as the dual system (e.g. Mubarak–Kohl Initiative Dual System (MKI-DS)), the alternance model and other forms of cooperative relationship with VET providers (e.g. Arab Contractors). Many other companies have no other choice than to retrain new recruits and graduates from TVET schools on their premises.

TVET policy makers have recognised these developments and have begun to make stronger moves towards enterprise involvement in initial TVET and practical skills development, and to test work-based learning approaches[10]. The previous government, for example, was discussing specific quantitative targets for expanding the dual system in Egypt, and the current government has opted for an approach called 'Factory in every school' and 'School in every factory'. While 'Factory in every school' implies schools undertaking actual production from which profits will be gained and redistributed between the ministry and the school, the latter implies the opening of training centres in large companies to provide on-the-job training for TVET students. The NSP has established measurable indicators to be achieved by 2016/17, such as the number of schools with productive factories and the number of factories that contain schools. This concept of factory–school combinations was adopted by the MoE only a few years ago and tested in a very small number of larger companies, such as Arab Contractors, BTM and MCV. The last of these is an Egyptian manufacturer of heavy goods vehicles (i.e. buses and trucks), with 6 000 employees, connected to an industrial group. The company runs two in-house TVET tracks (one technical, the other administrative); students are selected by the company, and trainees are paid a government allocation and a bonus based on their performance. The TVET teachers come from school, but work on site and are inspected (El-Ashmawi, 2011).

Other work-based learning routes in TVET continue to exist, but do not currently receive much policy attention. The only indicators in this area in the NSP 2014–2030 relate to the school–factory model. Among these other learning routes are traditional MoE apprenticeship schemes (focused on the public and industrial sectors); an alternance scheme run by the Productivity and Vocational Training Department (PVTD) (MoITS) that mainly involves large public enterprises; the Continuous Apprenticeship of the MoMM (in the construction, maintenance and carpentry fields, and featuring social goals); the dual system (MKI), which is mainly in the industrial sector but also in services and agriculture; and the French alternance model, piloted by the EU TVET-I project in around 100 TVET schools. The Alternance Training Scheme, a form of cooperative technical education, closely involves private sector employers (at sectoral and local level) in a partnership regulated through a tripartite contract signed by the school, company and parents. The partnership involves developing curricula, training teachers and instructors, training company tutors, upgrading workshops, modular practical training and certification.

According to figures provided by the MoE, the number of schools operating under the dual system increased from 59 in 2009/10 to 116 in 2013/14. Furthermore, the number of students almost doubled in the same period, from 13 969 to 26 714, encompassing all three streams of technical schools (agricultural, commercial and industrial). Employment outcomes are very high: 85% of graduates were offered employment (according to evaluation results from 2010). According to estimates from GIZ there is potential for the number of MKI schools to expand from the current 2% to as many as 10% of TVET schools, though no more than this owing to the constraints of the private sector. Overall, work-based learning routes currently constitute a rather small share of TVET students (estimated at less than 5%). Another recent initiative, the National Modern Apprenticeship Project (NMAP), plans to target 1 000 apprentices in 50 enterprises in sectors such as household appliance maintenance, automotive manufacturing, electrical system manufacturing and food processing.

Another innovation, the Integrated Technical Education Cluster (ITEC), has been piloted since 2014 in Assiut by the EDF and Italian Cooperation (EUR 20 million debt swap). It aims to better connect the national TVET system to the business environment, and offers a double diploma through a joint foreign–Egyptian education path. It is targeting 1 000 TVET students and a number of faculty students, teachers and trainers, as well as skilled workers and unemployed individuals through new

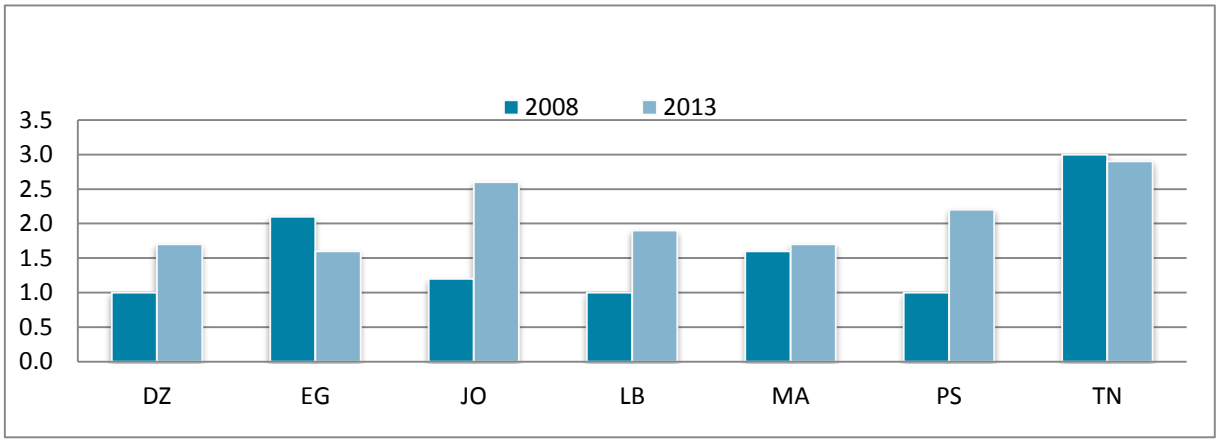
[10] The Draft TVET Reform Strategy (2012) strongly advocates the sharing of responsibilities by government, employers and social partners at every level of VET, and the need to strengthen related capacities. Embedding and extending VET partnerships are among the key priorities.

curricula, internships within enterprises and a 3+2+2 educational model: a technical school of two cycles (three secondary + two intermediate) to obtain a Diploma of Technology and a Diploma of Higher Technology, and an advanced technical college offering a two-year third cycle to obtain a Bachelor of Technology[11].

The Ministry of Tourism and the Egyptian Tourism Federation have supported various TVET projects, such as tourism workforce and job-creation programmes. More than 260 000 workers and job seekers have been trained through the Mobile Trainer Methodology, which is considered a unique Egyptian trainer model, acknowledged by the American Hotel and Lodging Association.

With regard to entrepreneurial learning, Egypt is lagging behind and needs to catch up in relation to other countries in the region. Egypt's performance has declined in the past five years and the country ranks last behind six other countries in the region, despite having implemented a number of initiatives and pilots. There is still no national strategy on entrepreneurial learning, and entrepreneurship is only weakly embedded in lower and upper secondary education, including TVET. There is potential for more strategic development in the area of training for female entrepreneurship in Egypt. Other reports confirm that Egypt also has one of the lowest penetrations of entrepreneurship education in the formal education system among the 31 countries participating in the Global Entrepreneurship Monitor (GEM) in 2008 (Sheta, 2012).

FIGURE 2.4 SMALL BUSINESS ACT ASSESSMENT RESULTS – DIMENSION 1: EDUCATION AND TRAINING FOR ENTREPRENEURSHIP IN 2008 AND 2013 (WEIGHTED SCORES)



Source: OECD, EC and ETF (2014).
Notes: DZ, Algeria; EG, Egypt; JO, Jordan; LB, Lebanon; MA, Morocco; PS, Palestine; TN, Tunisia.

A recent initiative of the United Nations International Development Organization (UNIDO) introduced training on entrepreneurship, work and life skills in 11 technical secondary schools for 580 students in the Qena Governorate. In 2015, there are plans to introduce a training module on how to set up and manage a business. Consultations are ongoing with the MoI and MoITS for a nationwide roll-out of the UNIDO Entrepreneurship Development Plan in general secondary education, technical and vocational schools.

2.4 Action and assessment of progress since 2010

International business and human development rankings indicate that Egypt's performance in certain areas has fallen back in recent years. Recent presidential elections confirmed that economic recovery, together with security and stability, is the main priority and aspiration of many Egyptians.

[11] Information provided by EDF.

- Key challenges for Egypt remain the formal private sector's low capacity to create sufficient jobs, a reduction in the proportion of public sector employment, a mismatch between education system outputs and labour market needs, and low female participation and barriers for women's entry into the private sector. Moreover, there is no National Action Plan for Youth Employment in place.

- Systematic mechanisms to identify skills demand and to match supply remain in the early stage of development, and lessons could be learnt from numerous and different pilot initiatives. Instead of continuing an approach that includes many small and scattered initiatives, thought could be given to concentrating resources more effectively by implementing joint approaches between donors and various ministries and focusing on a large-scale initiative by establishing a labour market information system. Such a system could serve TVET policy planning purposes as well as providing a basis for a national career information system for students, employed individuals and job seekers. One viable option could be to revive the National Observatory and combine it with the GIZ-supported Regional Labour Market Observatories and other similar initiatives.

Egypt has made some progress in the orientation of policy towards increased private sector involvement and in developing an understanding that this is key to addressing the challenge of skills mismatch and to better meeting labour market demands through TVET. Some initiatives have continued, and it is planned to implement new ones through the NSP.

- However, it remains unclear why priority has been assigned to the overambitious – and not yet fully tested or evaluated – concept of 'Factory in every school' and 'School in every factory'[12].

- It is also unclear why initiatives that have proved to be successful over the years, such as the dual system (MKI-DS) or ETPs have received less policy attention and do not appear in the strategic development plans for the future (NSP 2014–2030).

- A major bottleneck remains the lack of an overall framework of employer participation in TVET. Moreover, the government needs to define the areas in which the involvement of businesses in TVET would be the most beneficial, given the limited capacities of the business sector in Egypt. TVET provision definitely needs to be included in such priorities.

- The key for such involvement may be not only proper dialogue and cooperation structures but also well-targeted and context-relevant incentives to companies, accompanied by and institutionalised through appropriate regulation and legislation. Targeted research and sectoral feasibility studies could shed more light on the potential number of training places to be offered by companies, as well as the real commitment of enterprises and the existing obstacles to their future involvement. More efforts are needed in the field of entrepreneurship education in TVET in order to create a mindset for entrepreneurship and self-employment among students and to provide a better foundation for self-employment as a viable career option for graduates.

[12] Such concepts have some advantages, though they also have shortcomings and risks. In the first model ('Factory in every school') there may be limitations with regard to the range of skills that can be learned in a 'factory' or firm set up for education and training purposes, as well as a tension between the education and business functions. The second approach ('School in every factory') might be attractive only for very large companies who have the capacity to set up a 'school' within their establishment. While this would relieve pressure on the education budget, it also raises several questions of the role of the government in education and training. Moreover, the phrase 'in every' sounds overambitious and unrealistic.

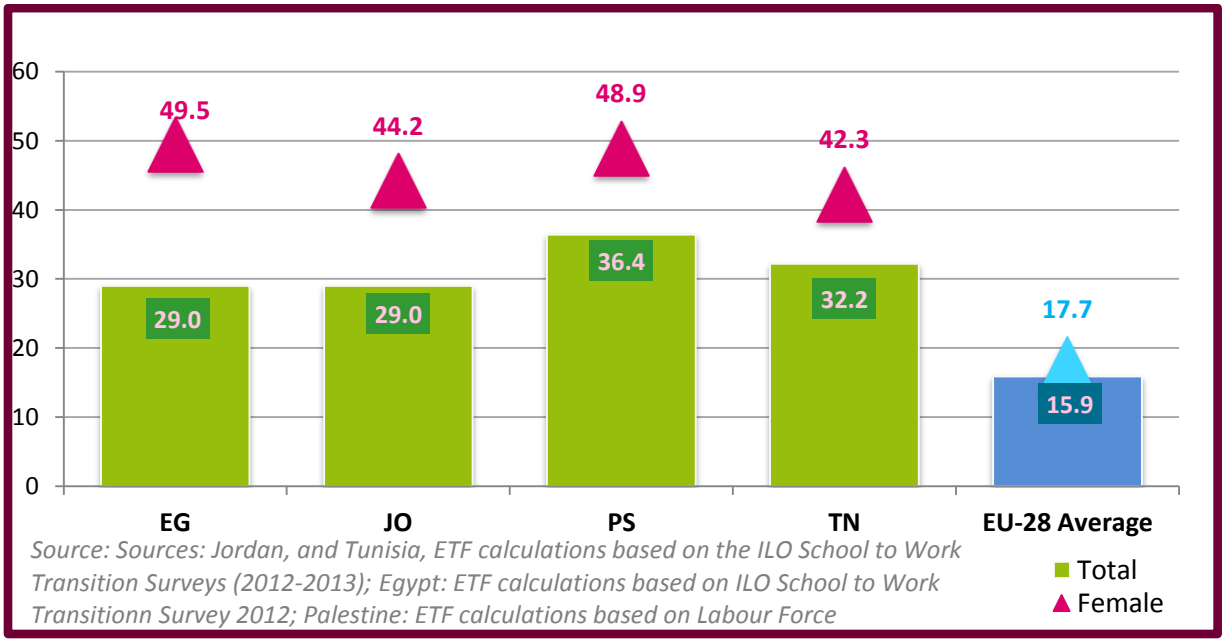
3. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING DEMOGRAPHIC, SOCIAL AND INCLUSION DEMAND

3.1 Demographic and social factors that shape demand for VET

Egypt is among the most populous countries in the world, with over 84 million inhabitants in 2013[13] and an annual population growth rate (1.7%) that continues to create a high level of demographic pressure. Young people aged 15–29 account for almost 29% of the total population. Around 32% of the population (27 million people) is younger than 15 years of age, and this calls for significant public investment in education, health, employment, housing and infrastructure. The demographic trends of the country clearly illustrate the main challenges faced by the Egyptian education and training system: access to good-quality and relevant education and training – and eventually also to the labour market – for large contingents of young people. Owing to the youth demographic bulge, around 800 000 newcomers join the labour market every year, and this in the context of an economy that continues to struggle.

The Revolution in 2011 created high expectations from society for better employment opportunities and related education and training, in particular among young people. So far, these expectations have not been met, as unemployment has increased and the education and training system has not yet improved.

FIGURE 3.1 NEET RATES (AGE 15–29) BY SEX, 2013 OR LAST AVAILABLE YEAR (%)



Source: Sources: Jordan, and Tunisia, ETF calculations based on the ILO School to Work Transition Surveys (2012-2013); Egypt: ETF calculations based on ILO School to Work Transitionn Survey 2012; Palestine: ETF calculations based on Labour Force

Source: ETF (2014a).

The NEET rate is 28.4% in Egypt for the 15–24 age group, increasing to 29% for the 15–29 age group (ETF calculations based on the ILO School-to-Work Transition Survey 2012). This means that almost one-third of the young people in the country neither work nor study. The rate for young women is extremely high (45% for the 15–24 age group, and 50% for the 15–29 age group). The NEET rate for

[13] Demographic data in this paragraph is based on CAPMAS.

young men is low, and is comparable with the EU average: 10% for 15–24 and 9.3% for 15–29. The reasons for being classified as NEET are very different for men and women: 63% of NEET men are inactive[14], 30% are unemployed (actively looking for a job) and 7% are discouraged; 82% of NEET women are family carers, 10% are unemployed and 4% are discouraged.

According to the most recent population census analysis (2006), there is a large population of nearly 3 million children who are identified as having disabilities.

3.2 Delivering to the individual demands and aspirations of learners: access, participation, progression

Technical education has traditionally functioned as a kind of buffer that regulates the stream of secondary education students aspiring to university education. The recent policy of opening up access from technical education to higher education has continued in the reporting period, and special preparatory and bridging courses are planned for the coming years. However, in these attempts to address individual needs through increased permeability, care needs to be taken to achieve an appropriate balance between labour market needs and individual needs. Against the background of the hype for higher education and the country's 'certificate-bound' society, there is a risk that negative side effects may occur. For example, technical education could be seen as providing a means of entering higher education by the back door, rather than focusing on providing young people with relevant skills for entering the formal and informal labour markets.

There have been no changes in the allocation system for graduates of preparatory school, and thus a major problem for TVET entrance and admission policy persists. There is very little concept of individuals having freedom to select a trajectory and pathway according to their interests and talents. Students are tracked to TVET through a ranking according to school marks (points), with the higher performers being allocated to general secondary education. Even within the TVET stream and its specialisations, a vertical segmentation exists that is highly questionable in terms of both individual demand and labour market effectiveness.

3.3 Delivering to socioeconomic and inclusion demand

The new NSP for Pre-University Education highlights significant steps that will be taken towards an integration policy for children with special needs, from equipping schools to providing teachers and specialists. However, this policy is still at a very early stage, and little specific reference to TVET is made, apart from the appropriate furnishing of buildings and regular maintenance. Special needs education also includes catering for talented students as a priority. Currently, 35 schools at secondary education level fulfil this purpose, and further expansion is considered. Specifically, there are plans for a centre for innovation, creativity and the arts that focuses on talents in various artistic specialisations.

The new policies governing the strategic plan also include those providing support to poor communities (e.g. appropriate school nearby, exemption from fees, free remedial classes, and provision of food, school uniform, in-kind support for families, stationery and tools). Another objective has been to establish a number of pilot specialist technical schools serving remote areas, adopting the community schools model.

[14] This category does not consider those taking care of the family, which has been defined as a separate category for analytical purposes.

Numerous other TVET initiatives that address socioeconomic and inclusion demand are being implemented. To highlight a few, the following are recent initiatives of the ITC and the MoITS.

- The Female Social and Economic Empowerment Programme (FSEEP) is a pioneering cooperation between the MoITS and the National Women's Council that aims to strengthen the spirit of gender equality by delivering soft and vocational skills to enable women to qualify for decent jobs and entrepreneurial business. The target is to train and employ 50 000 women aged 18 and over in a period of 18 months, with a budget of EGP 80 million.
- The ITC Craftsman 'Herafi' project aims to train and qualify 3 000 young people (both male and female) to take up craftsperson jobs in household appliance maintenance, air conditioning, electronic product maintenance, tile plastering, painting and decorating, electrical installation and plumbing. It proactively targets people with physical disabilities. After training, candidates are given toolkits, allowing them to start work immediately.
- Another project of the ITC ('Work-based training'), launched by a ministerial mandate in 2012, aims to encourage enterprises to employ unskilled young people and provide them with on-the-job training, along with social protection (the ITC awards incentives of EGP 1 000 per candidate, paid for training completion/employment contract and as a contribution to formal social insurance documents). So far, 2 300 young people have been employed, and future plans target the training and employment of 5 000 job seekers in 20 industrial enterprises, including 1 500 women.
- The 'My school' project implemented by the NGO 'ADEW' in 2014/15 targets the rehabilitation of infrastructure, support to disadvantaged students and community mobilisation. A targeted school in Helwan will receive scholarships to pay for books, tuition fees and clothing; 80% of targeted students are girls.
- An ILO project (2011–2014) targeted vulnerable groups in rural areas (Aswan Governorate), especially young people, to provide decent employment opportunities. It included building the capacity of training institutions, developing apprenticeships for young people in the informal sector and delivering entrepreneurial skills. The package includes a regional action plan, capacity development of training institutions, and entrepreneurial skills development for poor rural women and people with disabilities.
- In 2010 a CEC was launched in Aswan Governorate by the Om Habibeh Foundation (OHF), a partner of the Aga Khan Foundation in Egypt. It provides practical, high-quality, employment-relevant training and career advancement opportunities to both unemployed and underemployed young people of Aswan. The CEC has enabled over 1 200 unemployed young people to gain employment. It offers courses in English, IT, tourism and life skills based on partnerships with Microsoft, Cisco, Amadeus and the University of Central Asia. The OHF and CEC plan to develop a set of new institutional partnerships with leading national and international TVET providers to launch job placement and career counselling services.

3.4 Action and assessment of progress since 2010

In the context of the difficult political, economic and social circumstances and the growing expectations of the public in recent years, the social agenda has received greater attention in terms of both TVET policy and projects from national training institutions and donors. The new phenomenon of NEETs will require more policy intention in the future.

- In the reporting period numerous TVET initiatives directed towards social inclusion goals have been implemented. These are targeted at vulnerable and disadvantaged groups, unemployed and underemployed individuals, people with a disability, unskilled individuals, rural populations and female groups.

- The new NSP 2014–2030 has assigned a prominent role to the socioeconomic and social inclusion agenda. It announced a wide range of special support for poor communities and the establishment of specialist technical schools serving remote areas.
- However, the current allocation system of students to TVET does not make effective use of human capital. It needs to consider other factors that go beyond school marks in preparatory education.
- The social image of technical education, and in particular vocational training, remains very low, and more efforts are needed to change societal perception. The role that media can play in improving the image of TVET should be further investigated.

4. INTERNAL EFFICIENCY OF THE TVET SYSTEM

4.1 Quality assurance

TVET has traditionally focused more on access than on quality, although improving the quality of TVET provision has been a major policy challenge for years. It has only recently been given increased attention by various policy makers. The draft TVET Reform Strategy (2013), which has not yet been adopted, states that 'Quality is poor at all levels', and 'TVET lacks national systems of assessment, certification and quality assurance'. Furthermore, the MoE and the Centre for Curriculum and Instructional Materials Development (CCIMD) (2011) stress that TVET must also cope with the traditional 'class-based view of education, with education being divided into two types: "higher quality education" for the elites and "lower quality education" for the ordinary people'.

An indicator showing the proportion of educationally qualified teachers suggests that the quality of the agricultural and commercial TVET streams may be more problematic than that of the industrial TVET stream. Almost 60% of teachers in agriculture and 50% of teachers in commercial secondary schools are not educationally qualified, while the overall share for technical schools is around 20% (MoE, 2014).

A major milestone in the progress towards quality assurance was the establishment in 2008 of the NAQAAE as an independent body reporting to the Prime Minister. This itself has been accompanied by several challenges, including interinstitutional ones. While universities manage the process internally, pre-university educational institutions, including TVET, are supported by the Quality Assurance Division, which was set up within the MoE in response to the establishment of NAQAAE and which reports directly to the Minister of Education. The NAQAAE is responsible for assisting Quality Units at regional and local levels (idarras and muddiriyas) to foster a quality culture and to support schools in the process of complying and seeking NAQAAE accreditation. The quality assurance framework adopted by the NAQAAE has previously been assessed as being in line with international benchmarks[15], though it still does not include student assessment in the current framework.

TABLE 4.1 MODE OF DECISION MAKING WHEN SETTING QUALITY STANDARDS

	Unilateral	Obligatory consultation	If consultation, with whom
Quality standards: learning environment	NAQAAE	Universities Federation of Industries	
Quality standards: learning outcomes	NAQAAE	Universities Federation of Industries	
Quality standards: teaching	PAT	MoE NAQAAE	
Standards for provider[a] accreditation	NAQAAE MoMM	Universities Federation of Industries	

Note: [a]This can also refer to individual programmes.

Since the NAQAAE started its activities, around 4 130 educational institutions have been accredited (which constitutes only approximately 10% of the 40 000 schools in Egypt), but the process of accreditation has slowed down. The number of TVET institutions accredited so far is marginal, as in the past priority was given to basic education, preparatory schools and general secondary education.

[15] The framework comprises nine areas: vision and mission of the institution; leadership and governance; human and financial resources; civil society participation; quality improvement and accountability; learners; teachers; curriculum; educational environment. Each area is further defined by specific criteria and described through a set of indicators.

Moreover, VTCs were not within the scope of the NAQAAE, but the new management now welcomes requests from VTCs for formal accreditation. Only 35 schools have applied so far over the course of several years: 11 schools were accredited, 2 were given an extension, 1 application expired, 3 applications were postponed and 18 were not accredited[16]. This raises questions on whether the accreditation model and framework are sufficiently attractive and appropriate to the TVET context.

Funding for the NAQAAE has reportedly decreased since 2013 and commitment from schools to quality assurance seems to have been problematic in recent years. The Prime Minister has recently issued a decree for the restructuring of the NAQAAE's board of directors and has introduced new management for the NAQAAE. To further strengthen its institutional capacity and core functions, the NAQAAE also receives EU support through a Twinning project with the Teacher Education College of JAMK University in Finland, a project that will come to an end in 2015.

The new Constitution of 2014 established another milestone by introducing a specific reference to the quality of technical education in terms of its alignment with international standards. In addition, quality features as one of the three major strands throughout the NSP 2014–2030. Another noteworthy initiative is the establishment of Employment, Training and School Quality Units affiliated to the Egyptian Competitiveness Support Programmes, which have achieved an increase in the number of teachers and administrators trained (e.g. in Luxor Governorate around 14 000 and in Beni Suef Governorate over 7 000). These units also provide training for students, graduates and job seekers and offer employment services.

Earlier attempts to establish high-quality technical schools and training centres ('the 100-schools model') as centres of excellence, but also as role models to raise the quality of TVET, had some impact, but seem to have been abandoned, as such propositions are not included in the new NSP.

With regard to the VTCs, the ITC has established a partnership with the British Council's Skills for Employability Programme and the PVTD of the MoITS to build the quality assurance capacity of nine selected centres. This should lead to approval by UK Awarding Bodies for the centres to deliver internationally recognised (by the UK) skills certification. It marks an attempt to deliver better opportunities for local and international employment of VTC graduates and to enhance the social perception of skills. The ITC intends to become an internationally recognised regulator of Egyptian Skills Awarding Bodies, and has already been given approval by its board to pursue this.

The ITC, in cooperation with the PVTD, is also working to organise a National Skills Competition in 2015, with assistance from Omnia, a Finnish VET provider. The aim is to improve the social perception of TVET through this event, which will be widely marketed through the media.

The work on the NQF has proved to be a prolonged and complicated process. It is still at a preliminary stage of implementation, and no budget has so far been allocated to it. Before the Revolution there was consensus that an NQF was needed, and in 2012 the Prime Minister endorsed a concept paper and tasked the NAQAAE with starting development of the framework, though with no legal mandate or budget. However, no progress has been made since then.

At regional level, Egypt is participating in the Qualifications for the Mediterranean (Q4M) project launched by the ETF in 2010. This aims to enhance Euro–Mediterranean partnerships on the topic through networking and the sharing of experience on NQFs and qualification development. The Q4M project aims to increase trust and transparency between countries on sectoral qualifications in the tourism and construction sectors and to create conditions to facilitate recognition of each other's qualifications. To date, common profiles for occupations in these two sectors have been developed,

[16] Source: www.naqaae.eg, last accessed 12 December 2014.

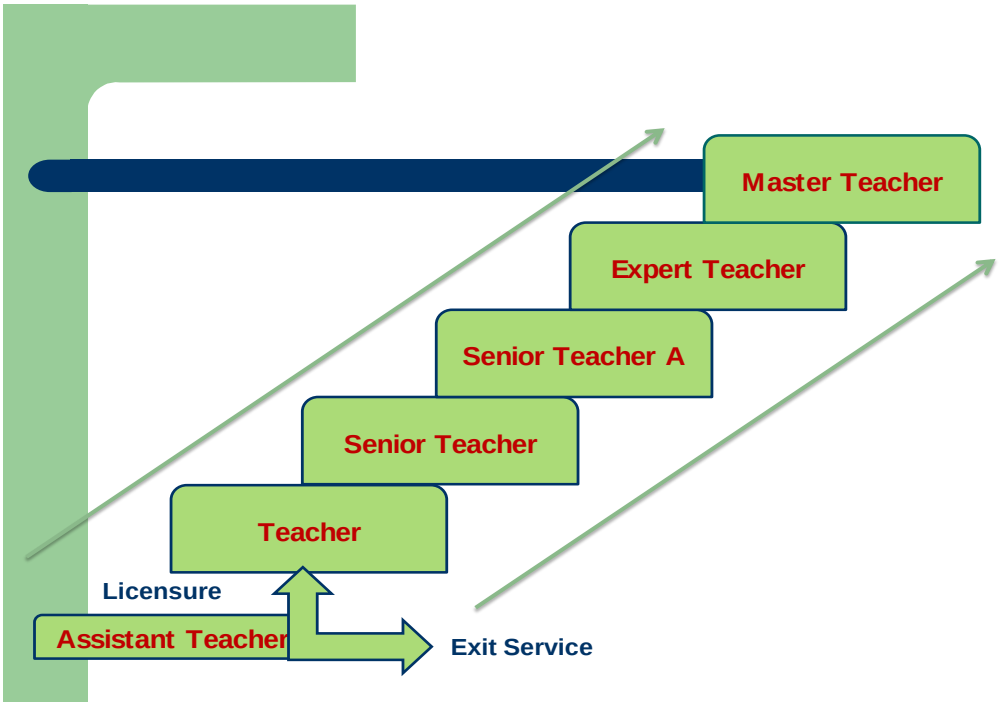
and some countries are planning to develop pilot profiles in related occupations[17]. The MoMM, in cooperation with the ITC and the Scottish Qualifications Authority, has accredited 25 out of 52 qualifications in the field of building and construction.

The ITC also launched a continuation of the Skills Development Project co-funded by the World Bank and MoITS between 2004 and 2010. Training programmes tailored to the needs of enterprises and pre-arranged training-needs assessments will be implemented by selected training providers. The project will also use a mechanism that increases awareness of the importance of vocational training. Another ITC initiative – the EVCQ1 Development and International Endorsement Programme – aims, in partnership with employer organisations, to develop demand-driven and internationally endorsed vocational qualifications that are in line with the skills standards required in the industry, tourism and construction sectors. To date, 350 qualifications have been developed and endorsed, although the extent to which these are used and updated is not clear. Future plans have a target of 50 qualifications covering 20 trades in the industrial sector.

4.2 Policies for TVET trainers and directors

The most important developments in recent years have been the introduction of a Teacher Cadre in 2006 and the establishment of PAT in 2008, both of which aim to enhance teachers' professionalism and provide a general framework for their professional development. This has led to a new career development system linking salaries, incentives and promotions on a six-level scale.

FIGURE 4.1 THE NEW TEACHER CADRE AND ITS SIX LEVELS



Source: MoE (2011).

While PAT deals with the training of teachers, mentors, counsellors and school principals, a government Department for Training is in charge of the training of other state employees.

[17] A methodology and users' guide to developing common occupational profiles and comparing sectoral qualifications between countries have also been developed. The participating countries are Egypt, Morocco, Tunisia, Algeria, France, Spain and Italy.

In the reporting period PAT has started to function and its capacity has increased considerably (from 6 staff in 2011 to 206 in 2013). PAT was established in 2008 (Presidential Decree 129/2008) and then put on hold until March 2011, but given that teachers' promotions could not move ahead before PAT had accredited them, the matter had become urgent. PAT has an extensive remit covering all teachers, whether employed in general education or in TVET, and whether working for the state or the private/religious school sector (in total about 1.7 million staff). It is independent from the MoE, and the Prime Minister is the chair of its governing board, indicating that it has high-level support.

Between 2011 and 2012, PAT was involved in the training of 600 000 teachers, and since the Revolution of 2011 it has contracted 150 000 new teachers, licensing them in the lowest of the six cadres, i.e. as Assistant Teachers. PAT has also been involved in the conversion programme targeted at non-teaching staff.

Criteria and regulations for licensing teachers are now operational, and are being used to recruit new teachers and to process applications for promotion. Similarly, criteria and regulations for quality auditing and licensing of training programmes are reported to be in place (ETF, 2013b). In 2011/12, 47 training programmes were endorsed, as they met the quality standards established by PAT. Standards for trainers of teachers have also been promulgated, with two types of licences: one for those involved in general education, the other a special licence for those supporting teachers' work, such as social workers.

With effect from 2013, anyone involved in the training of teachers, including donors and NGOs, must be endorsed by PAT. Standards for licensing teacher-training centres have been issued, and focus on such aspects as the state of the facilities, the materials used, and the training programmes themselves. By 2013, ten private and two public centres had applied for licensing, with the successful applicants acquiring a three-year licence that can be revoked at any point by PAT if standards slip. External assessors are used in this exercise, and here again standards for the selection of such processes have been established, with appointees granted a licence for three years in the first instance.

However, despite a number of achievements, concern has been expressed that the criteria for the licensing of teachers have been watered down too much: the exam that had been put in place has been removed following complaints from teachers and has been replaced by rather soft criteria that could compromise quality.

The previous NSP set a target to change the ratio of teaching to non-teaching staff from nearly 1:1 in 2005/06 to 1 member of non-teaching staff for every 2.2 members of teaching staff in 2011/12. It was thought that this could be achieved through the implementation of the new Teacher Cadre, which would encourage administrative and other staff within the education system to return to their teaching careers. This target seems to have either failed or been abandoned, as no monitoring and data results have been made available. Moreover, the definition seems to have changed in recent years, making comparison with the initial targets almost impossible.

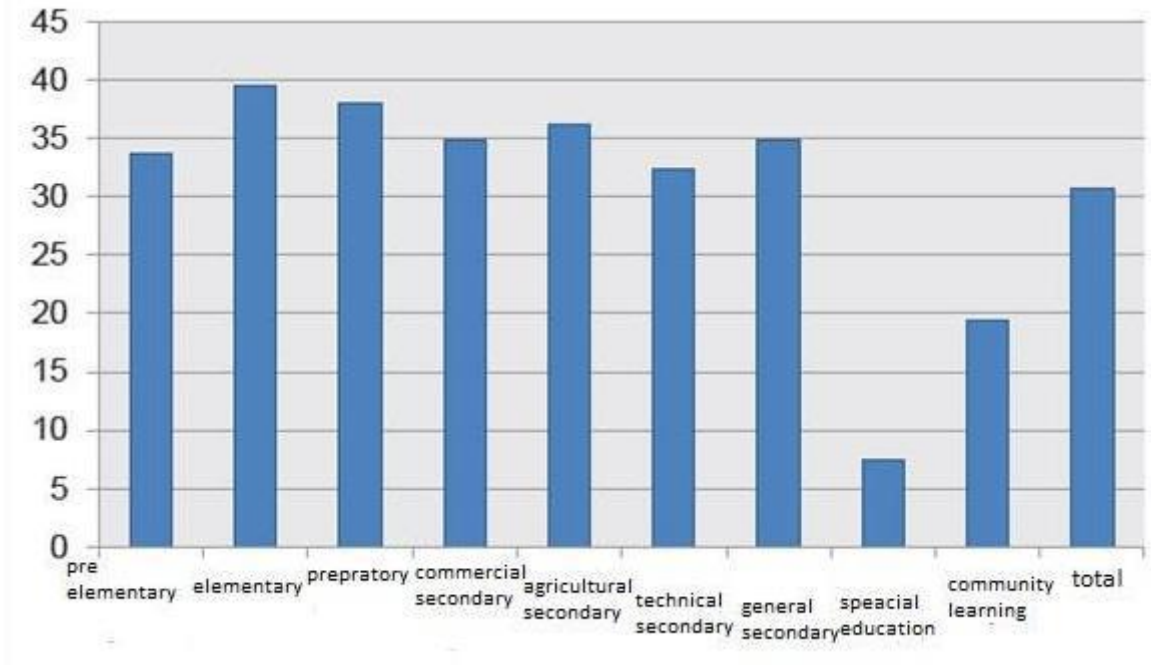
Though it is difficult to find specific data, it appears that TVET teachers receive less support than other teachers in terms of continuing professional development. It also seems that the implementation of the Teacher Cadre has had less impact on the career progression of teachers in technical education than those in general education. In 2012/13 only 20% of teachers in technical education were in the two highest levels of the Cadre (Senior Teacher, Expert Teacher) (19% for three-year and 22% for five-year school teachers), whereas in general secondary education over 40% of teachers were in these categories.

4.3 Teaching and learning

In terms of learning conditions, serious problems continue to be reported regarding training for practical skills, as school laboratories and facilities are often either outdated or inadequate for all students. As a result, students have insufficient real opportunities to gain practical skills so that they are properly qualified for skilled work, unless they are involved in one of the work-based learning programmes (see Section 2.3). The OECD and World Bank (2013) review of the education system in Egypt confirmed that equipment in TVET schools often did not meet the expected standards; in some cases learning equipment was found to be more than 50 years old.

The ratio of students to teachers in technical secondary education (9:1) is relatively low compared to international standards, and is also lower than the ratio in general secondary education (12:1), although the ratios in agricultural (17:1) and commercial (15:1) secondary schools are somewhat higher[18]. The average classroom density in technical education of around 33 students per class (2012/13) is slightly more favourable than the classroom density in general secondary education (35), and is better than the target set by the General Authority for Educational Buildings (GAEB) of 40 students per class on average for all types of school. However, given the specificities that TVET requires, this density cannot be considered low enough to constitute a learning-conducive environment for students.

FIGURE 4.2 AVERAGE CLASSROOM DENSITY ACROSS EDUCATIONAL LEVELS, 2012/13 (NUMBER OF STUDENTS)



Source: MoE (2014).

The status of curriculum reform and its implementation is not entirely clear, including the draft National Curriculum Framework for general secondary education and its links to TVET that was prepared by the CCIMD in 2011. The previous policy was to opt for a core curriculum for general and technical education that would ensure that students in both tracks have a common base of knowledge, culture and skills. In parallel, some six years ago, specialisation in technical education schools was postponed from the first year to the second year of TVET schooling, allowing students to make better choices and

[18] Data in this section are mainly from the two NSPs for Pre-University Education (2007–2012 and 2014–2030).

also building a common foundation for all TVET students. It is not clear to what extent this reform has been implemented.

In the CCIMD document, key competences are seen as playing an increased role in education, and there seems to be a growing awareness of this issue overall. In addition, other reports (El-Ashmawi, 2011) highlight that many employers frequently express deep concern about not only the technical skills of graduates but also their skills in communication, team work, problem solving, work attitude and in some cases even literacy. As well as increasing the quality of technical skills, the curriculum needs to include a broader skills mix, and this would certainly enhance both the effectiveness and attractiveness of TVET.

The curricula revised by the EU TVET Reform Programme have been adopted by 41 technical schools. These curricula are designed in a modular way, are standards-based, and involve school- and work-based education and training.

TABLE 4.2 RESPONSIBILITY FOR CURRICULUM CONTENT AND TEACHING STANDARDS

	Responsible for determining	Obligatory consultation	If consultation, with whom
Curriculum content	MoE (Technical Education Sector, Curriculum Development Department) NAQAAE[a] MoMM[b]	Relevant sector professionals	Federations and Chambers of Industry and Commerce
How curriculum is taught	General Administration of Educational Media MoE MoMM (Central Department for Vocational Training Sector)	PAT	

Notes: [a]The NAQAAE is mandated to develop the NQF. [b]The MoMM is the designated authority for developing occupational profiles, which should influence the training content accordingly. The MoMM has developed 325 occupational profiles. The need to develop a certain profile is identified by the MoMM offices at the level of governorates, where they receive requests for licensing. The governorate then communicates this need to the MoMM Central Training Unit (CTU), which forms a committee consisting of four members (two internal experts from the MoMM and two external experts, either from the MoE or relevant sector professionals).

With regard to information and communication technology (ICT), only a minority of teachers in Egypt are prepared to teach basic computer skills or computing. According to a UNESCO study (2013) only 2–3% of teachers in Egypt are ICT-qualified, while other Arab countries such as Jordan, Palestine and Oman are well ahead of Egypt in this respect. Although the data are aggregated and do not differentiate between general education and TVET, there is good reason to believe that the situation in TVET is similar to the overall picture. The lack of ICT infrastructure in Egypt and of a strategy to broaden the availability of ICT in education can be seen as primary causes.

4.4 Efficiency of use of resources

Baseline data on the ratio of non-teaching to teaching staff (MoE, NSP 2007/08–2011/12) indicate that huge inefficiencies exist in the Egyptian pre-university education system, and this may equally be the case for TVET. This ratio was nearly 1:1 in 2005/06, and the target was to have 1 member of non-teaching staff for every 2.2 members of teaching staff in 2011/12; this was to be achieved through the new Teacher Cadre. Since this target has been silently abandoned and was most probably not achieved in the course of the NSP implementation, no updated and comparable data are currently available.

According to the MoE, some technical secondary schools operate as both technical and vocational schools with the same teaching staff, laboratories and facilities. Though on the one hand this may be viewed as an efficient approach, on the other it poses a problem with regard to practical skills training

in terms of the infrastructure required, as well as an increased burden on teaching staff and administration.

The existence of multiple shifts in schools shortens the school day, and although this may be a more efficient use of educational institutions, there is a risk that the quality of learning will suffer. Double shifts have traditionally occurred more frequently in technical schools (33% of those schools in 2005/06) than in general secondary schools (5%).

TABLE 4.3 PROPORTION OF FULL-DAY SCHOOLS AND SCHOOL SHIFTS BY TYPE OF EDUCATION IN 2009/10

Secondary level	Total number of schools	Full day (%)	Morning (%)	Evening (%)	Double shifts (%)
General	2 414	49	44	4	3
Technical	1 801	23	36	17	24

Source: MoE (2014).

The most recent data available (2009/10) show that the proportion of schools with multiple shifts decreased considerably to 3% in general schools and 24% in technical schools. Most schools operate on a half-day basis, in either the morning or evening, and often the same building is used for two different institutions with different staff and management (MoE, 2011).

4.5 Action and assessment of progress since 2010

It is evident that the expansion of technical education in previous decades has been at the expense of quality.

- The current policy that attempts both to raise quality and to increase access may face dilemmas if no clear targets are set on the desired magnitude of technical education and its different streams.
- At the same time, in the absence of a specific strategy on quality assurance in TVET, a clear policy statement is needed, as the number of technical education schools applying for quality assurance remains marginal.

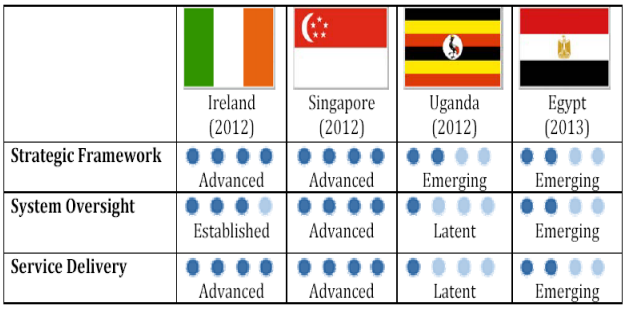
There is also a need for reflection on whether the current quality framework is sufficiently adapted to the needs and specificities of TVET, and the future policy on quality assurance should target the entire TVET system, rather than just segments of it. Cooperation and coordination between the different agencies and actors involved in quality assurance could also be strengthened. As the work on the NQF has come to a virtual standstill, it should resume and develop a clear roadmap for how to implement the NQF model developed by NAQAAE, taking into account existing VET qualifications and national skills standards qualifications. The national conference planned for early 2015 could build an appropriate platform to relaunch the process as well as to reflect upon the need for establishing a separate entity on qualifications.

- Although PAT has increased its capacities and expanded its activities, it appears that TVET teachers have not benefited from it as much as other teachers have. Moreover, the emphasis has been on the implementation of the Teacher Cadre and the training provision that is instrumental to it.
- There is a need for a comprehensive policy document that focuses on the initial and continuing professional development of TVET staff, a disparate group that includes not only TVET teachers, instructors and management, but also in-company trainers and other categories of staff.

- A review of current training programmes for VET staff could be beneficial in order to assess its impact and its responsiveness to the demands of TVET professionals and to new technological and societal developments. Regularly updated information on the proportions of teaching and non-teaching staff in TVET schools would allow progress towards the efficient use of human resources to be monitored. Curriculum reform needs to give more attention to key competences, including the ICT skills of TVET staff. A broader skills mix would enhance both the attractiveness and effectiveness of TVET.
- With regard to updating the learning equipment in TVET schools, a proper balance needs to be considered between school-based and work-based learning. Enhancing the latter could help to remove some of the pressure from public funding by shifting some of the training costs to the private sector.

Although some progress has been achieved overall in recent years, much more needs to be made in the future. A recent World Bank assessment of TVET in Egypt (2013) ranked the three categories – service delivery, system oversight and strategic framework – as being only at an 'emerging level'. **FIGURE 4.3** presents a comparison of Egypt's scores compared with those for three other countries.

FIGURE 4.3 WORKFORCE DEVELOPMENT IN IRELAND, SINGAPORE, UGANDA AND EGYPT



Source: World Bank (2011).

5. GOVERNANCE AND POLICY PRACTICES IN THE TVET SYSTEM

Public administration in Egypt still suffers from serious shortcomings that make it difficult to improve the internal efficiency and effectiveness of the TVET system. For example, in the NSP 2014–2030 the MoE points out that the general office of the ministry, its directorates, its departments and its educational administration have a severe labour surplus, low levels of productivity and poor quality of services. In addition, there seems to be a lack of job descriptions and of descriptions of the tasks of the sector as a whole. Employees are reported to be unfamiliar with their duties, and educational leaders are usually chosen on the principle of seniority rather than of competence or performance. The demand for and use of information systems provided by the General Administration for Information, Statistics and Computers is considered low, and there is a need to train users in different sectors of the ministry on information-based decision making.

Interministerial linkages are weak. A major bottleneck in recent years has been the limited capacity in the MoE for strategic planning and monitoring; this has made it almost impossible to plan and monitor education reform effectively. Staffing in the Policy and Strategic Planning Unit (PSPU) has been reduced from fifteen to six over the past five years. The restructuring of the MoE and affiliated agencies has been long delayed.

Good governance and accountability in the management of technical education at all levels have therefore been stated as major strategic objectives in the new NSP. During the past four years, several proposed structures for the MoE have been drafted by a committee representing various ministries (including the Ministry of Finance) and discussed with Central Authority for Organisation and Administration. In addition, a USAID-supported functional analysis of the MoE has taken place. Only recently, in June 2014, a ministerial decree established a new structure for the MoE, which is now organised into eight main sectors, including the Technical Education Sector. Quality and IT became a separate sector, including planning, quality and management information systems.

It is not clear whether affiliated key agencies (CCIMD, National Centre for Educational Research and Development, National Centre for Examinations and Educational Evaluation) have also been affected. A draft Presidential Decree has been prepared to merge some agencies.

A significant shift towards a more outcome-oriented model of TVET governance was been marked by the establishment of a School-to-Work Transition Unit in the MoE in June 2014 (Ministerial Decree No. 283), with support from GIZ. This unit, headed by the Technical Education Sector, includes a division on career guidance that is the first of its kind in the history of TVET and education in Egypt. Its function is to recommend policies, mechanisms and standards for school-to-work services and to review the impact of initiatives and pilot projects that support students' school-to-work transitions. The bylaw of the ministerial decree is still pending, but regional units have been established at governorate level, to include career guidance, employment and entrepreneurship functions.

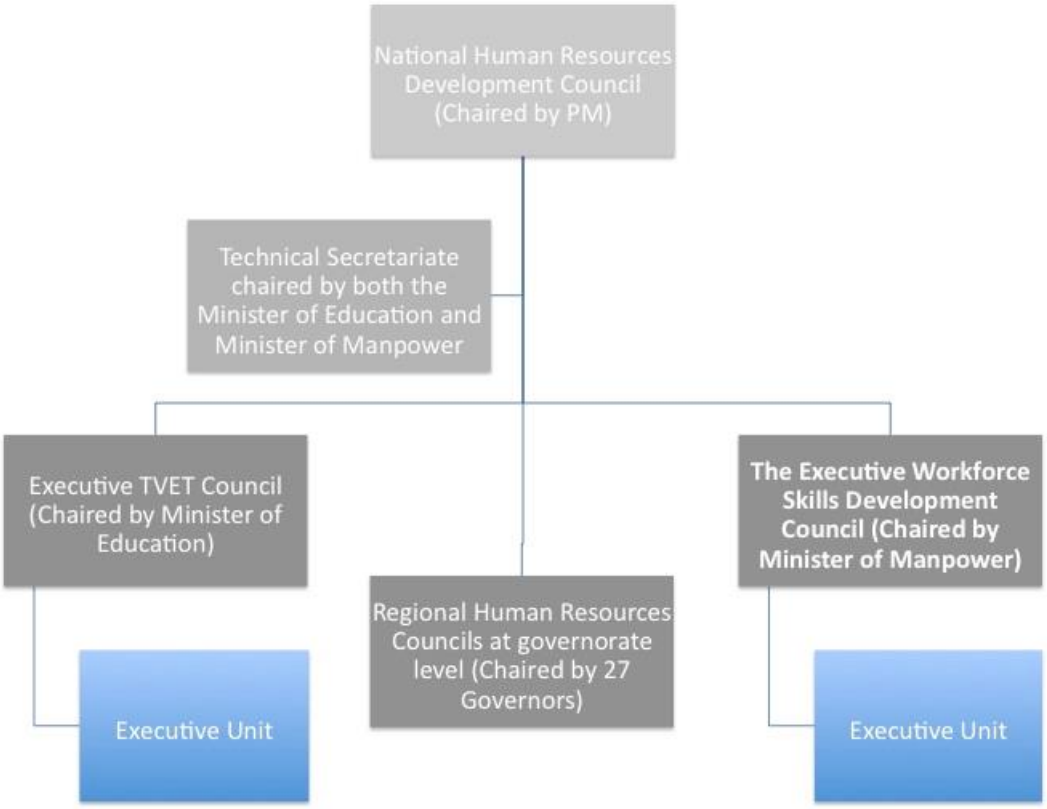
Another notable development was the introduction of a Deputy Minister for Technical Education in spring 2014. This is considered to be a first step towards the establishment of a separate TVET Ministry in the future. While the mandate of the future TVET Ministry is still unclear, the current task of the Deputy Minister for Technical Education is mainly to establish efficient coordination with a view to upgrading the performance of technical schools.

Some restructuring has taken place with regard to the ETPs. A series of ministerial decrees were issued by the MoITS in 2014 to foster coordination between ETPs[19].

5.1 Institutional settings

Reshaping the complex landscape and governance structures of TVET (see Annex 2) to make it more effective and efficient has been a key issue in TVET policy for governments both before and since the Revolution of 2011. Various options have been explored, and one model was close to being adopted in 2013. This proposed a TVET Authority with responsibility for policy development and coordination functions that would also unite all TVET delivery under one umbrella. The new government opted for a different approach, a system of cascading councils starting from the top-level National Human Resources Development Council (NHRDC, chaired by the Prime Minister), which has two Executive Councils (one for TVET, chaired by the Minister of Education, and one for Skills Development, chaired by the Minister of Manpower). A Technical Secretariat of the NHRDC chaired alternately by the Minister of Education and Minister of Manpower should ensure coordination of the activities of NHRDC and its subordinate councils. In addition, there are plans to establish Regional Human Resource Councils at governorate level (each chaired by 1 of the 27 governors). Both the TVET Council and the Skills Development Council have separate Executive Units (see **FIGURE 5.1**) to follow up on the implementation of decisions, prepare reports and coordinate with regional councils. The legal basis was provided by three Prime Ministerial Decrees (Nos. 705, 706 and 707) in May 2014.

FIGURE 5.1 NEW GOVERNANCE MODEL FOR TVET IN EGYPT, 2014



[19] These decrees concerned the extension of the role of the TVET project PMU until June 2015 to continue to perform its supervisory and coordination role among the ETPs and the formation of a committee for coordination between industrial ETPs. Another decree linked local ETPs to sectoral ETPs. Within this framework, each local ETP would link to the sectoral ETP that is most relevant to the dominant industry in the region. In addition, the boards of directors of the sectoral ETPs were restructured.

While the NHRDC is responsible for national policies and operational strategies for all levels and types of education and training, including coordination between the authorities concerned, the two Executive Councils are in charge of implementation, development of systems and procedures, quality standards, labour market analysis, developing partnerships with business and civil society, and similar activities. The TVET Council has a mandate to coordinate between the technical education and vocational training stakeholders in order to achieve integration of development policies and strategies and to follow up the development and implementation of the NQF. The Skills Council deals with VTCs and wider HRD issues. It also coordinates the Training Fund in relation to funding the establishment, development and modernising of training programmes and centres.

TABLE 5.1 DISTRIBUTION OF RESPONSIBILITIES

	Objective setting	Implementation	Monitoring
Who is responsible?	NHRDC Executive Council for TVET Executive Council for Skills Development MoE MoMM MoITS Ministry of Housing and Urban Development Supreme Council of Technical Colleges	Directorates of Technical Education Directorates of Manpower and Migration Board of Trustees of Colleges Central Department for Vocational Training PVTD	NHRDC Executive Council for TVET Executive Council for Skills Development
Who is accountable?	MoE, Technical Education Sector Supreme Council for Technical colleges MoMM MoITS Ministry of Housing and Urban Development Ministry of Agriculture Ministry of Health	Technical education schools Technical colleges VTCs Productivity and Vocational Training Centres TOMOHAR centres	Regional TVET Councils
Who is consulted?	Federation and Chambers IDSC		
Who is (only) informed?	General Directorate of Technical Education (MoE) Central Department for Vocational Training (MoMM) PVTD (MoITS) ITC Construction Skills Development Council TOMOHAR board		

Note: TOMOHAR, Training Organisation of the Ministry of Housing.

TABLE 5.2 MODE OF ACTION AND DECISION MAKING OF THOSE RESPONSIBLE

	Objective setting	Implementation	Monitoring
Full autonomy/unilateral	NHRDC	MoE MoMM Board of trustees (colleges) Line ministries	
After (obligatory) consultation[a]	MoE Line ministries CAPMAS Ministry of Planning MoMM Ministry of Youth and Sports Ministry of Finance		
If consultation, with whom? (please list)			

Note: [a]Consultation could be both because of an obligation to involve and for accountability purposes.

5.2 Financing and decentralisation

The education budget in Egypt continues to favour university education, which absorbs around 30% of the total budget but caters for only around 6% of the total number of students. Of the budget allocated to pre-university education (around EGP 30 billion), 15% is distributed to technical and vocational secondary education and about 10% to general secondary education. However, there are inconsistencies in the available data. The total expenditure on education by the MoE nearly doubled from 2007/08 to 2012/13 and increased in the reporting period from 2009/10 by almost 50%. A costing scenario for the implementation of the NSP activities estimates that the budget needs to be increased for the secondary education sector (both general and technical education) by nearly 40% in the short period between 2014/15 and 2016/17. This will be difficult to achieve if the economic situation and related budgetary constraints continue as at present.

A key issue in recent years has been the fiscal decentralisation in education that formed a major pillar of the previous NSP. In the decentralised expenditure pilot in 2008/09 (and also 2009/10), 29 muddiriyas, 29 branch offices of the GAEB, 267 idarras and over 38 000 schools were involved, developing plans and handling budgets that most had never dealt with before. An evaluation in nine governorates in 2010/11 concluded that fiscal decentralisation was a success story. According to the MoE's self-assessment (in 2013) of Target 3.2 (Decentralisation) of the Education Sector Policy Support Programme (ESPSP), almost 70% of the total decentralised budget was successfully spent (ETF, 2013b). The comments most frequently made by respondents to the questionnaire related to the need for yet more spending freedom at the school level and the need to loosen up certain rules and regulations to enable schools to better exercise that freedom. The pilot is being extended to all schools.

Egypt also piloted a medium-term expenditure framework (MTEF) within the framework of the EU Direct Budget ESPSP, including technical education, as part of the overall public finance management reforms and fiscal decentralisation strategy. However, this process lacked consolidation and, apart from a manual that was produced to guide and train staff on the MTEF, has been at a virtual standstill since 2010. The ESPSP assessment concluded that interest and ownership of the MTEF in the MoE is rather limited, and it is unlikely that the education sector MTEF will be updated for the period up to 2015/16 (ETF, 2013b).

Training has been delivered, and Muddiriyas were thought to be in a position to start analysing budget allocations at different education levels and evaluating their efficiency and effectiveness. Shortcomings have been reported with regard to the planning phase and the analytical capacities of staff. By 2013, governorates had not yet submitted their budget proposal using the programme structure.

One failure has been the attempt to enforce legislation (Prime Ministerial decree in 2011) on providing incentives to promote private sector intervention in school construction, under a public–private partnership model. According to the GAEB, the main reason was a lack of interest on the part of the private sector owing to complicated procedures, the multiplicity of governmental parties involved, the small size of buildings, and difficulties relating to access and land supply.

No up-to-date information was obtained on the implementation of the Education and Production Capital Project, which was introduced by ministerial decree in 2001. This permanent project aimed, among other goals, to provide more practical exercises for students and to increase teachers' income through production-related pay. Capital allocated for the project was to be invested in production or in providing services according to the specialisms within the school. According to the decree, net profits would be distributed according to a formula (55% as compensation for the project supervisors, 15% for the school's benefit, 2% for social services to students, 20% added to the capital). There is a need to

comprehensively evaluate this project and to explore its potential to address some of the challenges at VET school level.

There have been attempts to revive the National Training Fund, which was created under the Labour Law in 2003 and which applied a 1% levy of net profits to companies employing 10 or more employees. The fund, managed by the MoMM, has not been operational, as some companies have contested its constitutionality in the courts (Amin, 2014). The Minister of Manpower and Migration recently signed a protocol for the implementation of a Training and Employment Programme with the Foundation of the Liberal Forum and Trade Union for Workers in the Private Sector in four governorates, which will be co-funded by the National Training Fund at 50%.

5.3 Assessment of progress since 2010

Although the effectiveness and efficiency of the VET system and its current governance structures remain limited in terms of addressing the current economic, labour market, social and inclusion demand, there have been significant decisions and changes that have the potential to achieve systemic progress or at least to unblock the previous reform stagnation.

- Decentralisation has continued and is reported to be a success. In the next phase, processes could be optimised, local capacities further developed and consolidated, and the potential for further decentralisation explored.
- In the field of governance, the current government has given important signals and taken concrete steps in relation to changing the governance model of TVET by introducing a system of cascading councils. This represents a move from a fragmented to an integrated governance model that aims to minimise parallel structures. In addition, the new portfolio of Deputy Minister for Technical Education was created (though at the same time the position of a First Undersecretary remained vacant) as a first step towards the establishment of a separate TVET Ministry.

It is hoped that these and other new structures – as well as the EU TVET-II Reform Programme, which has a focus on governance and will start in 2015 – will put an end to the chronic governance problem of TVET in Egypt, which has sometimes been perceived as 'ingovernability'. However, it is far too early to assess the effectiveness, as implementation is still in its early stages.

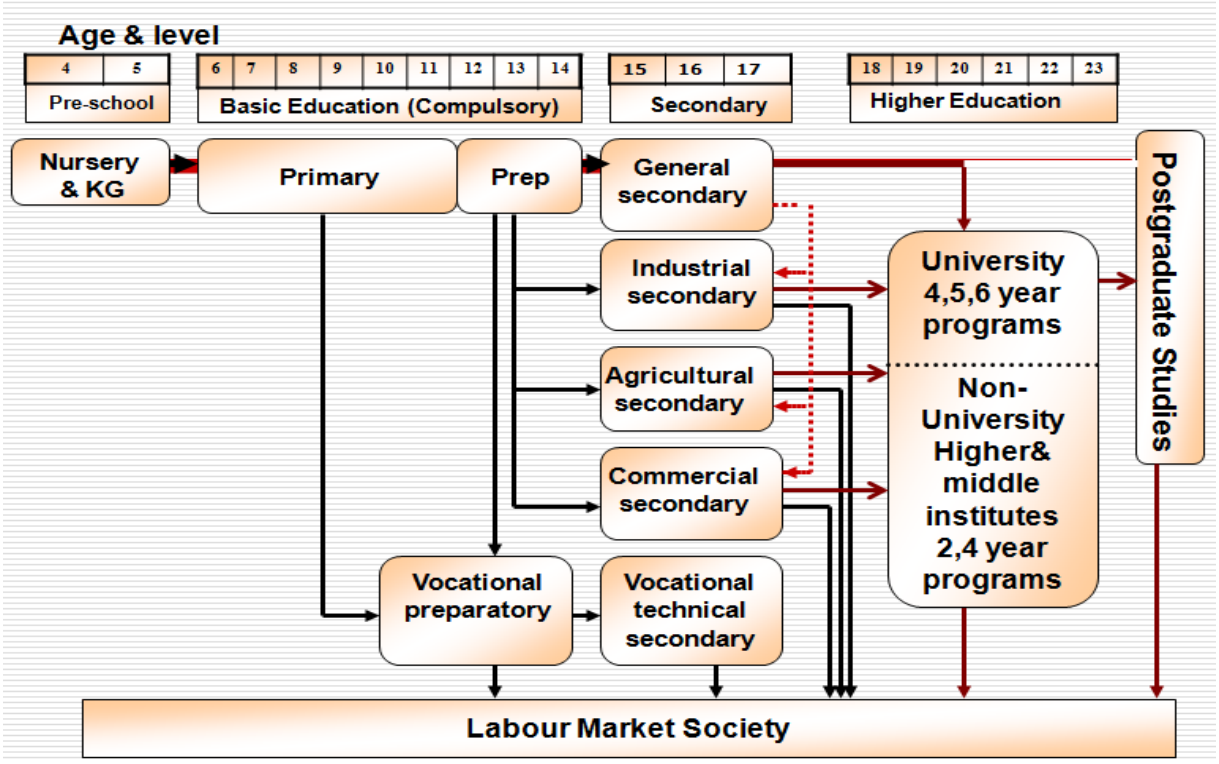
- Given Egypt's past experience with numerous councils that were not fully operational or effective, a certain amount of caution may be voiced. More importantly, lessons should be learnt from previous experiences – both successes and failures.
- The structure itself carries a potential risk, as the regional councils follow the NHRDC and not the Executive Council for TVET. This may lead to further fragmentation if no proper coordination is in place. The Executive Council for Skills Development appears to have overlaps with a similar council within the Ministry of Social Solidarity.
- It will be a challenge to ensure that the two Executive Councils cooperate rather than compete. Clarity on the roles, responsibilities and accountabilities of all actors will be crucial in this respect. In addition, clear performance targets and monitoring and evaluation mechanisms must be set up and agreed. Both Executive Councils will definitely need to be properly staffed, and are under pressure to develop, within a relatively short time, the necessary capacities to cope with the mounting challenges.
- Finally, a framework and mechanism for stronger employer and private sector participation in TVET planning and implementation is crucial. At present this may not be achievable, as the NHRDC and the two Executive Councils are each composed of around 20 members, the majority

of them ministers, with little private sector participation (apart from the Directors of the Federations of Industries, Trade, Tourism and Construction).

- The capacities of the MoE, the MoMM and other ministries and agencies affiliated to TVET need to be strengthened, in particular with regard to strategic TVET planning and self-assessment capacity. This should be accompanied by the establishment of a comprehensive and integrated monitoring and evaluation system that links well with decentralised structures.
- The Training Fund model should be revisited and, in conjunction with employers' organisations, options explored for reviving and modifying it in the best way.

ANNEXES

Annex 1. Structure of the Egyptian education system



Source: MoE (2011).

Annex 2. Distribution of responsibilities for quality standards

	Responsible for setting	Accountable for compliance	Monitoring and assessment
Quality standards: learning environment	NAQAAE MoMM	Technical education schools Technical colleges VTCs	Quality Assurance Division (MoE)[a] Technical colleges Supreme Council of Technical Colleges Reviewers from NAQAAE MoMM
Quality standards: learning outcomes	MoE Supreme Council of Technical Colleges MoMM Line ministries NAQAAE	Technical education schools Technical colleges VTCs	General Department for Examination MoE Supreme Council of Technical Colleges Occupational Licensing (MoMM)
Quality standards: teaching	PAT	MoE Supreme Council of Technical Colleges VTCs	PAT
Standards for provider[b] accreditation	NAQAAE MoMM	MoE Supreme Council of Technical Colleges	Reviewers from NAQAAE

Notes: [a]For the purpose of supporting educational institutions to comply with NAQAAE quality standards framework, the MoE established the Quality Assurance Division at the national level and Quality Assurance Units at both the idarra level (which supervises many schools) and the Muddiriya level (which supervises many idarras). [b]This can also refer to individual programmes. [c]MoMM certifies VTCs.

ABBREVIATIONS

ALMP	Active labour market policy
BEEPS	Business Environment and Enterprise Performance Survey
CAPMAS	Central Agency for Public Mobilisation and Statistics (national statistical office)
CCIMD	Centre for Curriculum and Instructional Materials Development
CEC	Continuing Education Centre
CTU	Central Training Unit
CVT	Continuing vocational training
EDF	Education Development Fund
ELMPS	Egyptian Labour Market Panel Survey
ESPSP	Education Sector Policy Support Programme
ETF	European Training Foundation
ETP	Enterprise–TVET Partnership
GAEB	General Authority for Educational Buildings
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HRD	Human resources development
ICT	Information and communication technology
IDSC	Information and Decision Support Centre
ILO	International Labour Organization
IOM	International Organization for Migration
ITC	Industrial Training Council
ILO	International Labour Organization
ITC	Industrial Training Council
MKI	Mubarak–Kohl Initiative
MoE	Ministry of Education
MoFA	Ministry of Foreign Affairs
MoHE	Ministry of Higher Education
MoITS	Ministry of Industry, Trade and Small and Medium-Sized Enterprises
MoMM	Ministry of Manpower and Migration
MTEF	Medium-term expenditure framework
NAQAAE	National Authority for Quality Assurance and Accreditation of Education
NEET	(Young person) not in education, employment or training
NGO	Non-governmental organisation
NHRDC	National Human Resources Development Council

NPTE	National Programme for Training for Employment
NQF	National qualification framework
NSP	National Strategic Plan (for Pre-University Education)
OECD	Organisation for Economic Co-operation and Development
PAT	Professional Academy of Teachers
PSPU	Policy and Strategic Planning Unit
PVTD	Productivity and Vocational Training Department
Q4M	Qualifications for the Mediterranean
SABER	Systems Approach for Better Education Results
SME	Small and medium-sized enterprise
TOMOHAR	Training Organisation of the Ministry of Housing
TVET	Technical and vocational education and training
UAE	United Arab Emirates
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNIDO	United Nations Industrial Development Organisation
USAID	United States Agency for International Development
VET	Vocational education and training
VTC	Vocational training centre

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