

TORINO PROCESS 2018–2020

EGYPT

NATIONAL REPORT

Disclaimer

This report is prepared in the framework of the Torino Process 2018-20, based on the methodology and expertise provided by ETF. The content in the report has been reviewed by the relevant national authorities.

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ACRYNOMS

ATI	Advanced Technical Institute
CVT	Continuing vocational training
CBE	Central Bank of Egypt
EEDS	Enhancement of the Egyptian Dual System Project
EDF	Education Development Fund
EPP	Employment Promotion Project
ETF	European Training Foundation
ETP	Enterprise TVET Partnership
ETQAAN	Egyptian TVET Quality Assurance and Accreditation National Authority
ETVETC	Executive TVET Council
EU	European Union
FEI	Federation of the Egyptian Industries
FY	Fiscal Year
GoE	Government of Egypt
HDI	Human Development Index
ICT	Information and Communication Technology
IEC	Industrial Education Colleges
ITC	Industrial Training Council
ITEC	Integrated Technical Education Cluster
IVET	Initial vocational education and training
MCIT	Ministry of Communication and Information Technology
MENA	Middle East and North Africa
MoETE	Ministry of Education and Technical Education
MoF	Ministry of Finance
MoHE	Ministry of Higher Education
MoM	Ministry of Manpower
MoTI	Ministry of Trade and Industry
MSMEDA	Micro Small and Medium Enterprise Development Authority
MTI	Middle Technical Institute
NAQAAE	National Authority for Quality Assurance and Accreditation in Education
NCHRD	National Council for Human Resources Development
NHRDC	National Human Resources Development Council
NQF	National qualifications framework
NRF	National Reporting Framework
NSSP	National Skills Standards Project
PPP	Public Private Partnership
PVTD	Productivity and Vocational Training Department
SSC	Sectoral Skills Councils
STI	Staff Training Institute
TCC	Technical Competency Centre
TSS	Technical Secondary Schools
TOMO HAR	Training Organization of the Ministry of Housing and Reclamation
TU	Technological Universities
TVET	Technical Vocational Education and Training
TVETA	Technical Vocational Education Teachers Academy
VNIL	Validation of Non-formal and Informal Learning
VET	Vocational education and training
UNDP	United Nations Development Programme
WB	World Bank
WBL	Work-based Learning

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1. THE NATIONAL REPORTING FRAMEWORK

Building block A: Country and VET overview

A.1: Country background

A.1.1 Introduction

Since 2014, Egypt has managed to overcome many persistent challenges by embarking on a major socio-economic transformation. This transformation came with the sustainable development strategy — Egypt Vision 2030 — adopted by the GoE in 2016, which works towards inclusive development, trade, investment promotion and social justice, as well as offers a road map for maximizing competitive advantage to achieve Egyptians' dreams and aspirations for a dignified and decent life.

In this context, Egypt has undertaken a series of bold reform initiatives that has contributed to stabilizing the Egyptian economy, such as lifting the energy subsidy and floating the currency. In addition to adopting an extensive and ambitious modernization plan focused on implementing a number of national mega projects that aims to further enhance the competitiveness of the economy, create employment opportunities and attract foreign and domestic private investments. Examples of such projects include: the new Suez Canal, the modernization of the entire national roads network, the Suez Canal Economic Zone SCZone, building one million new residential units to replace slum areas, and the establishment of new cities, among which are the New Administrative Capital, new Port Said, New Alaimain City, and New Ismailia.

As a result Egypt's has achieved its first primary fiscal surplus in 15 years during the 2017/18 fiscal year, which increased from 0.2 per cent to a 0.5 per cent in the first half of the current fiscal year. Egypt was also able to increase its foreign currency reserve, recording \$45.509 billion¹ compared to \$26.564 billion in June 2011, as well as positioning itself as an attractive destination for foreign investments, reaching a \$4.3 billion investments at the end of Q2 of year 2019/2020

Moreover, Egypt's real gross domestic product GDP is on a steady growing path since 2014, despite internal political and economic challenges and regional instability; in 2018/2019 real GDP growth rate reached 5.6 percent, the highest in 11 years², up from 5.3 percent in 2017/2018³, and compared to 4.4 percent in 2014/2015 and 4.3 percent in 2015/2016⁴, where, according to the WB 2019, gas extractives, tourism, wholesale and retail trade, real estate and construction have been the main sectors driving economic growth⁵.

Annual inflation rate in 2018 has also improved, recording as low as 14.4 percent in 2018 compared to 29.5 percent in 2017⁶ (Figure 2). According the International Monetary Fund IMF, inflation is on track to reach a single digit by 2020⁷.

Figure 2: Annual Inflation Rate According to Consumer Price Indices (Urban) (2005-2018)

¹ <https://www.cbe.org.eg/ar/Pages/HighlightsPages/NIR-February-2020.aspx>

² Economic and Social Performance Indicators Report, Ministry of Planning and Economic Development

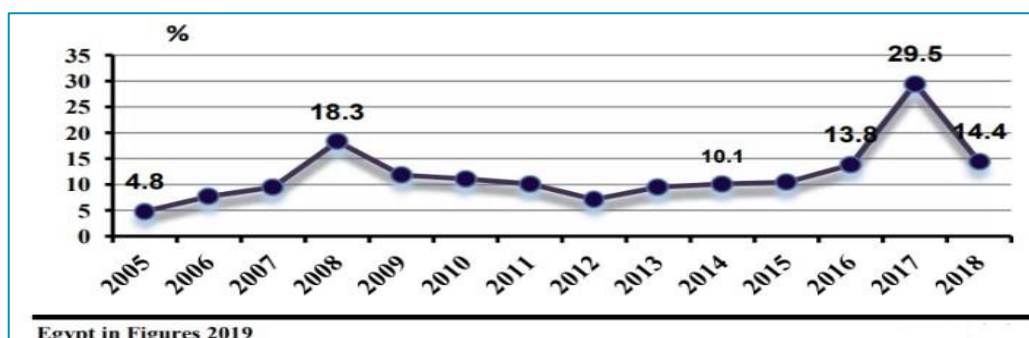
³ <https://www.worldbank.org/en/country/egypt/overview> and CAPMAS - Egypt in Figures 2019

⁴ Economic and Social Performance Indicators Report, Ministry of Planning and Economic Development

⁵ <https://www.worldbank.org/en/country/egypt/overview> and CAPMAS - Egypt in Figures 2019

⁶ CAPMAS - Egypt in Figures 2019

⁷ <https://www.imf.org/en/Countries/EGY/Egypt-qandas>

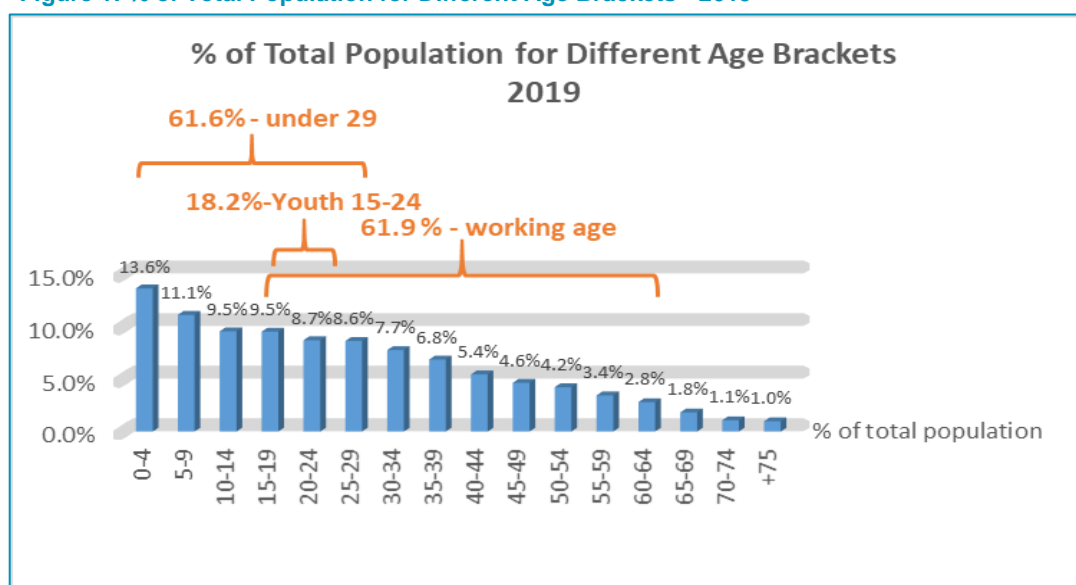


Internationally, according to the Global Competitiveness Index, 2018⁸ Egypt ranked 94th most competitive nation in the world out of 140 countries, compared to 119th in 2015, improvements were attributed to innovation capability, efficiency of the country’s legal framework in settling disputes, the decline in the cost of starting a business, ICT adoption and the larger market size compared to the regional average.⁹

Moreover the UNDP Human Development Index (HDI)¹⁰ in its “Human Development Report 2019” reflected an increase in Egypt’s HDI value from 0.691 in 2015, to 0.694 in 2016, and 0.696 in 2017 to 0.7 in 2018 placing Egypt in the “high human development category”¹¹, positioning it at 116 out of 189.

Egypt is classified as a lower middle-income country, with a rapidly growing population, at an average annual growth rate of around 2.6 percent in the period 2015 to 2019¹², population grew from 87.9 million to 98.1 million, an increase of 10.3 million individuals. In 2019, women constituted 48.5 percent of total population, while the percentage of young people aged 15 to 24, to total population, has slightly increased in 2019, recording 18.2 percent¹³ compared to 17.8 percent in 2015¹⁴. Almost two-thirds of the population (61 percent) are under the age of 29¹⁵. This young population, for sure, presents a challenge to public investment/expense on education, health, employment, housing and infrastructure. (Figure 1)

Figure 1: % of Total Population for Different Age Brackets - 2019



⁸ WEF – World Economic Forum

⁹ http://www3.weforum.org/docs/WEF_GlobalCompetitivenessReport2019.pdf

¹⁰ The HDI is a summary measure for assessing long-term progress in three basic dimensions of human development: a long and healthy life, access to knowledge and a decent standard of living. A long and healthy life is measured by life expectancy. Knowledge level is measured by mean years of education among the adult population, which is the average number of years of education received in a life-time by people aged 25 years and older; and access to learning and knowledge by expected years of schooling for children of school-entry age, which is the total number of years of schooling a child of school-entry age can expect to receive if prevailing patterns of age-specific enrolment rates stay the same throughout the child’s life. Standard of living is measured by Gross National Income (GNI) per capita.

¹¹ The Human Development Index groups countries in 4 categories; very high human development, high human development, medium human development and low human development

¹² Statistical Yearbook 2018, Egypt in Figures 2019, Egypt Census 2017

¹³ CAPMAS Egypt in figures 2018: https://www.capmas.gov.eg/Pages/StaticPages.aspx?page_id=5035

¹⁴ Population Situation Analysis, UNFPA, 2016:

<https://egypt.unfpa.org/sites/default/files/pubpdf/Population%20Situation%20Analysis%20WEB%20May23rd.pdf>

¹⁵ CAPMAS – Egypt in Figures – Population – 2019: www.capmas.gov.eg/Pages/StaticPages.aspx?page_id=5035

Source: CAPMAS – Egypt in Figures 2019

According to the 2017 Census Report¹⁶, illiteracy rate among Egyptian Population in the age bracket 10 years and more has reached 25.8 percent (women 30.8 percent and men 21.2 percent), in total accounting for 18.3 million Egyptian, compared to 23.4 percent, according to the previous Egypt Census in 2006.

Egypt is also a major exporter of labor since the early 1970s, and the largest exporter of labor in the MENA region. In 2017, Egyptian migrants amounted to almost 7.5 million, double those in 2015 (3.27 million)¹⁷. At the same time, Egypt is also a major destination for thousands of Arab and African immigrants.

Egypt is also working to enhance the social conditions with regards to the nominal wage growth, which has fallen down below inflation between 2016 and 2018; poverty rates recording 32.5 percent in FY2018, compared to 27.8 percent in 2015, with the highest poverty rates still in rural Upper Egypt.¹⁸ According to El-mal publication, issue dated July 30th 2019, poverty rates varies considerably according to governorate, where some governorates such as Port Said and Gharbia recorded as low as 7.6% and 9.4% respectively while others, such as Assuit and Sohag (both from Upper Egypt), recorded as high as 66.7% and 59.6% respectively. In addition to the continued growth of population outpacing the rate of job creation¹⁹ resulting from economic growth, requiring urgent measures to generate more jobs to absorb the vast majority of working age population into the labor market.

A.2: Overview of Vocational Education and Training

A.2.1 Overview of VET: set-up and regulatory framework

The Egyptian VET System is mainly composed of a large number of Initial Vocational Education and Training IVET and a much less influencing Continuing Vocational and Training CVT programmes. The **IVET** includes a number of programmes governed by many stakeholders, at pre-university and post-secondary level and more recently also including university level through the new Technological Universities that started in the academic year 2019/20. This includes Technical Secondary Schools TSS (those administered by the MoETE, and others administered by ministries with functional responsibilities such as the Ministry of Health and Ministry of Military Production as examples), Vocational Education (administered by the Ministry of Trade and Industry MoTI and Ministry of Transport, and others), and Technical Colleges (administered by the Ministry of Higher Education MoHE), Integrated Technical Education Clusters (administered by the Education Development Fund EDF which was established by Presidential Decree number 290 for year 2004), vocational training centres (administered by Ministry of Manpower, MoM and Ministry of Housing as examples).

The capacity for initial VET, constitutes around 2914 different institutes (Table 1), the largest capacity by far is administered by the MoETE, which includes 2266 technical secondary schools, offering **Technical Secondary Education**; a formal educational route to graduates of preparatory education, as an alternative track to general secondary education, delivered through 3 and 5 year programmes, including a small percentage of schools implementing the Dual Scheme DS, and the recently introduced Applied Technology Schools ATS, all leading to a technical diploma for technicians (the 3 year programme) and an advanced technical diploma for senior technicians (the 5 year programme), in specialisations oriented towards particular economic activities, including: 'industrial', 'agricultural', 'commercial', and 'hospitality'. MoETE is also administering a system, referred to as the Labour System, where students have an employment status while being enrolled in Technical Education. Other forms of technical secondary education, also exist, within Ministry of Health²⁰ and Suez Canal Authority²¹. The graduates of formal technical education are entitled to enter higher education according to their results in the final exam.

¹⁶ <https://www.capmas.gov.eg/party/party.html>

¹⁷ EGYPT LABOUR MARKET REPORT: DEMOGRAPHIC TRENDS, LABOUR MARKET EVOLUTION AND SCENARIOS FOR THE PERIOD 2015–2030, IOM, 2017: https://publications.iom.int/system/files/pdf/egypt_labour_market_report.pdf

¹⁸ <https://www.worldbank.org/en/country/egypt/overview>

¹⁹ International Labour Organisation (ILO) stated in its annual report entitled 'In Pursuit of Equality and Prosperity in Egypt-2018

²⁰ Five year technical secondary schools leading to diploma in nursing(acknowledged by MoH and MoHE) + 2 years Technical Health Diploma

²¹ Two schools, administered by the Suez Canal Authority, located in Port Fouad and Port Tawfiq, accepting young male students who have just completed their preparatory education and who live within Port Said, Ismailia and Suez (minimum grade 70%). The programme extends for four years, after which the student receives a diploma certificate equivalent to the 3 year technical education diploma in maritime services.

In 2009/2010, extended and integrated technical education programmes were introduced by the Education Development Fund²², namely the “Integrated Technical Education Cluster ITEC”, offering 3 levels of technical qualifications that **comply to international qualification frameworks**, based on EDF’s **partnerships**²³ with internationally recognised and sector-specialised educational partners. The model allows for the highest level of resources mobilisation offering qualifications along 3+2+2 years, plus vocational training; 3 years (**Technical Secondary School TSS**) + 2 years **School (Technical Institute TI)** + 2 years (**Advanced Technical Institute – ATI** - Bachelor of Technology Degree). The original concept of the ITEC model, allows students progression to the next level or movement to the labour market and returning back later to continue studying for higher levels. However, this feature is not yet implemented due to the need for supporting legislation and may also change with the introduction of the Technological Universities which is a positive development, offering more opportunities to technical education students to access formal pathways to higher technical education.

Vocational Education programmes offered through a number of ministries with functional responsibility, are also part of the IVET, this mainly includes industrial development. Vocational Education for the industrial sector, is offered through the Productivity and Vocational Training Department PVTD (45 VTCs and 69 training stations²⁴ distributed over 9 geographical zones) under the direct supervision of the Ministry of Trade and Industry MoTI, targeting youth (typically at the age of 15) who have just completed preparatory education, offering a 3-year programme leading to a vocational diploma. The programme, referred to in Arabic as “EL Talmaza El Sina’eyah”, is one of Egypt’s apprenticeship programme that emphasises practical skills over theoretical knowledge, leading to a certificate issued by the PVTD and acknowledged by the MoETE²⁵, as equivalent to a technical secondary school diploma, qualifying a limited percentage of the best performing graduates for post-secondary education. Successful completion is assessed on the basis of a national examination that includes assessments of both theoretical and practical knowledge.

Recently, the EDF commenced piloting with 3 year vocational education programmes in three main areas; Electrical Installations and Solar Cells Technician, Mechanical Installation Technician, and Car Maintenance and Repair Technician. The first of these three programmes is implemented in the Fayoum ITEC, offering a vocational diploma for “Car Maintenance and Repair Technician”, which will provide students with diverse skills that would enhance their attractiveness and employability, when compared to PVTD graduates for the same specialisation

Higher Education; There are 8 regional technical colleges, including 45 middle technical institutes, administered by the Ministry of Higher Education (MOHE). The TVET system also includes a number of Industrial Education Colleges (IECs), recently renamed as the Colleges of Technology and Education, also supervised by the respective university, offering four-year educational programs leading to a Bachelor of Technology for technical teachers of industrial TSSs. The IECs accept graduates of technical secondary schools (both three and five-year systems) and graduates of the industrial technical institutes. These colleges also offer Masters and PhD degrees. In addition, Ministry of Health administers 2 complementary years in the technical health Institutes in 5 departments//specializations and three faculties of applied health technology offering a bachelor degree.

The IVET Provision also includes provision of **Vocational Training**, by a large number of public and private stakeholders offering informal training and re-training programmes for both employed and unemployed workers. Most of the stakeholders are focused on qualifying young Egyptian for jobs within their relevant sectors. Among the public stakeholders; The Training Organization of the Ministry of Housing and Reclamation (**TOMOHAR**), administered by the Ministry of Housing Utilities and Urban Communities, offering vocational training programmes for building and construction vocations, through 70+ VTCs; the **Ministry of Manpower MoM** through its 34 vocational training

²² The Education Development Fund EDF, is an autonomous agency established in 2005 by the GoE to manage an initial fund of approximately one BLE, and additional operational fund of approximately 200 MLE per year for the development of projects for the reform of education in Egypt. The guiding principles outlined by the government for access to the fund include: (i) achievement of excellence in education at all levels in Egyptian-based institutions adopting international norms, (ii) achievement of financial sustainability through fees and other sources of financial support, and (iii) cooperation with non-profit organisations and social partners. The Board of EDF is headed by the Prime Minister and includes Ministers of Education and Technical Education, Higher Education, Finance, Trade and Industry, Telecommunication and International Cooperation.

²³ Current partnerships: Cairo ITEC (**Person, UK**), Fayoum ITEC (with **Regione Emilia Romagna**, Italy) financed through the Italian Egyptian Debt Swap program, and in Assuit (with **NIRAS-IP Consult and the Baden-Wuerttemberg State Academy**, Germany) jointly funded by the Egyptian Government and the German-Egyptian Debt Swap Program for Development.

²⁴ Training Stations was introduced to the PVTD in 1982, via a ministerial decree, allowing the PVTD to form collaboration with, both public and private, enterprises for the delivery of a 3 year programme. This programme, similar to that offered by the VTCs; targets youth, typically at the age of 15, who have just acquired the preparatory degree; leads to a vocational diploma. However, in this model, the students spend 100% of the 3 years within the enterprises, who are taking the responsibility for the provision of both theoretical and practical curriculum, while also adopting the PVTD’s system of theoretical vs. practical skills.

²⁵ According to the MoETE, Ministerial Decree number 57 for 1969

centres and 7 mobile training centres, offering short term vocational training courses (for short durations ranging from 4 to 9 months) for **semi-skilled workers**, targeting the uneducated and unemployed in the age bracket 15-45.

On the other hand, Continuing Vocational Training, according to ETF report (**Education, Training and Employment Developments 2018**) remains the weaker element in the Egyptian VET and is not regulated in terms of quality and effectiveness as in IVET. Several initiatives have been implemented at project level in cooperation with international partners, but little mainstreaming and sustainability is ensured by national stakeholders.²⁶ However, in its latest reform initiatives, the government intends to include CVT institutes and post-secondary technical education as well as Technological Universities as part of the new quality assurance authority (ETQAAN). Furthermore, the MoETE has introduced CVT as one of the main services within the Applied Technology Schools, each in their relevant specialisation. Although this service is not yet operational, due to the fact the ATS is just one year old, it still offers a future opportunity for high quality and accessible CVT.

The **VET regulatory framework** is governed by a large number of laws as well as presidential, ministerial and prime ministerial decrees. The most important of which are listed below:

2019	Law 72, for establishment of Technological Universities and the Supreme Council for Technological Education
2018	Ministerial Decree 476 amending decree 462 of 2014 – Labour system
2017	The Investment Law number 72, includes an income tax incentive for investors invest in and support VET provision
	Ministerial Decree no. 304, restructuring the Dual System Executive Council, replacing decree 434 of year 2014
	Ministerial Decree no. 704, organising the health technical institutes administered by the Ministry of Health
2016	Ministerial Decree number 229 giving students with mild disabilities access to technical education of all kinds
2014	Prime Ministerial decrees number 705, 706 and 707 introducing a system of cascading councils at central and regional levels
	Ministerial decree 562, for introducing the Labour System, “Nezam El Ommal”, which offers dropout students the opportunity to complete their technical education programme, while working
	Ministerial Decree 283, introducing School-to-Work Unit within MoETE, as a sustainable career guidance mechanism to ensure the smooth transition of VET students from school to work
	The Egyptian Constitution, introducing VET for the first time (article 20) and favouring expansion in VET and compliance with international quality standards and relevance to labour market
2011	Ministerial Decree 630, MoETE and MoH, reorganising Nursing Secondary School and issuance of nurse occupational license
	Ministerial Decree no. 162 (MoETE), complementing Ministerial Decree No. 62 of 2007 regulating procedures and controls for the dual education and training system technical education
2007	Law 155 introducing the teacher’s cadre
	Ministerial Decree No. 62 regulating procedures and controls for the dual education and training system
	Presidential Decree 25, for the issuance of the executive bylaws of the National Authority for Quality Assurance and Accreditation of Education (NAQAEE)
2006	Law 82 for the establishment of the National Authority for Quality Assurance and Accreditation of Education NAQAEE
	Ministerial Decree 2655 re-organising the system of technical institutes under 8 technical colleges and established their board of trustees
2004	Presidential Decree 290 for establishment of the Educational Development Fund EDF (amended by Presidential Decree 329 of 2005)
2003	Ministerial Decree 175, MoM, regulating vocational apprenticeship

²⁶ EDUCATION, TRAINING AND EMPLOYMENT DEVELOPMENTS 2018, ETF, 2018

	Ministerial Decree 196, MoM, regulating procedures for assessing skill levels
	Ministerial Decree 181, MoM, regulating occupational licensing
	Labour Law 12, regulating vocational training, apprenticeship and occupational licensing
	Law 528 regulating technical colleges
2001	Ministerial Decree 176 concerning the education and production capital project for technical schools
1988	Ministerial Decree 209 issued 1988 for the introduction of preparatory vocational schools,
1981	Law 139 regulating pre-university education (modified by law 233 of 1988, law 2 of 1994 and law 23 of 1999), and further modifications are currently in the pipeline
1969	Ministerial Decree 57, MOETE acknowledging the PVTD's diploma as equivalent to TE Diploma

It should be noted, here, that there is no specific law regulating the cooperation between education and business, but is rather regulated through bilateral cooperation agreements between the VET providers (MoETE, PVTD) and businesses.

A.2.2 Institutional and governance arrangements

One of the key challenges of the Egyptian VET system is its governance structure, characterised with a high degree of fragmentation and low coordination among key stakeholders. In the last five years, VET governance experienced a number of modifications that have influenced its institutional framework. This includes; the termination of the Supreme Council for Human Resources Development²⁷, dissolution of the ETPs²⁸ into the industrial chambers of the Federation of Egyptian Industries FEI and consolidating the work of 8 industrial ETPs into a single department, disappearance of Local ETPs, as for the Training Councils (Industrial Training Council²⁹ and the Building Skills Development Council) are inactive, and the establishment and termination of Ministry of Technical Education.

Currently, the institutional framework for VET governance, **at the policy level**, includes four councils that aim to eliminate the fragmentation and build cohesion within the VET system, through a better coordination among VET stakeholders represented. These councils include: The National Human Resources Development Council NHRDC (presidency of the Prime Minister)³⁰, plus two executive Councils: 1) Executive TVET Council (chaired by Minister of Education and Technical Education), and 2) Executive Workforce Skills Development Council (chaired by Minister of Manpower), and Regional Human Resource Councils at governorates' level, introduced in 2014³¹. These councils, if activated as the MoETE is currently attempting in coordination with the Prime Minister's office and the Ministry of Planning and Economic Development, represent the highest formal authority in charge of formulating HRD policies and are the only platforms where most of the relevant VET stakeholders are represented.

In 2006, through the law number 82, the National Authority for Quality Assurance and Accreditation of Education NAQAAE, was established as the authority mandated for quality assurance and accreditation of education. NAQAAE is an independent authority, reporting directly to the Prime Minister, and responsible for quality assurance and accreditation of both pre-university (including technical schools) and university institutions, including Al-Azhar schools and Al-Azhar University.

The VET system, includes a number of levels; the **central level**, a number of Ministries are responsible for centrally administering the VET provision. At the **intermediate level**, between the central level (Ministries) and the VET providers (schools and VTCs), directorates at the governorate or regional level, are currently acting on instructions and administer centrally made decisions and requirements. Finally, at the **level of VET Providers**, a large number of technical secondary schools,

²⁷ Article 8 of the Prime Ministerial Decree number 705 for 2014, clearly states the cancellation of Presidential Decree number 229 of 2003 (issued for the establishment of the SCHR)

²⁸ ETPs Enterprise TVET Partnerships a form of sectoral PPP mechanism developed in 2007 by TVET 1 (an EU funded PPP project) to support a demand driven reform in education and training; 12 ETPs have been established in sectors with economic development potential.

²⁹ According to Prime Ministerial Decrees 947 for 2017 and 2370 for 2018, ITC was dissolved and its activities mainly (skills development programme, Training for qualifications and employment programme and the National Skills Standards Programme) were integrated into the training component of the Industrial Modernization Centre (IMC) which is now considered the training arm of the MoTI.

³⁰ Replacing the Supreme Council for Human Resources Development

³¹ Prime Ministerial Decrees (Decrees 705, 706, 707), the Ministry of Health and Population is included in these councils.

vocational training centres, training centres, technical colleges and Integrated Technical Education Clusters.

A.2.3 Basic statistics on VET

The number of VET Institutions in 2017/2018 has reached 2914 units, 89% of which are government owned, and the remaining 11% are privately owned. This includes Technical Secondary Schools (3 and 5 years), Technical Colleges (Higher Education), Integrated Technical Education Clusters (Education Development Fund) and a large number of formal and informal vocational training centres. The formal VTCs offer training and re-training programs for both employed and unemployed workers in the labour force, while most of the informal provide vocational training for various disadvantaged groups, particularly women, the disabled and unemployed youths to improve their ability to generate income, usually in the informal sector. These centres are run by non-governmental organisations, local organisations and are heavily subsidized by government funds.³²

According to CAPMAS³³, the Egyptian VET has around 587 formal and non-formal VTCs, administrated by both the government and the private sector. These are mostly affiliated to Ministries of Health and Population, Petroleum, Transportation, Electricity and Energy, Culture, Tourism, Civil Aviation, Military Production, Social Solidarity, Housing, Awkaf, ICT, Agriculture, Finance, Justice, Manpower, and Higher education.

Table 1: Number of VET Institutes by Type (public/private)

Type of Institute	2017/2018			Rate of public TSs
	Public	Private	total	
<i>Technical Secondary Industrial</i>	1,147	10	1,157	99%
<i>Technical Secondary commercial*</i>	729	21	750	97%
<i>Technical Secondary hospitality</i>	92	24	116	79%
<i>Technical Secondary agriculture</i>	243	-	243	100%
<i>Technical Colleges</i>	45	13	58	78%
<i>Higher Institutes (2012/2013)</i>	-	141	141	0%
<i>Integrated Technical Education Clusters</i>	3	-	3	100%
<i>Formal and Informal Training**</i>	478	109	587	81%
Total	2,737	318	3,055	90%
%	90%	10%		
Source: CAPMAS Egypt in Figures 2019				
* According to CAPMAS there are 156 Private Commercial TSS, however only 21 are privately owned and the remaining 135 are public sector charging tuition fees similar to private TSS				
**formal as in PVTD and Technical Nursing Schools and non formal as in MoM				

It is worth noting that there is a need for both central and local automated systems to collect data from the regions and also the need for better coordination between the different stakeholders in interpreting the type of VET institutions (formal and informal). This issue is addressed in the recommendations to establish a comprehensive national labour market information system.

The total number of students enrolled at secondary level include 4,025,203³⁴ students³⁵; of which 48 percent are female and 46 percent (1,864,842 students) are in Technical Secondary Schools, distributed among four specialisations, oriented towards particular economic activities; industrial, commercial, hospitality and agricultural (Figure 3). The remaining are enrolled in General Secondary Education, Azhar Secondary Schools and Vocational Education.

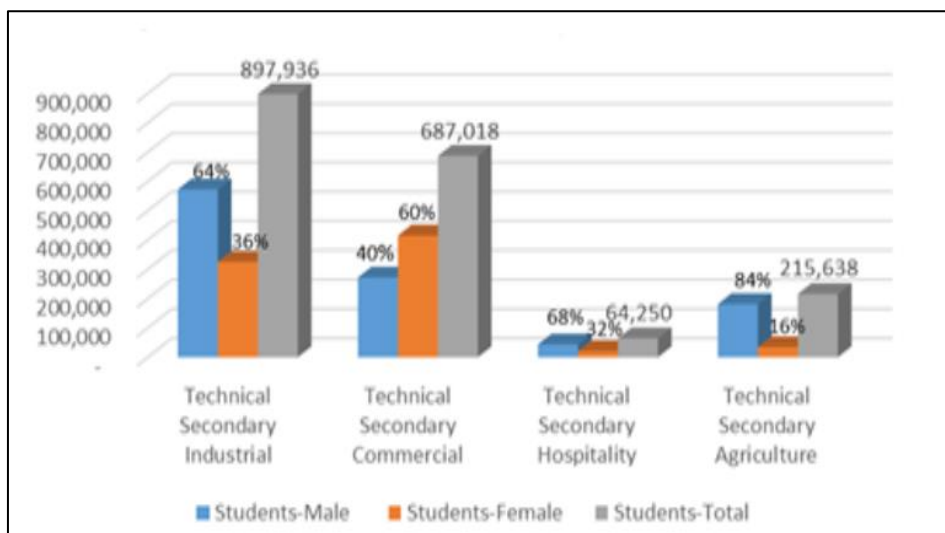
Figure 3: Enrolments in Technical Secondary Schools by Sex 2017/2018

³² PVET Background Report, MoHE, 2012

³³ Annual Bulletin of Education & Training Statistics in Governmental and Private Sectors Training Institutions 2017/2018

³⁴ Including students enrolment in general secondary, technical secondary, Al-Azhar secondary plus student in vocational education (PVTD) and nursing

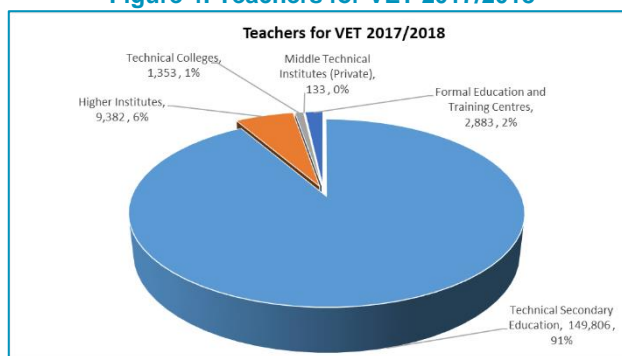
³⁵ Egypt in Figures 2019 and Annual Bulletin of Education & Training Statistics 2017/2018



Source: CAPMAS – Annual Bulletin for Pre-university Education 2017/2018³⁶

As for VET Teachers; the total numbers of VET teachers amounts to 163,557 teachers, with Technical Secondary Education having the biggest share (91 percent). (Figure 4)

Figure 4: Teachers for VET 2017/2018



Source: CAPMAS – Annual Bulletin for Pre-university Education 2017/2018, Annual Bulletin for Education & Training Statistics

No detailed VET funding data was available, however, we may examine the Public Expenditure on Education, which constitutes the largest source of funding for the Egyptian education system, and includes budget for pre-university (including pre-university VET) and university education (including post-secondary VET), as published by CAPMAS in “Egypt in Figures” 2018 and 2019. (Table 2).

Table 2: Public Expenditure on Education

	2015/2016	2016/2017	2017/2018
The state Public Expenditure	864,564.1	974,794.0	1,207,138.0
Public Expenditure on Education	99,262.9	103,962.2	107,075.4
Public Expenditure on Education to total public expenditure	11.5%	10.7%	8.9%
Expenditure on pre-university education	69,303.8	72,402.4	70,512.3
Public Expenditure on pre-university education to expenditure in education	69.8%	69.6%	65.9%
Expenditure on university education	21,211.1	22,627.1	25,754.0
% of Public Expenditure on university education to expenditure in education	21.4%	21.8%	24.1%
Other Aspects of Expenditure on education	8,748.0	8,932.7	10,809.3
% of other Aspects of Expenditure on education	8.8%	8.6%	10.1%

³⁶ https://www.capmas.gov.eg/Pages/Publications.aspx?page_id=5104&Year=23455

In the period between 2015/2016 to 2017/2018, the total public expenditure increased by 39.6%, while public expenditure on education increased by only 7.9% (a total of LE 7.8 billion). It turned out that the Pre-university is the least benefiting from the increase in public expenditure on education; with only 1.7% increase in pre-university education budget, while university education budget increased by 21.4% and “other aspects of education” budget increased by 23.6%. It is however, worth noting that in 2018/2019, the budget for pre-university education has jumped up to 100 billion (an increase of over 40 percent of previous year)³⁷.

A.2.4 Vision for VET and major reform undertakings

Egypt's VET system has clearly received government and political commitment as a priority sector that is linked to the current and future economic development strategies in the past few years with many developments and positive initiatives. One of the main objectives at present is to reach a unified and agreed “Vision for VET” among the many stakeholders who are strongly engaged in the reform process. This has resulted in the drafting of a number of strategic documents that aim to address the challenges to VET reform. Among these **strategic documents, some are already being adopted and others are still in the pipeline.**

Amongst those that are already adopted are:

- **Egypt Sustainable Development Strategy (SDS): Vision 2030**, developed by Ministry of Planning, following “the sustainable development principle as a general framework for improving the quality of lives and welfare, taking into consideration the rights of new generations in a prosperous life; dealing with three main dimensions; economic, social, and environmental”. The Strategic Vision for Education to 2030 is “high quality education and training system should be available to all, without discrimination, within an efficient, just, sustainable, and flexible institutional framework. It should provide the necessary skills to students and trainees to think creatively, and empower them technically and technologically. It should contribute to the development of a proud, creative, responsible, and competitive citizen who accepts diversity and differences, and is proud of his country's history, and who is eager to build its future and able to compete with regional and international entities.
- The MoETE's **Technical Education 2.0 for the “Transformation of Technical Education”**, through five major transformation pillars: 1) Transformed Quality of Technical Education, 2) Transformed Relevance of Technical Education by Transferring to Competency-based Curricula, 3) Transformed Teachers through Training & Qualification, 4) Transformed Schools through Employer Engagement & Work-based Learning, 5) Transformed Image of Technical Education through Changing Social Perception. One of the main outcomes of this strategy is the Applied Technology Schools, established under partnerships with employers, delivering, and internationally recognised qualifications.
- The Ministry of Trade and Industry's (MoTI) **Industrial Strategy 2016-2020** adopts the main pillars of Egypt's Vision 2030. In the TVET chapter, There are 7 main objectives in the main objectives include 7 of the TVET components are; 1) licensing of TVET Graduate Licensing, 2) National Egyptian TVET Qualification Framework (NQF) Developed 3) Activation Integrated and Effective Labor Market Information 4) Improving Social Perceptions of TVET, 5) The Model School, 6) Skills Development of Teachers and Trainers 7) Enhancing the Quality of TVET Institutions 8) Enhancing Private Sector Partnerships in TVET Reform. It is worth noting that these components are almost in line with the TE 2.0 of the Ministry of Education and technical Education.
- Introduction of Technological Universities TU and the Supreme Council for Technological Education, in 2018, through Law 72 for year 2019. Where TUs will grant advanced diploma, bachelor degree, master and PHD in technology in various technical disciplines, through programmes that include a combination of applied (60 percent) and theoretical (40 percent) studies, for technological disciplines in areas more relevant to the labour market,. The law has also addressed the issue of ITECs' and technical colleges' affiliations, allowing them to seek affiliation to technological universities, provided that the MoHE issues a decree, after consulting MoF and acquiring approval from the TU's board, to which the affiliation will be transferred. TUs are expected to; allow VET graduate better access to higher education, enhance perception of VET towards becoming a “career of choice”; promote employers'

³⁷ MoETE, Deputy Minister of Education and Technical Education

involvement in and contribution to skills provision; ensure Egypt has a well-developed work force for local and international employment. Since issuance of the law, 3 technological universities have been established (in New Cairo, Delta Region and Upper Egypt), while five more are in the pipeline. It is expected that TU students will be 80 percent VET graduates and 20 percent from general secondary schools. The Supreme Council for Technological Education will work to support the Supreme Council for Universities in developing the general policies and executive plans for technological education (article 9 of Law 72 for year 2019).

- Introduction of Vocational Education by the EDF's ITECs. EDF is piloting with 3 year vocational education programmes in three main areas; Electrical Installations and Solar Cells Technician, Mechanical Installation Technician, and Car Maintenance and Repair Technician. The first of these three programmes has commenced at Fayoum ITEC and offers a diploma in Car Maintenance and Repair Technician, which will provide students with more diverse skills that would enhance their attractiveness and employability, when compared to PVTD graduates for the same specialisation. The collaboration agreement with Germany for “**The Enhancement of the Egyptian Dual System**”, which aims at increasing the number of apprentices in dual education and enhancing the quality of the training programmes within.

While those that are still under review and not adopted yet, are:

- The “PVTD’s Institutional Restructuring Plan”, approved by the Minister of Trade and Industry in 2019, introducing sector-specific VTCs and employers’ engagement at policy and provision level, as well as attempting to change the legal status of the PVTD from a department within the MoTI to an independent authority.
- A new Labour Law drafted by the Ministry of Manpower (MoM); the law was submitted to the Parliament, which is currently under discussion, once approved, may be considered by MoM as its VET policy framework. The draft law addresses a number of important issues; introduction of a “Supreme Council for Development of Human Skills and Resources” (chaired by the Prime Minister) as well as the introduction of Regional Executive Councils (at governorate level, chaired by Governors); reviewing the Training Fund in order to resolve the conflicts with the private sector.³⁸
- The establishment of an Egyptian TVET Quality Assurance and Accreditation National Authority ETQAAN. In 2018, the GoE initiated the process for the establishment of ETQAAN, under the authority of the Prime Minister, to be responsible for developing and implementing the general framework for the quality of both pre-university and higher education technical education as well as vocational training institutions, programmes, teaching and learning methods and the necessary evaluation methods. In order to achieve its objectives. ETQAAN will be responsible for developing quality assurance policies and strategies for the VET as well as developing a national system for quality assurance and accreditation of educational and training institutions and programs, quality concepts and standards, teaching and learning methods, assessment methods, and following up their implementation. So far, a Draft Law for the establishment of ETQAAN at central and regional level, has been developed and is currently awaiting approval by the Cabinet. The MoETE envisages that the establishment ETQAAN will emphasize quality assurance for VET. If ETQAAN is established, it will be responsible for quality assurance and accreditation of all levels of VET institutions including higher technical education and NAQAAE will be responsible for all other forms of education.
- The establishment of the Technical Vocational Education Teachers Academy TVETA: In parallel with ETQAAN, a process for the introduction of a “world class training of trainers’ academy” within the MoETE, has also been launched. TVETA is envisaged to offer training to technical education trainers, instructors, teachers, master trainers, assessors and verifiers. MoETE is currently working on finalising the framework and guideline for establishing the Technical and Vocational Teachers Academy (TVETA).

³⁸ The Training Fund was introduced by the 2003 Labour Law (administered by the MOM), where companies, employing 10 or more workers, are required to pay a 1 percent of their net profit to the Training Fund. However, since the introduction of the Training Fund in 2003, disputes over the legal status of the training levy have inhibited its implementation to its full capacity.

A.3: The context of VET

A.3.1 Socioeconomic context

Recent developments that influence or are expected to influence, the economy and its demand for skills, include:

- The development and adoption of Egypt's Sustainable Development Strategy (SDS) 2030 target rate for unemployment in 2030 (5%), will have an impact on skills development, entrepreneurship programmes and transition from School-to-Work.
- The GoE has embarked on a number of national 'Mega Projects' that aim to enhance the competitiveness of the economy, create employment opportunities and attract foreign and domestic private investments. (SUEZ Canal Economic Zone, establishing new cities including a new administrative capital, energy development and transformation, new roads and transport infrastructure, construction of one million residential units to replace slum areas, the National Project for Reclamation, Cultivation and green house agricultural projects, the Golden Triangle Project, the National Project for the Development of Sinai, The National Project for the Development of Upper Egypt, Electricity and Renewable energy projects, Fisheries and others) which will have an impact on skills needs; type, level and geographical locations
- The GoE's initiatives, as reflected in vision 2030 and the Industrial Strategy, in the area of renewable energy, cleaner production, and waste management, will have an impact on the labor market's demand for skills. VET provision need to address new green occupations, as well as greening of existing occupations.
- The recovery of the Tourism sector³⁹, which will need to make up for skills lost, thus having an impact on the skills needs (hospitality and tourism)
- The high rate of illiteracy (25.3 percent) among Egyptian Population in the age bracket 10 years and more, is a concern.

A.3.2 Migration and refugee flows

Since the 1970s, Egypt has been a major labor exporter and the largest in the MENA region. In 2017, Egyptian migrants amounted to almost 7.5 million, double those in 2015 (3.27 million Egyptians were living abroad). Three regions constitute the main destinations for Egyptian migrants; 2/3 in Arab countries (Saudi Arabia 56.4%, Jordan 17.2%, the United Arab Emirates 1.8% and Kuwait 9.7%, others 5.9%), 18.4 percent in North America and 10.4 percent in Europe. The presence in Australia is estimated at 3.4 percent, while Asia, South America and Africa together account for only 1 percent.⁴⁰

Egypt is also a major destination for Arab and African immigrants and historically a major host of hundreds of thousands of Palestinians, Sudanese, as well as Syrian (since 2011) and recently Yemeni refugees. Over the past few years, Egypt has also served as a transit country in migrant routes used by sub-Saharan Africans crossing the Mediterranean towards Europe.⁴¹ The instability in several neighbouring countries (such as Sudan, Iraq, Libya, Syria and Yemen has led to a significant increase in refugees in Egypt.⁴²

According to UNHCR, registered refugees amount to 250,000 refugees and asylum-seekers. However, it is believed that this figure is a small percentage of the real number of migrants and refugees in Egypt, which is estimated to exceed 5 million. This large number presents a significant development challenge and poses a large demand for goods and services, especially education.

A.3.3 Education sector context

The Egyptian VET system is structured within a much larger education system (Figure 5), that has been growing throughout the years in response to the steady increase in population and the growing demand for education. By 2017⁴³, the Egyptian education system recorded, over 25 million students in both public and private schools, pre- university and tertiary education, in different levels and types.

³⁹ According to the Central Bank of Egypt CBE's Report FY 2017/2018, <file:///C:/Users/ghada%20amin/Downloads/Egypt.External%20Position%20Quarterly%20Report%20Volume%20No%2062%20FY%202017-2018.pdf>; Tourism revenues recorded about US\$ 9.8 billion (against about US\$ 4.4 billion) in previous year, driven by the increase in the number of tourist nights to 102.6 million nights (against 50.9 million nights). This was concurrent with the increase in the average of tourist expenditure per night.

⁴⁰ EGYPT LABOUR MARKET REPORT: DEMOGRAPHIC TRENDS, LABOUR MARKET EVOLUTION AND SCENARIOS FOR THE PERIOD 2015–2030, IOM, 2017

⁴¹ <https://www.migrationpolicy.org/article/egypt-migration-and-diaspora-politics-emerging-transit-country>

⁴² National Review: Sustainable Development Goal, Ministry of Investment and International Cooperation, 2016, <file:///C:/Users/ghada%20amin/Documents/TORINO/2019/References/2016%20Egypt%20National%20Review%20Report%20-MoIC.pdf>

⁴³ CAPMAS, Egypt in Figures 2018 Statistical Abstract

There is a strong reliance on the government as the main education provider supporting a highly subsidised public education and training system. According to CAPMAS Statistical Year Book 2019, the education system encompasses 63,734 pre-university schools, 35 universities⁴⁴, 8 public technical colleges, 22 private middle institutes, and almost 1.7 million personnel (teaching and non-teaching staff).

Figure 5 – Egypt’s Education and VET System⁴⁵ and the Corresponding ISCED for each level⁴⁶

Age	Education Level							
24+	Post Graduate Studies							
23	Universities (4,5 and 6 years + post graduate Studies)	Technological Universities ISCED5 & ISCED6 according to specialisation and ISCED7 Masters and ISCED8 for PHD	Universities and Higher Education				Integrated Technical Education Clusters (first 3 years ISCED3 and next 2 years ISCED4 and last 2 years ISCED5)	
22			Technical Secondary Education 5Y	Technical Colleges ISCED 4	Workers University (first 2 years ISCED4 and last 2 years ISCED5)			
21								
20			General Secondary Education	Technical Secondary Education 3Y ISCED 3	first 3 years & ISCED 4 for last 2 years	Dual System ISCED 3		
19	Basic Education							
18	General Preparatory Education						Vocational Preparatory ISCED 2	
17	General Elementary Education							
16								
15								
14								
13	Pre-school Education							
12	Kindergartens							
11								
10								
9								
8								
7								
6								
5								
4								
3								

The percentage of students enrolled in technical secondary schools constitute 46 percent of total number of students in pre-university secondary level schools (including those enrolled in Azhar, general secondary and other formal training such as PVTD and Health Schools), while number of schools constitute 28 percent. (Figure 6 and 7 below)

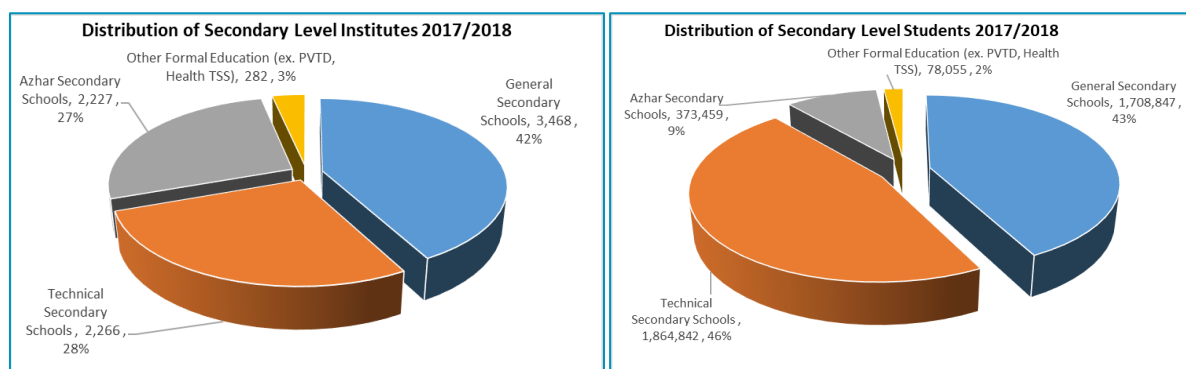
Figure 6: Secondary Level Institutes

Figure 7: Secondary Level Students

⁴⁴ Universities: 25 public, 26 private, and Al-Azhar

⁴⁵ An update by the expert, based on a figure from the report “OECD REVIEWS OF VOCATIONAL EDUCATION AND TRAINING 2013”

⁴⁶ Galen Anderson Comparative Int'l Education, October 7, 2013



Source: CAPMAS, Egypt in Figures 2018 and Annual Bulletin of Education & Training Statistics 2017/2018

A.3.4 Lifelong learning context

Despite the adequate number of institutions and programs, formulating the Egyptian VET system, covering diverse disciplines and levels, in addition to the projects and piloting of different delivery models, the Egyptian VET system is still working at creating an effective lifelong learning system. Some of the challenges is the limited flexibility in allowing for exiting and re-entering formal education as well as the absence of a NQF or system for defining pathways for lifelong learning and skills acquisition. The absence of a credible system for recognition of prior learning and transferring credit across institutions is a further challenge.

However, since early 2000s, the government has been supporting initiatives to offer VET graduates better opportunities for progression within vertical pathways, higher qualifications in specialized technical programmes⁴⁷, through technical colleges, ITECs and Technological Universities.

A.3.5 International cooperation context: partnerships and donor support

Several international cooperation organisations are actively supporting the reform of the Egyptian VET sector, among them are:

The European Union: has jointly, with the GoE, financed two consecutive programmes for the reform of VET system; the first was from 2006 till 2011 for 33 million Euro, and the second commenced in 2015 for 50 million EURO (plus 67 million Euro from GoE). The objective of the new program (currently referred to as “TVET Egypt”) is to carry out a structural reform on governance, quality, and relevance of TVET as well as policies and initiatives fostering the school to work transition. The project is implemented under the direct supervision of the MoTI, through three components; 1) Improving the governance of the Egyptian TVET system to put in place a rational streamlined governance of the sector performing coherently through clear leadership, participation, partnerships and transparency; 2) Enhancing the relevance and quality of TVET to better respond to the labour market needs, starting with pilots focusing on selected key economic sectors (with a particular emphasis on Tourism); 3) Supporting the transition to employment to increase the employability of Egyptian youth, jobseekers, and workers, as well as the capacity of the TVET system to develop appropriate programmes to meet the labour market demand, with a particular attention to selected key economic sectors, notably Tourism.

The USAID is currently implementing the project Workforce Improvement and Skills Enhancement (WISE). The project collaborates with MoETE and a wide range of VET stakeholders, to improve technical secondary education to meet the needs of the job market, benefiting students and teachers, as well as the private sector. The project links businesses and technical schools in order to understand the skills need for employment – reducing the current skill mismatch, creating a pool of qualified candidates, and linking students with jobs. The project also partners with private sector companies to introduce and implement productivity improvement strategies and improve human resources systems that reduce staff turnover. In addition, WISE is building the capacity of business associations to promote reforms related to labor market efficiency. USAID project works in 11 governorates (Alexandria, Port Said, Ismailia, Aswan, Red Sea, Sharquia, Gharbiya, Menoufia. BeniSuef, Fayoum, and Damietta), in five sectors (RMG, textile, food products, furniture and tourism).

To date WISE has achieved:

- establishment of school-to-work transition units within TSS WISE Established Transition to

⁴⁷ SABER, WB, 2013

Employment Units at both school (60 School Unit for Transition to Employment SUTE) and governorate level (11 Local Unit for Transition to Employment), and in the process trained 1000 teachers and school leaders to transfer the model. SUTE is active in linking students to employers through an internship programme, resulting in 13,000 internship and 22,500 employment.

- Assisted the national level Central Unit for Transition to employment (CUTE) is developing its strategic plan, and instituted the UTE web portal to facilitate communications and data sharing for the UTE model.
- Introduced Occupational Safety and Health (OSH) standards to participating schools by setting up OSH taskforce, developing OSH training materials, and institutionalising OSH with the schools. MoETE endorsed the addition of a formal OSH department to the UTE model.
- Established 24 innovation clubs in participating schools – 10 are equipped with state of the art fabrication labs, and designed and implemented the model Fanni Mobtaker Innovation Competition.

German Cooperation is currently implementing 2 initiatives; **the Employment Promotion Project EPP and the Enhancement of the Egyptian Dual System EEDS. The first initiatives: The Employment Promotion Project EPP, (2016-2020), aims to bring together policy makers and private sector actors, supporting them to work in partnership to implement reform for the promotion of youth employment.** The main areas of support are:

- **Policy advice and strategic planning of vocational education**, through supporting MoETE in contributing actively to the national dialogue on employment, and developing monitoring and evaluation competencies that will allow it to take a more evidence-based approach to developing reforms and programmes.
- **Greater involvement of the private sector**, this includes advising private sector associations on the development of demand-driven labour market services in the fields of further education and training.
- **Provision of labour market information**, through working with the private sector associations to establish regional labour market monitoring structures, to improve the information base for policy-makers, as well as the advisory and placement services available to job seekers.
- **Introduction of new career guidance services**; supporting private and public actors in implementing target group-specific models of careers guidance, to ensure better placement of young people in jobs or training courses that meet the existing demand.
- **Development of demand-based training measures**; supporting MoETE and selected private institutions in aligning their training measures with the employment potential of the Egyptian labour market, and expanding the scope of these measures.

The second initiative: The Enhancement of the Egyptian Dual System (EEDS) (2015-2020), aims at increasing the number of apprentices in dual education and enhancing the quality of the training programmes. The project supports public and private sector partners in preparing young Egyptians to meet the requirements of the job market and thus promoting sustainable employment. The focus is on developing participatory mechanisms for decision-making at all levels and in all parts of the system. The project provides advice and support in the areas of:

- 1) Designing the Egyptian dual system, at national and regional level, where the project advises public and private actors on jointly designing the strategic and conceptual framework, as well as the legal and regulatory framework for the Egyptian dual system.
- 2) Enhancing quality and quantity in the dual training system: At regional level, the project supports efforts to improve the in-company and school-based training for certain professions and promotes more dual training places. Based on a review and analysis of the vocational schools and the training institutions supported, the project adopts a participatory approach to developing standards for in-company training and advises the faculty and management of vocational schools.
- 3) Up-skilling vocational training personnel in the dual system: At the school and company level, the project strengthens partner capacity through training measures designed for the faculty and the management with the aim of assisting them in achieving previously developed quality standards.
- 4) Introducing inter-company training: The project advises its partners on trying out inter-company training as a new element in the Egyptian dual system.

The latest German-Egyptian Cooperation initiative was agreed in late 2018, when **A Joint Declaration of Intent was signed between the Government of Egypt and the Government of the Federal Republic of Germany for “New Comprehensive TVET Initiative (NCTI)”**. The objective of

NCTI is to take the Dual System within the Egyptian TVET as a joint starting point and a role model to significantly and sustainably enhance the Egyptian TVET system in order to provide qualified workforce and job opportunities for the formal and informal sectors of the Egyptian economy, focusing on governance, quality management and teacher training in the Egyptian Dual System. The different components of the NCTI will include: 1) Establishment of the central unit called the Centre for the Enhancement for Quality Assurance in Technical Education (CEQAT); within the MoETE, 2) Establishment of a National Authority for Quality Assurance and Accreditation of TVET Programs (currently referred to as ETQAAN), 3) Establishment of a “Technical Education Teachers Academy” (currently referred to as TVETA), 4) Integrating the private sector systematically into the system of technical education including the establishment of Centres of Competence (CoC) across the nation.

KFW will provide a loan and grant along with the EU to establish three Centres of Competence (CoC) in the renewable energy sector and this will include private sector partnership and engagement.

African Development Bank is currently supporting the GoE towards establishment of Technological Universities. A number of consultancy assignments will be launched, as follows: (i) the first assignment seeks to integrate innovation, and specifically as related to teaching methods, innovative areas of specializations towards curriculum development, as well as mainstreaming innovative and green approaches in the management and administration of the university such as solid waste management, energy efficiency and reduction of carbon emissions; (ii) the second assignment seeks to ensure linkages with the various on-going and planned TVET and dual-education initiatives so as to ensure that access of TVET graduates to the technological university stream, through innovative and transformational approaches such as a dedicated immersion program for skills and attitude enhancement of the TVET graduates; (iii) the third assignment seeks to formulate the institutional governance framework for technological universities including a review of the legal framework.

In 2015, **Global Affairs Canada GAC**, commenced with financing the Aswan Skills Development Program (ASDP), a five-year, program designed to improve the livelihoods of 6,000 young women and men in Aswan city and Kom Ombo District. To achieve its goal ASDP will focus on the following intermediate outcomes: improved prospects for employment and employability for young women and men in Aswan and Kom Ombo, through technical and vocational training; improved job creation opportunities (through self-employment, entrepreneurship) for young women and men in Aswan and Kom Ombo; and a strengthened local gender and environmentally-sensitive labour market system. The project's ultimate outcome is “Improved livelihoods for young women and men in Aswan City and Kom Ombo District.” The project is implemented by Agha Khan Foundation in close cooperation with the PVTD, MoM, Ministry of Youth, and National Council for Women, Aswan University and private businesses.

The **Italian Agency for Development Cooperation**, has been contributing to VET since the early 2000s, when it supported two important initiatives in Fayoum (The Fayoum Advanced Tourism School and the Fayoum ITEC partnering with Regione Emilia Romagna). A second ITEC similar to Fayoum is also being established at Abou-Ghaleb, in Giza Governorate. Currently the Italian Cooperation is implementing two other initiatives. The first is “Positive Life Alternatives for Youth in Egypt (2019-2021)”, having an overall objective of contributing to the prevention of illegal migration by young Egyptians through offering viable alternatives to life. One of the project's three components aims at enhancing access to quality education and professional training in the tourism sector for young Egyptians and facilitating employment opportunities in the tourism sector. The second is the “Multi-Educational Programme for Employment Promotion in Migration-affected areas”, which is awaiting final approval, to be implemented (2019-2022) under supervision of the MoTI and MoETE, to address the current migration trend of vulnerable young people, by enhancing their employability through improving the quality and relevance of the industrial VET education and training system (in Cairo and Sharkia Governorates). The Italian Development Cooperation, through the debt-swap mechanism will fund a 2 million Euro project to support the management and operation of Applied Technology Schools (ATS) within the MoETE.

Since his appointment in June 2018, the current Deputy Minister of Education for Technical Education Affairs, has been successful in achieving better coordination among the key development partners active in VET and actively coordinating the activities of the various international donor programmes, with the objective of consolidating their efforts and eliminating redundancy and overlap. As will be explained throughout this report, the coordination activities have yielded several unified outputs.

Building block B: Economic and labour market environment

This building block focuses on the demand for VET from the economic and labour market perspective. It collects information on labour market and economic factors that shape the demand for skills, and on the responsiveness of VET to these factors. This includes migration, skill gaps and mismatches, the transition to employment, and the role that VET plays in the promotion and development of entrepreneurship.

I. Thematic questions

B.1: VET, economy, and labour markets

Identification of issues

B.1.1 Labour market situation

In an attempt to decrease unemployment, the GoE is adopting and implementing initiative that have the potential to create employment opportunities for Egyptians, and would require an efficient labour market that can match workers with the most suitable jobs for their skillset. These initiatives are reflected in its vision 2030, it's the Industrial Strategy and the "MEGA Projects", currently implemented. However, the Egyptian labour market is currently being characterised by a number of serious factors that affects its efficiency; an increasing labour force, low participation rate and high unemployment (especially among the educated, youth and women).

Overall, the Egyptian labour force is steadily increasing, at an annual rate of around 1.8 percent, however the biggest share of Egyptians in working age (15+) are not in the labour force, yielding a labour force participation rate, in 2017, as low as 45 percent, down from 47 percent in 2015 and 48 percent in 2013. Crucially, the **participation rate of women in the labor market in Egypt (year 2017) is 22 percent**, one third of the participation rate of male, **66.9 percent**. This low women participation rate, also faces high unemployment rate, recording 23.0 percent, almost three times as much as men unemployment, 8.2 percent in 2017. Thus the majority of women are either active in the informal economic sector or hardly involved in the formal productive labour market activities.

Figure 8: Labor force participation rate (Age 15+)

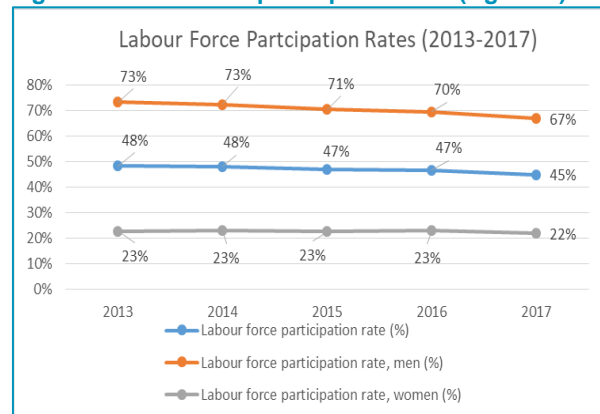
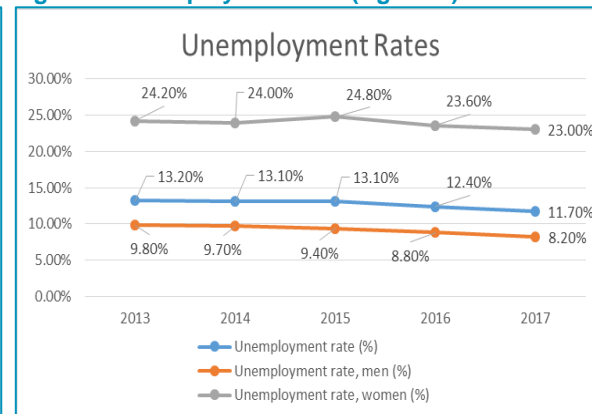


Figure 9: Unemployment rate (Age 15+)

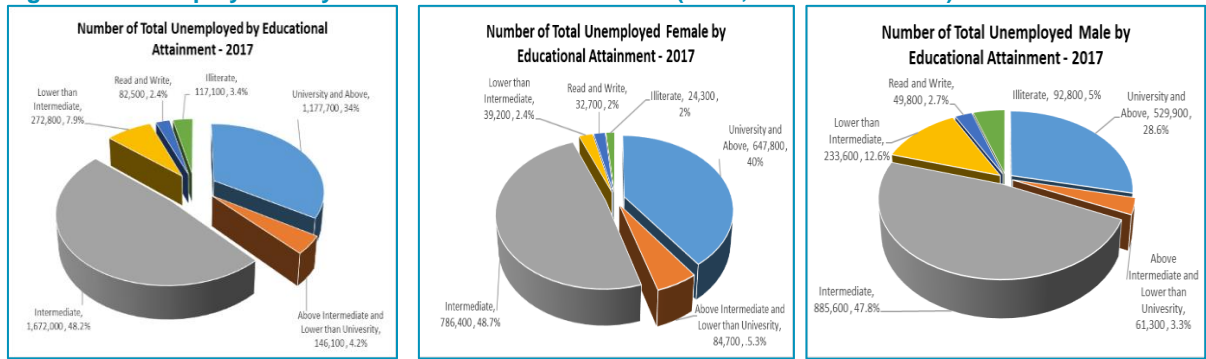


Source: ILOSTAT (Labour Force Survey) <https://ilostat ilo.org/data/>

The phenomenon of “**educated unemployment**”⁴⁸, a typical feature of the Egyptian and regional labour market, continues to persist. Low-educated (illiterate and those who read and write) workers show very low unemployment levels (3.4 and 2.4 percent) whereas much higher unemployment rates are recorded with higher levels of education attainment; university and intermediate secondary level (34 and 48.2 percent). The high rates of unemployment among educated people, is a strong indication of the mismatch between the skills offered by education and training and the skills required by employers in the labour market.

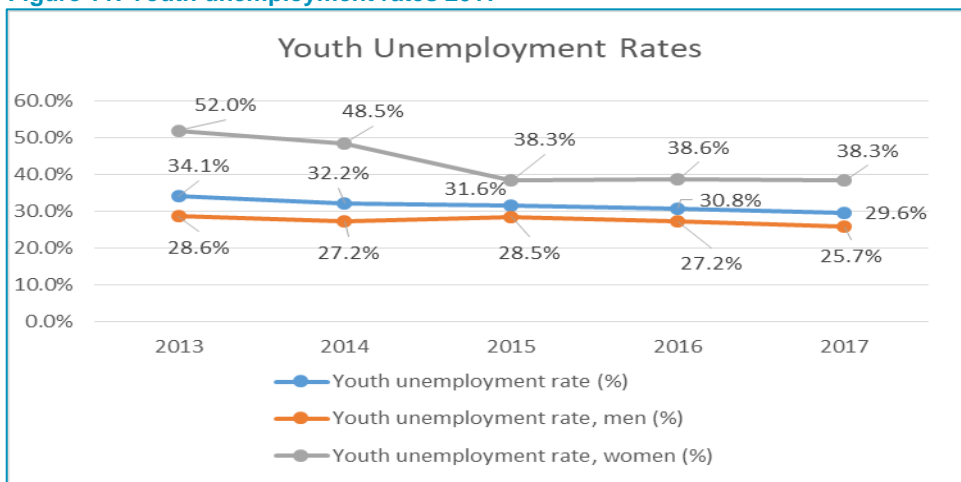
⁴⁸ SABER, WB, 2013

Figure 10: Unemployment by Educational Attainment 2017 (Total, Female and Male)



According to ILOSTAT data, the youth unemployment rate in 2017 was 29.6 percent, down from 34.1 percent in 2013, and 31.6 percent in 2015⁴⁹. Youth unemployment also varies greatly, again between young men and women. While (year 2017) young men have an unemployment rate of 25.7 percent, young women suffer from 38.3 percent unemployment, down from 52 percent in 2013.

Figure 11: Youth unemployment rates 2017



Employment distribution by economic sector, reflects a dominating role for the services sector (including direct tourism employment) with a 48.3 percent share, followed by agriculture 25%, industry 14%, and construction 13%.

Figure 12: Employment Share by Economic Sectors 2017

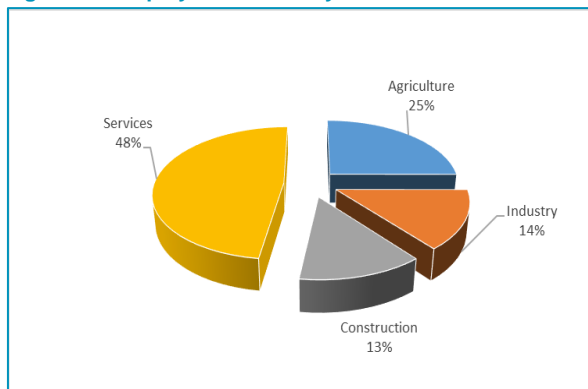
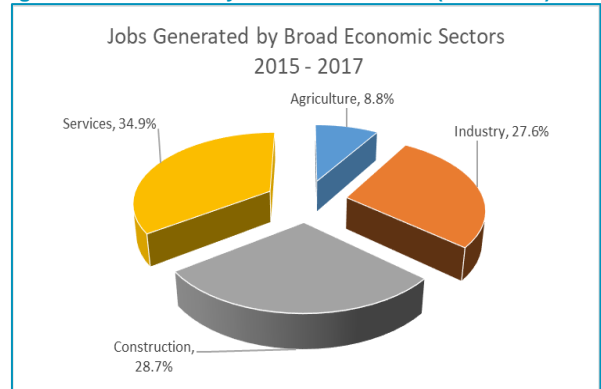


Figure 13: New Jobs by Economic Sectors (2015-2017)



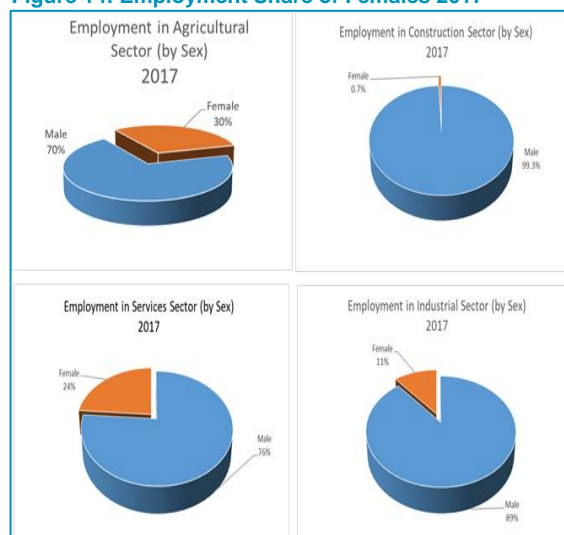
In the period from 2015 to 2017, 1.2 million new jobs were created (where services have the highest share of new jobs, followed by construction, then industry and last agriculture with an 8.8 percent share). The low share of the agricultural sector in new jobs has been affected by the share of women employment in agricultural sector, which has decreased from 40 to 37 percent, as reflected in table 3, which also reflect a shift towards services.

⁴⁹ One of the explanations regarding the high unemployment rates between 2011 and 2013 was due to the political and economic instability which was then addressed in 2014 onwards through the political and economic development and stability which led to lower rates of unemployment.

Table 3: Employment (aged 15+) by Broad Economic Sectors **Figure 14: Employment Share of Females 2017**

	2015		2017		2017 - 2015
Total					
Agriculture	6,402,600	26%	6,510,200	25%	107,600
Industry	3,343,700	13%	3,682,800	14%	339,100
Construction	3,004,800	12%	3,357,700	13%	352,900
Services*	12,027,800	49%	12,455,700	48%	427,900
TOTAL	24,778,900	100%	26,006,400	100%	1,227,500
Male					
Agriculture	4,353,500	22%	4,524,900	22%	171,400
Industry	3,014,300	15%	3,273,500	16%	259,200
Construction	2,984,800	15%	3,334,200	16%	349,400
Services	9,341,200	47%	9,487,500	46%	146,300
TOTAL	19,693,800	100%	20,620,100	100%	926,300
Female					
Agriculture	2,049,100	40%	1,985,300	37%	-63,800
Industry	329,400	6%	409,300	8%	79,900
Construction	20,000	0%	23,500	0%	3,500
Services	2,686,700	53%	2,968,200	55%	281,500
TOTAL	5,085,200	100%	5,386,300	100%	301,100

Source: CAPAMAS: Egypt in figures 2016 and 2019



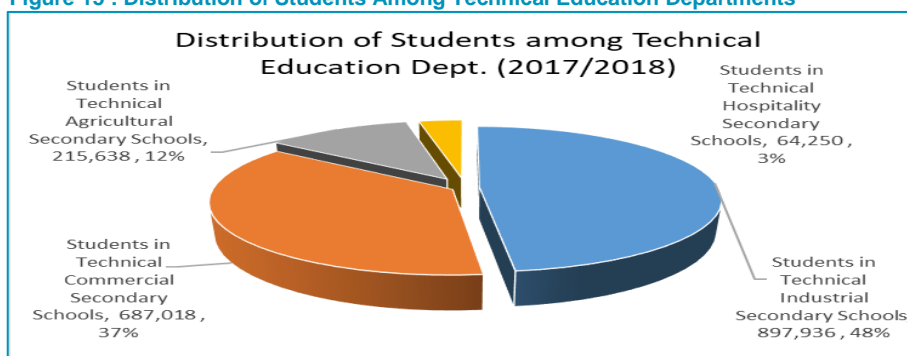
In addition to the mismatch between skills offered by education and training and skills required by employers (as indicated by the high rates of unemployment among educated people), the relatively high rate of population growth creates further challenges to the system. This is indicated by the employment-to-population ratio which is recorded as low as 27 percent in the last 3 years (for working age of 15+) reflecting the Egyptian economy’s constant need to create employment opportunities, enough to absorb the new entrants into the labour market. The government is aware of these challenges and has embarked on national campaigns to create awareness about the benefits of having small families. However, these are long-term solutions and must be complemented with short and medium-term innovative solutions to improve the quality and relevance of the skills of the Egyptian workforce in order to create opportunities for them in the international as well as the local labour market.

B.1.2 Specific challenges and opportunities: skill mismatch

The mismatch between the type and level of skills offered by education and training and the skills required by employers in the labour market is significant, as reflected by the high unemployment rates among university graduates and intermediate secondary graduates. **Egypt is facing two types of skills mismatch; quantitative mismatch**, is indicated by the short supply of VET graduates to sectors in need of labour force; **qualitative mismatch**, where the “level of available skills is lower than the required level to perform the job (often associated with changing economic context or changes in technology)⁵⁰.

Examples of **Egypt’s Quantitative mismatch** is the agricultural sector, which employs 25 percent of the workforce, while agricultural technical secondary education represents only 13 percent of all technical secondary schools, in contrast, the manufacturing sector, employs 14 percent of workforce and 48% of total technical secondary education. Capacity for education provision should correspond to the needs of the labour market. (Figure 12 and 15)

Figure 15 : Distribution of Students Among Technical Education Departments



⁵⁰ As defined in ETF report, Skills mismatch measurements in ETP Partner Countries. 2019

On the other hand, **qualitative mismatch**; indicated by employers complain about the competences and attitude of VET graduates, which are not in line with market demands and with the work environment. This is clearly illustrated by the existence of foreign workforce, especially within the industrial sector (from a diverse number of countries, such as India, Pakistan, Syria, China, and African countries, while there were more than 3.4 million unemployed Egyptian, in 2017⁵¹, CAPMAS reported an increase of 1.1% in the number of foreign workers in Egypt⁵².

There has been several attempts to address the issue of mismatch, through international and national initiatives, which has yielded satisfaction by employers with graduates of these initiatives, indicating that change is possible, and the TVET policy makers must observe and evaluate these pilots and select the successful ones to scale-up to the national level.

As the LMIS is in the reconstruction phase by the GoE, aiming to achieve informed decision making for VET, and managing the lack of institutional and sustainable mechanisms for identification and anticipation of skills demand and translating them into curricula and training materials and qualifications, may be considered as the main factors contributing to the mismatch between the skills provided and the skills needed and are a major problem that weakens reform of the system, and will probably have a bigger impact with the increasing pace of technological and technical evolution. Some stakeholders also indicate that the mismatch is due to the problems related to implementing the educational and training programmes according to recognised standards by employers and benchmarked with international qualification frameworks.

B.1.3 Specific challenges and opportunities: migration

With a population of more than 100 million⁵³, Egypt ranks as the most populous among the Arab countries⁵⁴. With an estimated annual growth rate of more than 2.6%, it has one of the fastest growing populations in the world. This means approximately 700,000 new entrants to the labour market each year⁵⁵. While most should be absorbed in jobs created by a growing economy, there will also be possibilities for highly skilled Egyptians to work abroad seeking to improve their livelihood and socioeconomic opportunities.

In this context, Egypt has been a major labor exporter since the early 1970s, and has become the largest labor exporter in the MENA region. In 2017, Egyptian migrants amounted to almost 7.5 million, double those in 2015 (3.27 million Egyptians were living abroad). Three regions constitute the main destinations for Egyptian migrants; 2/3 in Arab countries (Saudi Arabia 56.4%, Jordan 17.2%, the United Arab Emirates 10.8% and Kuwait 9.7%, others 5.9%), 18.4 percent in North America and 10.4 percent in Europe. The presence in Australia is estimated at 3.4 percent, while Asia, South America and Africa together account for only 1 percent.⁵⁶

One of the main features of Egyptian migration flows, during the early 1980s, was that they were composed of both educated and less educated migrants⁵⁷; as Egypt exported doctors, health workers and teachers to the Gulf States, but also many less educated migrants employed in construction. Since then, the percentage of educated migrants has increased and the share of less educated Egyptian migrant workers has declined as they got replaced by Asians workers. On the other hand, migrants to Europe and North America are predominantly (95%) highly educated. In this respect the impact on the labour market, as reflected in some literature, is seen from two different perspective the first is "Brain Drain" (migration of highly educated Egyptians) and the second is "Brain Gain" (returnee with higher levels of skills).⁵⁸

B.1.4 Specific challenges and opportunities: digital transformation

According to the National ICT Strategy 2012-2017⁵⁹: Towards a Digital Society and Knowledge-based Economy⁶⁰ the GoE has four strategic objectives; 1) Supporting the democratic transition, 2)

⁵¹ CAPMAS: Egypt in Figures 2019

⁵² CAPMAS: Annual Bulletin of Foreigners Working in Private and Investment Sectors in Egypt 2017

⁵³ www.capmas.gov.eg

⁵⁴ http://en.wikipedia.org/wiki/Central_Agency_for_Public_Mobilization_and_Statistics (March 2015)

⁵⁵ Labour Market Transitions of Young Women and Men in Egypt, ILO, 2014

⁵⁶ EGYPT LABOUR MARKET REPORT: DEMOGRAPHIC TRENDS, LABOUR MARKET EVOLUTION AND SCENARIOS FOR THE PERIOD 2015–2030, IOM, 2017

⁵⁷ Through the Key Hole: International Migration in Egypt, Jackline Wahba, Economic Research Forum, 2014

⁵⁸ Upward or Downward: Occupational Mobility and Return Migration, ERF, 2016

⁵⁹ At the time of developing the Strategy in 2012, Egypt's ICT sector has been experiencing a number of positive indicators is clear in the following indicators: an average annual growth rate of 11.63 percent since 2008, a 4 percent contribution to GDP, annually \$1.487 billion cross-border exports via the internet, 83.4 million mobile phone subscriptions (penetration rate of 102.76 percent), 29 million internet user (annual

Promoting digital citizenship and information society, 3) Promoting sustainable development, Strengthening the national economy. In this respect the Ministry of Communication and Information Technology MCIT established various work programs that aim at: drafting and updating policies and guiding principles concerning ICT use in local development, contributing to the development of legislative and regulatory frameworks related to the ICT sector, supporting the development of strategies to increase the spread and use of ICTs and maximize their benefit to users and society, and monitoring developments in technology.

In addition, the MCIT is responsible for the development of the ICT infrastructure and digital services of government entities that aims to enhance the performance of ministries and other government bodies, raising the quality and efficiency of their services to the public, improving the work environment, providing support for decision-making and finding solutions to issues of concern to the community. These efforts will boost local markets and raise demand for ICTs. In this context a number of initiatives are being implemented; ICT for Education, ICT for Health, ICT for Government, e-content, Legislative Services, and Green ICT⁶¹.

To address the skill mismatch caused by digital transformation, the ICT for Education, included a number of initiatives, including: Modernizing Vocational Schools using ICT, Egyptian Education Initiative, Smart Schools Network, and Personal Computer PC for “Every Top Student Initiative”, Technical Schools Development Project, Education Development Using ICT, Schools Development Initiative, Illiteracy Eradication Initiative, launching of the first Applied Technology School in 2019 in ICT (I-Tech) in partnership with IBM and ICT for Micro, Small and Medium Enterprises. These initiatives are implementing a number of measures, ranging from refurbishment of schools, providing IT equipment, training teachers, and altering content of programmes⁶².

Description of Policies

B.1.5 Strategic policy responses involving education and VET

Policy responses to mismatch, since early 2000, has mainly focused on two measures; skills’ anticipation through establishment of a labour market information system; development of strong ties between VET providers and employers to enhance employers’ engagement and influence on VET at policy and provision level.

Since 2006, the **establishment of a labour market information system** has been a priority for VET stakeholders, to accurately identify, address and forecast the knowledge gap in terms of what qualifications, skills and competencies the labour market needs, quantitatively and qualitatively. Thus allowing the VET system to direct its resources efficiently and effectively to address these needs. The first of these initiatives, was the establishment of Egyptian Education, Training and Employment Observatory (EETEO) within the IDSC, during the period 2006-2010, with the support of the EU through the ETF. However, after the 2011 events in Egypt, and the changes in management and staff, the observatory has not resumed the original role envisioned for it. The EU-TVET Egypt Programme is currently working to resolve the issue of where the national LMIS could be hosted at the IDSC with the support of the Ministry of Planning and Economic Development.

In response, another attempt to establish observatories, was adopted by the MoETE, supported by the GIZ, to establish a network of five regional observatories (6th of October, Aswan, Alexandria, Sadat City, 10th of Ramadan), capable of producing regional labour market information in a participatory process and propose employment related interventions for the respective region. To ensure sustainability, the observatories rely on a staff seconded from MoETE, MoMM, private sector associations and civil society. So far, the observatories have been able to establish a working relation with public employment offices and have delivered a number of regional labour market reports. The next period will see how these observatories would link at the national level especially as the TVET-Egypt Programme is working with the government to identify a national host for the LMIS.

Further, TVET Egypt as part of its support to the reform of the Egyptian VET system is attempting to develop a new LMIS and have been negotiating to either revive the EETEO, or to identify a new host for the new LMIS. The main stakeholders involved in the development are CAPMAS, IDSC, and Ministry of Planning and Economic Development.

growth rate of 26%), 8.71 million fixed line subscribers (penetration rate of 10.91%), Smart Village technology park had attracted investments amounting to LE 6 billion and created 40,000 job opportunities, in addition to creating jobs (41% rise in the number of employees of international ICT companies in the Egyptian and an 18% rise in those employed by local companies).

⁶⁰ www.mcit.gov.eg/Upcont/Documents/ICT%20Strategy%202012-2017.pdf

⁶¹ http://www.mcit.gov.eg/Digital_Government

⁶² http://www.mcit.gov.eg/Digital_Government/ICT_For_Learning

Another strategic policy response to the mismatch is attempting to set structures that would allow for developing **stronger ties between VET providers and employers**, to enhance employers' engagement and influence at policy and provision level. Since 2006, a number of these structures have been established; 12 Enterprise TVET Partnership, and a number of Local ETPs, the Industrial Training Council, the Buildings Skills Development Council, the National Tourism HRD Council. Currently, none of these structures are active since 2017 due to various reasons associated with legislative and funding challenges as well as the readiness of the private sector to assume its proper role. Additionally, and despite the existence of laws that are related to licensing of workers, there has been little evidence that this has been implemented in the right way. Also the outputs of previous projects such as the National Skills Standards Project (NSSP) have not been widely implemented and there is a threat that new initiatives would duplicate some of these efforts. However, the need to develop strong ties between VET providers and employers still persists. This has been addressed in a number of strategic documents, including the newly proposed labour law (MoM), the TVET ACT (developed by TVET Egypt, the PVTD's restructuring Plan, as well as being adopted by the FEI, all working to develop Sectoral Skills Councils, where employers may influence the provision of VET.

In 2018, the MoETE commenced with establishing "a new brand of schools" called Applied Technology Schools (ATS), under a PPP with private sector companies⁶³, where companies have three agreement options depending on the level of responsibility they can and/or want to undertake. This includes **Full Partnership Agreement**, **Consortium Partnership**, and **Associate Partnership**. Where **Full Partnership** is suitable for large and labour-intensive companies as well as with mega national projects, **Consortium Partnership**, is suitable for medium size enterprises, and **Associate Partnership**, allows small and micro enterprises to participate in the apprenticeship programmes.

The guiding principle of the ATS model include, **Quality** through partnership with international awarding bodies, **WBL** through a balanced equation between work-based learning and classroom learning, **Demand-Driven** through employers' commitment to the system, **Learner-centred** through producing productive and competitive worker, **Real change** through promoting a culture change where work ethics and productivity are the norm, and finally **Partnership with industry** through a new competency based model that will play a major role in developing workforce that can transform Egypt into a global manufacturing destination.

The ATS model received technical support from the Education Development Fund (EDF) through the Fayoum ITEC in implementing competence-based curricula and implementation monitoring support through a protocol signed by EDF and MoETE in 2018.

B.1.6 The role of VET in remedies through active labour market policies (ALMPs)

There are numerous ongoing and emerging initiatives for Active Labour Market Policies ALMP, to upgrade workers' skills, promote job creation and assist in matching workers and employers that are being implemented by various stakeholders and NGOs, in many cases supported by donor organisations. According to the ILO study "Towards Evidence-Based Active Labour Market Programmes in Egypt", the majority of ALMP interventions, almost 86 percent, are being implemented by non-governmental and non-profit organisations⁶⁴. While the remaining 24 percent is being implemented by governmental organisations, donors and VET Providers.

A number of stakeholders are actively promoting and implementing a number of ALMP, including; 1) Non-profit, non-governmental organisations: such as Sawiras Foundation for Social Development SFSD, Injaz Egypt, Caritas⁶⁵, AMIDEAST⁶⁶; 2) Governmental organisations, such as the Ministry of Manpower, MSMEDA, Ministry of Industry, Ministry of Information and Computer Technology MICT and others; 4) Donor organisations, such as the ILO⁶⁷, UNIDO, GAC⁶⁸, USAID, GIZ⁶⁹, European Union; 5) VET Providers

The involvement of VET in Active Labour Market Policies include a number of initiatives; 1) On the job training; dual system, apprenticeship programmes (within MoM VTCs and PVTDs), 2) Entrepreneurship programmes: as extra curriculum activities within TSS, 3) Transition from School to Work including Career Guidance.

⁶³ Three ATSS⁶³ started operations this academic year 2018/19, a further eight started to operate in 2019/20 and the plan is to establish 100 such schools by 2030⁶³.

⁶⁴ Towards Evidence-Based Active Labour Market Programmes in Egypt, ILO,

⁶⁵ <https://caritas-egypt.org/en/>

⁶⁶ Youth Entrepreneurship Programme YEP was launched in 2016

⁶⁷ "Start and Improve Your Business Programme (SIYB), providing a practical training package that has been developed for small-scale enterprise owners and managers offering a step-by-step guidance in four progressive stages of business development

⁶⁸ The Aswan Skills Development Project promoting entrepreneurship as a viable career option for young men and women in Aswan, as well as training for employment in electrical and solar professions

⁶⁹ Career Guidance

B.1.7 Identification of skills demand and its bearing on VET provision

Policies for identification and anticipation of skills demands, and the need to translate these skills into curricula and training material, in the last decade has taken different forms. The establishment of the Egyptian Education, Training and Employment Observatory (EETEO), formulation of the Training Councils (for Industry, Building and Construction, and Tourism) and establishment of 12 Enterprise TVET Partnerships (ETPs) for 12 subsectors. Unfortunately, none of these are currently operational due to legislative and funding challenges. To overcome this gap, some of the TVET authorities have opted for social dialogue, as a mechanism for identification and anticipation of skills needs, in which workers and employers become the sources of informed opinion and expertise. This has been adopted by the MoETE supported by WISE (a USAID funded project) to introduce renewable energy (wind and solar energy) in technical secondary education. The outcome was translated into a curriculum and is currently being offered in more than 10 technical secondary schools⁷⁰.

However, currently, various stakeholders are in different stages of introducing models for engaging employers in the identification of sectoral skills needs that can feed into VET provision in a more institutionalised and sustainable manner. This includes: The Sectoral Skills Councils Model produced by TVET Egypt Programme, the Sectoral Board of Directors suggested within the framework of the PVTDs institutional restructuring, the Chamber of Engineering Industry's initiative supported by EBRD, to pilot a Sector Skills Platform in electrical equipment and cables sub-sector.

B.1.8 Supporting migrants and refugees through VET

Skills recognition services, in Egypt, are currently limited to occupational licencing procedures⁷¹. Migrants and refugees, may apply to obtain an occupational license to practice one of over 400 occupations. The system is designed to ensure quality in these occupations, and allow workers who have not gone through a formal education or training program to have their skills recognised and their occupations recorded on their passports and IDs. However, the system requires restructuring to improve the process in terms of; consistency in implementation, clarity in standards and criteria, visibility by employers, quality control and better involvement of business and workers' organisations, as well as awareness in the recognition of certificates by employers.

B.2: Entrepreneurial learning and entrepreneurship

B.2.1 Job creation and VET

Limited tracer studies have been conducted to assess the **VET contribution to job creation** and the impact of ALMP on employment. Establishing a national tracer studies model is an ambitious objective given the scale of the Egyptian VET system, but it would provide invaluable information to be used in the regular monitoring of the Active labour Market Programmes and the VET sector effectiveness. TVET Egypt Programme is currently in the process of conducting a tracer study and institutionalise the process of developing such studies within the different VET providers.

B.2.2 VET policies to promote entrepreneurship

VET providers, especially MoETE, is promoting entrepreneurship as part of TSS programme. Initially, the Deputy Minister for Technical Education (MoETE) coordinated the efforts of several international donor organisations, including TVET Egypt, WISE, SEED, UNIDO and ILO, in an attempt to consolidate their entrepreneurship programmes into a joint product. The effort has yielded the development of the "Student Training for Entrepreneurial Promotion STEP" model, offered to students of technical secondary schools as extra curricula activity⁷².

Further, to integrate entrepreneurial learning within the Technical Education curriculum, more coordination efforts, under MoETE, are exerted by the various donor organisations to produce "A Unified Entrepreneurship and Innovation Curriculum" that could form the basis for entrepreneurship learning within the 2000+ technical secondary schools.

III. Summary and analytical conclusions

In an attempt to decrease unemployment, the GoE has been adopting and implementing initiatives that have the potential to create employment opportunities for Egyptians, and would require an

⁷⁰ 5 schools in Aswan, one school in Hurgada and around 9 more schools spread all over Egypt.

⁷¹ Labour law 2003, article 140

⁷² WISE – published and distributed to all 60 WISE supported schools a referral handbook on entrepreneurship consisting of a guide on how to initiate and develop a project and information on financial and non-financial service providers supporting entrepreneurs.

efficient labour market that can match workers with the most suitable jobs for their skillset. These initiatives are reflected in its vision 2030, its Industrial Strategy and the “MEGA Projects”, currently being implemented.

To achieve this, the Egyptian labour market has to improve its efficiency in terms of; reducing the skills miss-match especially among the educated unemployed, improve the labour force participation rate (45 percent), increasing the **rate of women participation in the labour force (22 percent)** and lowering the unemployment rates among women (23%) especially by motivating the informal sector to transition to the formal economy, continue the current trend in reducing the unemployment rate (Unemployment decreased to 7.8 per cent in the first quarter of 2019/20 fiscal year, down from 30 per cent in 2013)⁷³, and creating awareness towards reducing the rate of population growth and thus increasing the employment-to-population ratio (27 percent in the last 3 years for working age of 15+) thus enhancing the Egyptian economy’s ability to create employment opportunities to absorb the new entrants into the labour market.

Employment distribution by economic sector, reflects a dominating role for the services sector (including direct tourism employment) with a 48.3 percent share, followed by agriculture 25%, industry 14%, and construction 13%. In the period from 2015 to 2017, 1.2 million new jobs were created (where services has the highest share of new jobs, followed by construction, then industry and last agriculture with an 8.8 percent share)⁷⁴. The low share of the agricultural sector in new jobs has been affected by the share of women employment in agricultural sector, which has decreased from 40 to 37 percent, with a shift towards services.

The mismatch between the type and level of skills offered by education and training and the skills required by employers in the labour market is significant, as reflected by the high unemployment rates among university graduates⁷⁵ and intermediate secondary graduates. **Egypt is facing two types of skills mismatch; quantitative mismatch**, as indicated by the short supply of VET graduates to sectors in need of labour force; **qualitative mismatch**, where the “level of available skills is lower than the required level to perform the job (often associated with changing economic context or changes in technology)⁷⁶.

The absence of a well-established LMIS for an informed decision making for VET, and the lack of an institutional and sustainable mechanisms for identification and anticipation of skills demand and translating them into curricula and training materials and qualifications, may be considered as the main factors contributing to the mismatch between the skills provided and the skills needed and are a major problem that weakens reform of the system, and will probably have a bigger impact with the increasing pace of technological and technical evolution.

Although the rate of economic growth has been steadily increasing since 2015 to 5.6% in 2019, this rate needs to increase to at least 7% for a relatively long and sustainable time for the economy to generate enough jobs to absorb the graduates of the education and vocational training system. Egypt has traditionally been one of the largest labor exporter in the MENA region and this is a viable option for Egyptian workers during times of economic recession. In 2017, Egyptian migrants amounted to almost 7.5 million, double those in 2015 (3.27 million). Comprising of both educated and less educated migrants⁷⁷, however, since the 1980s the percentage of educated migrants has increased and the share of less educated Egyptian migrant workers has declined (as they got replaced by Asians workers). In this respect the impact on the labour market, as reflected in some literature, is seen from two different perspective the first is “Brain Drain” (migration of highly educated Egyptians) and the second is “Brain Gain” (returnee with higher levels of skills).⁷⁸

Digital transformation is currently one of the government’s priorities, towards a Digital Society and Knowledge-based Economy⁷⁹ and improving the performance of ministries and other governmental bodies, raising the quality and efficiency of their services to the public, improving the work

⁷³ Ministry of Foreign Affairs, Economic Outlook, 2020

⁷⁴ One of the explanations for this increase in employment in the stated sector is offered by the Federation of Construction and Contractors who explain that this increase is mainly due to the national mega projects especially in construction with directly impacts on many other sectors. However these projects are not sustainable and have a limited time.

⁷⁵ One of the explanations for this is that some private universities opt to establish faculties that are not required by the labour market and address social studies rather than applied sciences which are more needed in the labour market.

⁷⁶ As defined in ETF report, Skills mismatch measurements in ETP Partner Countries. 2019

⁷⁷ Through the Key Hole: International Migration in Egypt, Jackline Wahba, Economic Research Forum, 2014

⁷⁸ Upward or Downward: Occupational Mobility and Return Migration, ERF, 2016

⁷⁹ www.mcit.gov.eg/Upcont/Documents/ICT%20Strategy%202012-2017.pdf

environment, providing support to decision makers and finding solutions to issues of concern to the community. These efforts will boost local markets and raise demand for ICTs, which will cause skill mismatch.

In the absence of information based on tracer studies of VET graduates, it is not possible to assess the level of **VET's contribution to job creation** nor the impact of ALMP on employment. Establishing a national tracer studies model is regarded as an ambitious objective given the scale of the Egyptian VET system, but it would provide invaluable information to be used in the regular monitoring of the Active labour Market Programmes and the VET sector effectiveness. The TVET-Egypt Programme is currently working with various VET institutions to pilot a tracer study system for graduates.

Description of Policies

Policy responses to mismatch, since early 2000, has mainly focused on two measures; skills' anticipation through establishment of a labour market information system; development of strong ties between VET providers and employers to enhance employers' engagement and influence on VET at policy and provision level. Although these initiatives have not been sustainable due to legislative and funding challenges in the past, currently the GoE is working with the various international development partners to design and implement a complete and institutional set up for an LMIS and for employers' engagement in VET through sector skills councils.

Active labour market policies have also played an important role in trying to upgrading workers' skills, promoting job creation and assisting in matching workers and employers, implemented by various stakeholders and NGOs, usually supported by donor organisations. ALMP have usually been offered through "on the job training" programmes (example dual system and apprenticeship programmes as part of programmes offered by MoM VTCs and the PVTs), entrepreneurship programmes (as extra curriculum activities within TSS, ILO Decent Jobs and GAC's Aswan Skills Development Programme) as well as "Transition from School to Work activities including Career Guidance (such as the activities offered by GIZ within Technical Secondary Schools).

Policies for **identification and anticipation of skills demands**, and the need to translate these skills into curricula and training material, in the last decade has taken different forms; Training Councils Enterprise TVET Partnerships at sectoral and regional level, and through social dialogue. Unfortunately, none of these are currently operational. However, new initiatives are in the pipe line; the Sectoral Skills Councils Model produced by TVET Egypt Programme and introduced in the proposed TVET ACT, the Sectoral Board of Directors suggested within the framework of the PVTs institutional restructuring, the FEI's, supported by EBRD, is piloting a Sector Skills Platform in the sub-sector of electrical equipment and cables.

MoM supported by TVET Egypt Programme have initiated a process to reform and strengthen the occupational licensing system; a skills recognition service, which was introduced in the Labour Law 12 in 2003, allows workers (including migrants and refugees), who have not gone through a formal VET programme, to have their skills assessed and recognised and their occupations recorded on their passports and IDs. The initiative aims at improving the system in terms of consistency in implementation, clarity and awareness of the criterion, visibility by employers, improve quality control due to limited funding and lack of involvement of business and workers' organisations, and raise the level of recognition of certificates by employers.

To address the skill mismatch caused by digital transformation, the MCIT together with MoETE, have undertaken policy decisions to implement a number of initiatives: modernize vocational schools, Egyptian Education Initiative, Smart Schools Network, and Personal Computer PC for "Every Top Student Initiative", Technical Schools Development Project, Education Development Using ICT, Schools Development Initiative, Illiteracy Eradication Initiative, and ICT for Micro, Small and Medium Enterprises. These initiatives are implementing a number of measures, ranging from refurbishment of schools, providing IT equipment, training teachers, and altering content of programmes⁸⁰.

⁸⁰ http://www.mcit.gov.eg/Digital_Government/ICT_For_Learning

VET policies, by MoETE to promote **entrepreneurship** has recently progressed to successfully consolidate the efforts of international donors supporting VET yielding a unified “Student Training for Entrepreneurial Promotion STEP” offered to student of technical secondary schools as extra curricula activity⁸¹ and a “Unified Entrepreneurship and Innovation Curriculum” that will be streamlined within the Technical Secondary Schools, forming the basis for a sustainable entrepreneurship learning within all technical secondary schools.

TVET Egypt Programme is currently in the process of conducting a tracer study and institutionalise the process of developing such studies.

Recommendations

- The existing efforts to establish Sector Skills Councils with the objective of enhancing and institutionalising the engagement of employers and employers’ organisations in provision of VET, and allowing them to play a leading role in skills **identification and anticipation**, need to be coordinated among various stakeholders to reach consensus on a unified institutional model linked to the VET system, thus ensuring the integration of outcomes in the formulation of VET policies and programmes.
- VET entities need to support the on-going efforts to develop an institutional system for periodically conducting national tracer studies, as a measure to enhance the relevance and effectiveness of VET provision and active labour market programmes.
- A coordinated effort, among various VET entities is required to support the on-going efforts (by TVET Egypt) to identify and agree on a national host for the national LMIS before the end of the programme. The LMIS system may serve to address the existing variations in data among the various VET providers and CAPMAS.

⁸¹ WISE – published and distributed to all 60 WISE supported schools a referral handbook on entrepreneurship consisting of a guide on how to initiate and develop a project and information on financial and non-financial service providers supporting entrepreneurs.

Building block C: Social environment and individual demand for VET

Building block C focuses on people – on the young people and adults who could, should or do participate in VET – and the demands and expectations they might have as actual or prospective participants in VET. The questions in this building block discuss problems and solutions in VET from the point of view of individual demand for education and training, structured along the lines of the social rights of individuals to access and participate in education and training, to enjoy equal opportunities to succeed there, and to find fulfilling employment.

I. Thematic questions

C.1: Participation in VET and lifelong learning

Identification of issues

C.1.1 Participation

In academic year 2017/2018, more than 2.03 million students⁸² were enrolled in the 2914 VET institutes⁸³, most of which are admitted into VET through ranking according to school marks (numerical grading). In Egypt, students who complete their preparatory level education have two options to pursue further education into the secondary level. The first option and the one that most parents prefer for their children is general secondary education and the second, less attractive option is to enter technical or vocational secondary education. Typically the higher performers can choose between general secondary education and technical secondary education, while students with lower grades enter technical or vocational education. Although still a very small percentage in terms of student numbers, some good practice exceptions have been observed, with the provision of high quality technical education mostly in partnership with employers or international organisations, where highly performing students choose to join technical education. Examples include; the Donbosco, the Arab Contractors Schools⁸⁴, the ITECs, El Gouna Hotel School, Sewedy Technical Academy (STA), and the new model schools introduced by the MoETE called Applied Technology Schools (ATS). In the academic year 2019/2020 and for the very rare times if not the first, students from private language schools applied for technical schools through the ATS in partnership with IBM in the ICT field. This development indicates that with the right mix of quality provision, partnerships and incentives, technical education can become an option of choice for students.

C.1.2 VET opportunities for vulnerable groups

Following Egypt's new constitution in 2014, where the government is mandated to integrate people with disabilities into the society in accordance with the principles of equality and equal opportunity, which would reflect on equal access to educational opportunities, the ministerial decree number 229 of the year 2016 was issued to give students with mild disabilities access to technical education of all kinds (industrial, agricultural, commercial and hospitality). Where "mild disabilities", is defined in the Ministerial decree 42 for year 2015 to include; vision disabilities, hearing disabilities, mild to moderate physical and mobility disabilities, and mild intellectual disabilities (including autism and slow learning capabilities).

The Head of the Central Department for Special Education Affairs at the Ministry of Education and Technical Education, recently reported that from 2015 to 2017; 30,000 teachers were trained to deal with integration students, 59,351 students with disabilities that have been integrated into general and technical schools, compared to only 4200 students integrated from 2011 till 2014.

In 2014, by the ministerial decree 562, the MoETE adopted the Labour System, or as referred to in Arabic "Nezam El Ommal", which offers students (who might drop because they come from low-income families or other social reasons) the opportunity to complete their technical education programme, while working. Students enrolled in the Labour System, need to prove that they are working in an organisation (with social insurance coverage) and must pay an annual tuition of EGP 300 if they do not attend the practical classes which they are entitled to attend. Students are accordingly allowed to enter the examination. Supervision and follow up of the system is conducted by Idara, mudiriya and central level. The system currently host around 350,000 students. According to the ministerial decree, each school may accept students under the category of Labour System up to 20%

⁸² CAPMAS (Egypt in Figures 2019 and Annual Bulletin for Education & Training Statistics 2017/2018) + HE Bulletin for 2019

⁸³ According to CAPMAS data

⁸⁴ Arab Contractors, a semi-governmental construction company, has, through a cooperation agreement with the MoETE, acquired, refurbished, upgraded and jointly managed 5 technical secondary schools. Linking students and graduates to the labour market.

of the total number of students enrolled. While in principle this system reflects a positive form of work-based learning or recognition of prior learning, in practice the system requires restructuring to overcome some of the operational challenges where some students regard it as an easy way out of regular attendance and thus reflects negatively to the quality and image of technical education. The MoETE has established a task force with various international development partners to reform the system and in cooperate the new changes into a new draft of the education law.

Description of Policies

C.1.3 Policies to improve VET access and participation

Partnerships with employers to enhance the quality of VET institutions; through upgrading school infrastructure, learning environment, training teachers' and toping up their salaries, developing work-based programmes, prospects for employment, and day-to-day management of the school. This model has proven to be successful in attracting participation of higher calibres of students; students with high performance at preparatory level. Example of such models include Applied Technology Schools and the schools implemented under the collaboration agreement between the MoETE and Arab Contractors and other public sector service entities. Another example is the Ghabbour Auto Vocational Training Centres (three VTCs), implemented under a collaboration agreement between the Ghabbour Group and the Productivity and Vocational Training Department (Ministry of Trade and Industry), where the VTCs, due to the perceived quality of education, have attracted higher numbers of students, higher calibre of students as well as managed to increase the annual tuition fees from LE 123 to LE 8000 since the academic year 2017/2018 due to the international team co-managing the VTC. Parents' willingness to pay higher tuition may be an indication of their appreciation for the higher quality, however, in-depth evaluation of the pilot should be conducted.

C.1.4 Promoting VET access and participation for vulnerable groups

Vulnerable groups in Egypt constitute mainly women, youth and children, people living in remote areas, persons with disabilities and refugees. These groups have been supported by several initiatives implemented by national organisations (such as ITC⁸⁵, which has been inactive in last two years, due to change in its affiliation a number of time since 2017). International organisations (e.g. ILO) has also been implementing initiatives targeting these groups. At the systemic level the willingness to address the needs of these groups is well-formulated in some strategic documents, and the next phase will require the implementation of practical action plans. An example of such strategic documents are the Ministerial decrees issued in 2008 for inclusion of learners with mild disabilities in both general and technical secondary education/schools and the high-level national commitment reflected in the 2014 constitution.

Data on progress towards inclusion of students with disabilities, remain limited. Although ministerial decrees have ordered the establishment of an assessment system to monitor the progress made by students with special needs inclusion in mainstream schools in 2010/11. Moreover, compliance with decrees and ensuring consistent application of inclusive education requires the implementation of existing rules, regulations, and monitoring systems which is still work-in-progress⁸⁶. While a ministerial decree in 2008 called for the formation of a committee for inclusion in the MoETE, to be responsible for policy formulation still lack of information surrounds the status and contribution of this committee.

The draft TVET Act, developed by TVET Egypt and is still awaiting to be channelled for legal review and endorsement by the government, affirms the rights of people with special needs in education and training in the same institutions and the same system without discrimination to contribute to the utilization of their energy and integrate them into society properly.

The new labour law proposed by the Ministry of Manpower, gives the SCHRS the mandate to develop and following up policies for training and qualifying people with special needs and dwarfs.

⁸⁵ Since 2010, the ITC implemented the National Program for Training for Employment (NPTE) and the Female Social and Economic Empowerment Program (FSEEP), with main beneficiaries being women and people with disabilities

⁸⁶ Students with Disability and the Quest for Inclusive Education: A Case Study of Private Schools in Greater Cairo, Awad N.E and Ali, H. The American University in Cairo, 2016).

C.1.5 Flexible VET provision in support of participation in VET

Egypt is trying to change and develop its traditional education and training systems to upgrade its international competitiveness. To do so, Egypt is building a National Qualifications Framework whose main objective is to replace the old qualifications system that recognises only certificates obtained through formal educational pathways, with a new system that gives more emphasis to lifelong learning, flexibility and that tackles the problem of dead ends in learning pathways. By developing a National Qualifications Framework based on broader criteria linked to international standards, the intention is to enhance Egypt's educational quality.

C.1.6 Validation of non-formal and informal learning

Egypt does not yet have mechanisms for the validation of non-formal and informal learning. However, in 2015, NAQAAE reviewed the Egyptian NQF model to incorporate Validation of non-formal and informal learning as one of the expected results and benefits of the NQF.⁸⁷ The process of developing the NQF is currently pending approval by the Egyptian Parliament of the NQF Law drafted and presented by NAQAAE.

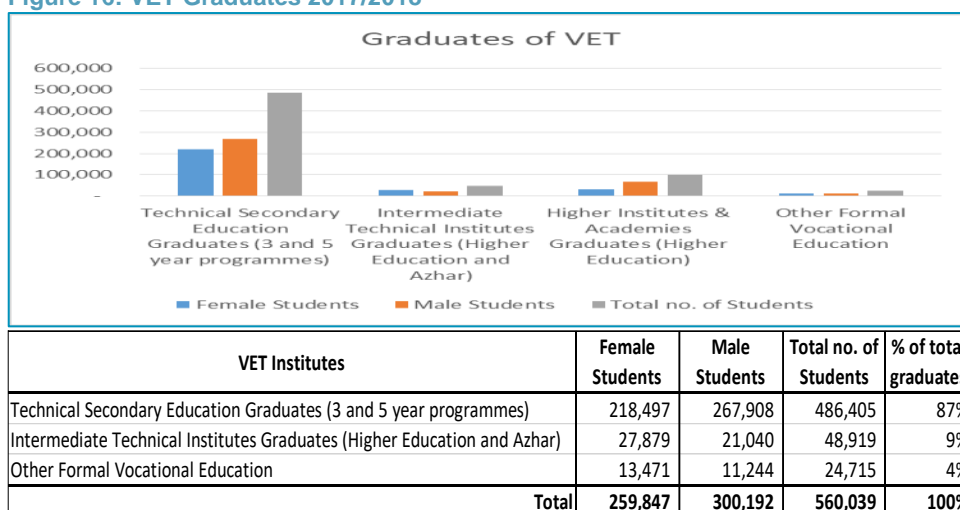
C.2: Equity and equal opportunity in VET

Identification of issues

C.2.1 Success of learners in VET

The number of VET graduates in 2017/2018, recorded 560,039 graduates from different VET levels, where 87% of total VET graduates have graduated from 3 and 5 year TSS programmes, 9% Intermediate technical institutes and finally 4% from other formal Vocational Education. (Figure 16)

Figure 16: VET Graduates 2017/2018



Source: CAPMAS Egypt in Figures 2019 and Annual Bulletin for Pre-University Education 2017/2018

According to data released by the MoETE, the total number of TE graduates recorded by CAPMAS, (figure 16) does not include those who have entered and passed the 2nd round of exams, which would increase the number **TE graduates to over 600,000** graduate, structuring as follows: follows:

- **50% Graduates of Industrial TSS**, of which 97 percent acquired 3 year diploma programme and around 3% acquired the 5 year advanced diploma. In terms of specialisations, 78.4% has specialised in 5 areas: architecture, electrical, decorative, textiles and mechanical.
- **35% Graduates of Commercial TSS**, of which 86% have specialised in 3 areas: management and secretariat, marketing and financial market, and legal issues
- **4% Graduates of Hospitality TSS**, of which 68% have specialised in Kitchen and Restaurants
- **11% Graduates of Agricultural TSS**, of which only 0.6% acquired the 5 year advanced diploma programme. In terms of specialisations: 23% animal production, 25% food

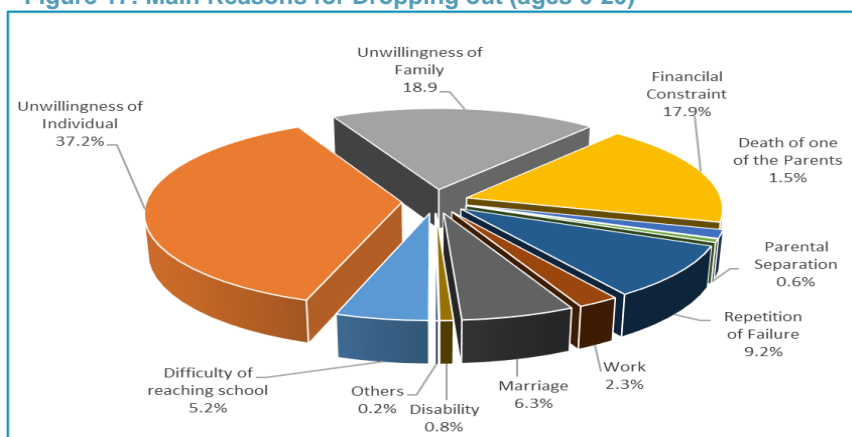
⁸⁷ NQF Inventory: Egypt, ETF, 2018

processing, 23% crops, 15% laboratories, and 14% agricultural mechanisation and land reclamation.

One of the challenges is the number of dropout students at secondary level. According to Egypt Census 2017, the total number of students dropping out of school was 1,122,763 students, of which students' dropping out at secondary level (including General, Azhar and Technical Secondary) constitute 31 percent, of which 64 percent are female and 73 percent are students from rural areas.

The main reasons for dropping out of school (Figure 17) for all levels (primary, preparatory and secondary), has indicated very high rates for unwillingness of students and their families to continue education, while access (difficulty of reaching school) and disability recorded a low rate of 5.2 percent and 0.8 percent. Other reasons included financial constraints, death of parents, work, and repetition of failure, parental separation and marriage. Geographically, the highest percentage of dropouts are in Giza (9.3 percent), Sohag (8.5 percent) and Beheira 7.9%.

Figure 17: Main Reasons for Dropping out (ages 6-20)



Source: Egypt Census 2017

C.2.2 VET learners in need of additional learning and training support

Many students entering the VET system in Egypt have **numeracy and literacy** deficiencies – due to weaknesses in basic education, and therefore the MoETE has introduced a corrective measure within technical secondary schools, where students are assessed, in the first two weeks of year-1, to identify deficiency levels, offering a nine week programme to enhance reading and writing skills of those in need. This support should be seen as a priority by other VET providers because, as jobs become more technical, basic literacy and numerical skills are crucial; it makes sure that students can get the most of their choices in education and training; it strengthens workforce skills; it supports transition from school to work or from school to further academic education⁸⁸. Furthermore, this challenge of low numeracy and literacy skills will improve by time as Egypt has embarked since 2018 on an ambitious transformation of its basic education system named “Education 2.0” aiming at addressing all the shortcomings of the current system in terms of curricula development, up-to-date resources through the Egyptian Knowledge Bank, teacher training and assessments. This means that in addition to the above-mentioned short-term remedies taken by MoETE, by 2027, students entering technical and vocational education will be much better equipped with advanced numeracy and literacy as well as crucial life skills.

Description of Policies

C.2.3 Measures in support of equity in VET

For students with disabilities, there are two decrees issued for their inclusion in education and for higher access. The first is decree 42 for 2015, for their inclusion in general education and the second decree 229 for inclusion of students with mild disabilities in technical secondary education. While the first decree is detailed including guideline for provision of support to ensure equity, the second decree (concerned with technical education) has limited details. However, it may be assumed that the technical schools will follow the same guidelines for general education as per the relevant. These are⁸⁹:

⁸⁸ REVIEWS OF VOCATIONAL EDUCATION AND TRAINING: SKILLS BEYOND SCHOOL REVIEW OF EGYPT, OECD, 2015

⁸⁹ decree 229

- Modifying and prepare school environment in terms of accessible buildings and facilities, teaching aids, teaching methods and assessment methods, these may be called “Integration Schools”
- The same curriculum is taught in integration schools, taking into account the type of disability, providing support services and therapeutic and enrichment activities as needed, and facilitating the delivery of curriculum to meet the needs of all children.
- Method of evaluating the academic performance of students is determined and should consider the level and type of disability
- Facilitate the use of all activities and services by disabled students through adapting them to the type and degree of disability
- Educational escorts/a shadow teacher, having the necessary educational qualifications in accordance with international standards, financed by the parents, may follow students in school

A 25% increase in salaries of teachers, school administrators, and psychosocial workers in “Integration Schools”, as a financial incentive, provided that they receive a training, skilling them to deal with students with disabilities and apply for accreditation by the Professional Academy for Teachers.⁹⁰

Integration policies and practices require considerable financial resources for preparing schools, equipping classrooms and training teachers and other supporting staff. The government and civil society will need to carefully monitor that these policies and practices are implemented including allocating the required financial resources, which may be directed to the many other initiatives in the reform.

C.2.4 Inclusive education and VET

Over the last two decades, Egypt, at policy making level, has shown significant interest in and support for inclusive education, as evidenced by policy efforts, political discourse, and partial inclusion initiatives for student with mild disabilities. Following Egypt’s endorsement of the United Nations’ Convention on the Rights of Persons with Disabilities (2007), the Egyptian Ministry of Education and Technical Education MoETE issued a Ministerial Decree in 2009, updated in 2015, mandating the admission of students with mild disabilities in public and private schools that are configured and prepared to receive those students, with the goal of preparing 5,040 schools suited for the inclusion of 152,000 students by 2012. Moreover, most recent National Strategic Plans for Pre-University Education in Egypt contained detailed targets, activities, and indicators for advancing inclusive education. Specifically, the strategic plan for pre-university education in Egypt, 2014-2030 sets a strategic goal to ensure high-quality education for all learners with disabilities and inclusive education for learners with mild disabilities, with the aim of structurally and technically equipping 600 schools annually. A disability law that includes the provision of inclusive education as a main chapter, has been presented to the parliament. Further, in 2016, the ministerial decree number 229 was issued to give students, with mild disabilities, access to technical education of all kinds (industrial, agricultural, commercial and hospitality). In 2017, the MoETE, reported that between 2015 and 2017 around 59,351 students with disabilities have been integrated into general and technical schools, compared to only 4200 students integrated from 2011 till 2014. However, more information is required on the quality of education or type of educational services students with disabilities receive once enrolled.⁹¹

C.3: Active support to employment

Identification of issues

C.3.1 Employability of VET graduates

In 2018, a study conducted by the Population Council “Study of Employment Outcomes among Technical and Vocational Secondary Education Graduates in Egypt”, concluded the structure of the employment status of technical education graduates in the age bracket 17 to 35 ; 46.4% were not in the labor force (18.3% males and 81.7% female), 6.9% unemployed, 11.4% in formal employment (contracts plus social and medical insurance in registered companies), 35.3% work informally (either self-employed, or working in unregistered companies, or working in registered companies without contracts nor health or social insurance).

Challenges towards the employability of VET graduates are attributed to:

⁹⁰ Article 12 of Decree 42 of year 2015

⁹¹ Parnell, Inclusive Education

Lack of coherence between the field of study and field of employment; which is reflected in the high unemployment rate among intermediate and higher education graduates, the highest among different groups with different educational levels. Despite the progress made to date and the positive reform initiatives underway, the quality and relevance of education is still weak due to the sheer size of the system. The TVET system still needs time and effort to deliver the necessary learning outcomes, skills and competencies for successful transition to the job market.

Employers' perception of the quality of graduates, employers tend to be highly critical of the quality of graduates of vocational education in terms of competencies, skills and relevance of their knowledge. Employers' frequently express deep concern not only about their technical skills but also their communication skills, team work, problem solving, work attitude and in some cases even literacy.⁹² This view is confirmed by several surveys and assessments with some good practice examples however mostly limited in scope and scale.⁹³

The time for the transition-from-school to work is too long. As a result of underdeveloped policies and programmes capable of facilitating the transition from school to work in Egypt, approximately half of male graduates have to wait between two and seven years before they can find their first job. For female graduates, the situation is even worse, only one of four female graduates succeed in finding a job.⁹⁴ According to the MoETE, during the past several years the Ministry has worked with several international development partners to establish and build the capacity of Transition from School to Work Units at the central, regional and school level which may improve the situation on the medium to long-term.

C.3.2 Economic factors with an impact on transition

Economic factors that have an impact on transition to work, include the dominating informal economic sector and the difficulty of some formal economic sectors to generate enough jobs to absorb the new entrants into the labour force.

Egypt has a **large informal economy** that has been increasing dramatically, estimated to represent 40% of GDP, where the informal sector businesses are characterised by their small size and low level of organisation. A study conducted by the Population Council in 2018, on "Employment Outcomes among Technical and Vocational Secondary Education Graduates in Egypt", indicates that the informal sector (informal enterprise / informal employment in a formal enterprise) has become a major source of employment for a growing number of young people in the age bracket 18 to 29, recording 66.2% (70% of males and 48% of females) in 1998 were in the informal sector, increasing to 74% in 2006, and up to 75% in 2012.

Working in the informal sector may not be a decent option because of the low wages and the non-official work relationships such as the personal and social relationships and the absence of contractual agreements, thus absence of security and safety⁹⁵. This may not be acceptable for those who have invested in higher levels of education, which impedes their entry into the labour market. Further research is needed to investigate the level of skills acquisition for employees in the informal sector as it could be a major source of practical on-the-job training however the quality needs to be assessed and analysed as well.

The shortage of demand for labor force, as a result of some sectors' difficulty to generate sufficient jobs to absorb the new entrants to the labor market—estimated at 600 thousand⁹⁶ new entrant to labour force every year. It is estimated that currently the Egyptian population is 100 million, of which 33 million constitutes the labor force. To create jobs for this large workforce, the economy needs to grow for an extended period (over the coming ten years) at 7 percent per year.⁹⁷

Description of policies

C.3.3 Overview of policies in support of employability and transition to employment

A wide range of training is offered by the numerous VTCs. There are 3 types of training that aim at enhancing employability of VET graduates, according to their objectives as follows:

⁹² School for Skills, A New Learning Agenda for Egypt, OECD, 2015

⁹³ ETF surveys: 2010, Women and Work in Egypt: Tourism and ICT Sectors, and ETF 2011, Skills Matching for Legal Migration in Egypt,

⁹⁴ Enhancing Institutionalized Partnerships between TVET: Institutions and the World of Work in Egypt, UNESCO, 2019

⁹⁵ Sustainable Development Strategy: Egypt Vision 2030

⁹⁶ Labour Market Transitions of Young Women and Men in Egypt, ILO, 2014

⁹⁷ <https://carnegie-mec.org/?lang=en#with-god-on-our-side>

- **Training for the labour market:** provided for new entrants into the labour market. Four ministries offer such training, namely the Ministry of Trade and Industry (MoTI), the Ministry of Housing, Ministry of Manpower and the Ministry of Social Solidarity among others.
- **Training for specific groups:** this type of training targets low income individuals, school dropouts, job-seekers and aims to increasing their income.
- **In-service training:** for newly employed workers; existing workers who need to be retrained or upgraded and workers who need to be trained for a new trade.

C.3.4 Career guidance

The establishment of a School-to-Work Transition Unit within the MoETE in 2014 by the Ministerial Decree 283 in 2014, as a sustainable career guidance mechanism to ensure the smooth transition of VET students from school to work. The functions of the career guidance units include: to recommend policies, mechanism and standards for school-to-work transition services and to review the impact of initiatives and pilot projects that support students' school-to-work transition.

Although the bylaw of the Ministerial Decree is still pending, regional (25 governorates) and school level (312 units) school-to-work units have been established at governorate level, and 1700 teachers were trained as facilitators (plus 18 master trainers), mostly within the MoETE, offering career guidance services as well as employment and entrepreneurship functions to 100 thousand students.⁹⁸ The initiative is supported by the GIZ's Employment Promotion Project EPP and other development partners and there are plans to establish more career guidance units at the schools' level, with the support of TVET Egypt.⁹⁹ In addition an integrated curricula for career guidance has been developed as a result of collaborated effort among various donors, including WISE, GIZ and others, to be introduced to all TSS.

All these efforts may be regarded as complementary to the work of the **ILO with MoM** since 2008 to 2012¹⁰⁰, implementing the initiative "Transition to Employment: Career Guidance for Youth" or 'Tawgeeh', Arabic word for guidance, to improve the capacity of counsellors of Public Employment Services PES working in career guidance for **job seekers**. In the first phase five career guidance units were established in five PES offices, the staff received intensive training, and job fairs were organised. In the second phase of the project (Transition to Employment: Career Guidance for Youth and Job Creation) was implemented between May 2012 and April 2014: 10 more career guidance units were established and intensive training was conducted on career guidance for counsellors and TVET teachers. By the end of the second phase a total of 13,613 young women and men have been placed in jobs in addition to another 5000 recruited through organised job fairs.

II. 'Open floor'

III. Summary and analytical conclusions

The large number of students enrolled in the Egyptian VET sector is not an indication of its attractiveness nor an indication of the students' willingness to join it. In most cases it considered a second option vis-a-vsi general education, resulting from the rules and regulations governing the transition from preparatory to secondary level, where students are steered to VET according to their performance in the third preparatory year; their numerical grading, with the higher 'performers' allowed to choose between general secondary and technical education, while students with lower grades find themselves confined to choose technical education, and those with lowest grades may only enter vocational educations. This unattractiveness of VET is further emphasized by its job prospects, where decent job prospects for VET graduates remain limited as reflected in a study conducted by the population council in 2018, where only 11.4% of technical education graduates in the age bracket 17 to 35 were in formal employment, while others were either not in the labor force, unemployed, or working informally (either self-employed, or working in unregistered companies, or working in registered companies without contracts nor health or social insurance). Some exceptions exist where quality education, partnerships with employers and financial incentives for students makes technical education more attractive and there are clear strategies and plans by the GoE to expand in this type of technical education through Applied Technology Schools which has received support and commitment form the highest levels in the government.

Low participation of people with disabilities in VET, low participation of women in the labour force, and the high rates of student drop out at secondary level are among the challenges facing the Egyptian

⁹⁸ GIZ, Employment Promotion Programme, achievements, July 2019

⁹⁹ Egypt: Education, Training and Employment Development, ETF, 2018

¹⁰⁰ With funding from Italian Cooperation for Development (USD 2 million)

VET system. While challenges towards the employability of VET graduates include: **Lack of coherence between the field of study and Field of employment, Employers' perception of the quality of graduates is negative, the time for the transition-from-school to work is too long.**

Accordingly, in the last decade, in the framework of implementing international and national projects, the GoE has undertaken policy decisions and initiatives to enhance the attractiveness of VET. These included; opening and bridging pathways to allow VET students to access higher education, through the Integrated Technical Educational Clusters (ITECs), Technological University model in line with European Universities of Applied Sciences; enhancing quality through partnering with employers in provision of VET services (Applied Technology Schools, Dual Education and joint management of PVTDs); promoting VET access and participation for special social groups (women, youth and children at risk, people living in remote areas and people with disabilities); introduce recognition of prior learning through occupational licensing and development of a National Qualification Framework; implementation a number of training programmes; **training for the labour market, training for specific groups and in-service training**; target smooth transition of VET graduates from School-to-Work (School-to-Work Transition units and career guidance services as well as employment and entrepreneurship functions); integrating students with disabilities and providing incentives to teachers in integration schools, provided they have acquired accreditation from the Professional Academy for Teachers.

Recommendations

- Policies and initiatives to promote VET access and participation of special social groups (women, youth and children at risk, people living in remote areas and people with disabilities) should be combined with specialisations that offer attractive and decent job prospects, developed through mechanisms that emphasises employer participation. There should also be specific action plans with Key Performance Indicators and monitoring mechanisms that guarantee that existing policies are implemented at the school level and thus increase inclusion of these groups.
- Work-based learning and apprenticeship is an important mechanism in bridging the gap between the labour market needs and the outcome of the formal education system. Apprenticeship programmes may re-consider the maximum age for admission into these programmes, considering that the biggest percentage of the unemployed are graduates of higher education and technical education, thus the maximum age limit for apprenticeship (currently 18) should be reviewed to extend apprenticeship opportunities to young adults providing them with learning opportunities in line with labour market demand (e.g. up to 30 years).
- Detailed review of the Labour System, “Nezam El Ommal”, within MoETE should be conducted with the support of international partners as it affects the quality and image of the system representing around 20% of students in secondary technical education. The review needs to consider; validating eligibility, setting minimum number of hours for practical training, quality control, independent and practical assessment system and building credibility in their examination results. Any development in this system will have to be reflected in the current Education law.
- Employers' engagement in TVET provision and the promotion of the image of the VET sector is crucial, any attempt to showcase VET education which is not backed up by reassurance of employers on future perspectives of VET graduates has very limited possibilities to succeed. The GoE needs to build on the existing positive examples (Applied Technology Schools, Dual Education and joint management of PVTDs) and institutionalize a system for employer engagement including that of private sector investment in private TVET schools (e.g. the Sewedy Technical Academy).

Building block D: Internal efficiency and operation of the VET system

Section D discusses efficiency in the VET delivery system. The IVET and CVT delivery system refers to all formal and non-formal VET provision in the country and all forms of input (tangible and intangible) into their operation. VET deliverables are the knowledge, skills and attitudes of VET graduates. Efficiency generally describes the extent to which the education system (and VET in particular) is delivering the maximum possible value with the minimum possible input.

Section D proceeds with a selection of key topics, such as the teaching and learning environment, policies for teachers and trainers, and quality/quality assurance mechanisms and policies.

I. Thematic questions

D.1: Teaching and learning environment

Identification of issues

D.1.1 Teaching and learning methods, including work-based learning

Teaching and learning methods are mostly dependent on the textbooks as the sole source of knowledge, which emphasizes the concepts of memorization¹⁰¹. Moreover, practically applying the knowledge acquired, is hindered by the inadequate financial resources, as schools are not able to provide the materials needed for practical training.

Therefore, work-based learning, as a measure to enhance the learning methods has been the focus of VET Providers, as it is perceived to have a strong impact on enhancing relevance, quality and efficiency, in addition to improving the employability of VET graduates. Since the early 1950s, the government has implemented/piloted a number of work-based learning programmes. Some has ceased to exist beyond the funding period (such as the Alternance system) and others have become institutionalised within the VET system (such as the dual system and the PVTD).

The work-based learning methods currently being implemented in IVET are: 1) the PVTD's Industrial Apprenticeship scheme, also called Talmaza Sina'eyah, 2) the Dual Education System implemented within a limited number of technical secondary schools, 3) the School in Factory model implemented within technical secondary schools also considered part of the Egyptian Dual system, 4) Training Stations (a PVTD model), and 5) the work-based learning of the newly introduced Applied Technology Schools, currently piloted by the MoETE under PPPs with the private sector, also considered within its bylaws, part of the Egyptian Dual system. On the other hand, CVT work-based learning methods are also implemented within the MoM's Apprenticeship Scheme for apprentices within the age bracket 12 to 18 years old, through MoM's 37 vocational training centres.

Other methods of teaching and learning, such as practice versus theory, has been adopted within the 45 VTCs of the PVTD, where students, in the first two years, spend more time in workshops receiving practical training than in classes. PVTD also attempted to adopt competency-based programmes, however, due to limited financial resources for raw materials, they were not able to expand.

D.1.2 Teaching and learning environment

The learning environment, including school laboratories and facilities and availability of raw material for training are generally insufficient and/or outdated, equipment in schools is often not up to the required standards¹⁰², which limits the students' ability to obtain practical skills and consequently they are not properly qualified for skilled work, unless they are involved in one of the work-based learning programmes.

Description of Policies

D.1.3 Policies to improve training/teaching and learning methods in VET

Realising the importance of **Work-based learning** to improve the learning and training methods for VET learners, VET providers are exerting effort to upscale work-based learning, from the current 3% to 10% by 2030. This includes, efforts exerted by MoETE (supported by GIZ) to increase the number of students in the dual system and the efforts exerted by the PVTD to expand the training stations

¹⁰¹ The Strategic Plan of Pre-University Education 2014 -2030, MoETE

¹⁰² School for Skills, A New Learning Agenda for Egypt, OECD, 2015

within companies. The PVTD has already expanded the training station model from 6 units in 2003 to 46 units in 2017, where 50% were established during in 2016/2017.

However, the intended expansion of work-based learning models needs to address a number of challenges: the capacity of VET institutions to reach and engage the needed number of employer organisations in work-based learning programmes, the capacity of VET institutions to ensure that the companies are adequately equipped and have qualified mentors/trainers/teachers capable of adopting well-planned programmes, the VET providers' capacity in terms of monitoring resources.

Other measures include emphasising the quality of work-based training through training and qualifying in-company trainers. The Staff Training Institute (PVTD), offers in-company trainers an 8-week pedagogical training followed by examination and assessment, to ensure that students completing their third year in companies and students enrolled in training stations are properly trained.

D.1.4. Improving the training and learning environment

A number of measures were put in place to address the shortcomings of the learning environment in VET institutions, this includes; 1) the government committing to spend 67 million Euro for refurbishment and equipping of VET schools, within the framework of implementing the EU funded TVET Egypt Programme. 2) Promoting and implementing the model of Applied Technology Schools, under a PPP model, which will offer students an appropriate learning environment capable of qualifying them for jobs in the labour market. 3) The establishment of the "National Investment Charity Fund for Education" under the new Capital Market Authority Law that (among other tasks) has the potential to solve problems of overcrowded classes and enhancing the learning environment. 4) The long term support of the German government through the TCTI to improve quality and expand the dual system.

D.2: Teachers and trainers

Identification of issues

D.2.1 Composition of the workforce of VET teachers and trainers

The 'Cadre Law' issued in 2006, applies to all teachers working for the Ministry of Education and Technical Education¹⁰³, and serves as a legal and institutional base for the professional status (categories) of teachers. The Cadre provides a well-defined career structure along 5 levels following a contractual arrangement as an Assistant Teacher. The five levels include Teacher, Senior Teacher, Senior Teacher A, Expert Teacher and Master Teacher. The Cadre also governs incentives and promotion as well as defines standards of performance and expectation.¹⁰⁴

For other VET providers, three broad categories of teachers and trainers are considered¹⁰⁵: 1) 'Teachers', who either teach theoretical subjects or practical skills in programmes that are recognized as vocational or technical or they teach general subjects or basic skills (such as mathematics) to students in technical or vocational programmes in general or specialist vocational or technical schools. 2) 'Instructors' those work in training centres focusing more on skills and occupational preparation than on technical or vocational subject knowledge and more likely to be workshop-based. 3) 'Trainers' or 'In-company Trainers', those who work for enterprises where they typically provide support to work-based programmes.

The current composition of the teaching workforce in terms of academic qualification, indicate that overall, 68% of all teachers in Egypt have a bachelor's degree or above, with 78% of those having graduated from education faculties and 22% from other faculties¹⁰⁶.

D.2.2 Employment status of teachers in VET

Teachers and trainers are civil servants and are subject to the same standards and procedures as other civil servants, hired on either permanent or temporary contracts. Some VET providers, however, such as PVTD, also hire teachers and trainers as freelancers to deliver a certain number of lectures and/or workshops, and are paid accordingly.

¹⁰³ It is not clear, however, if it applies to other technical secondary schools, whose certificate is acknowledged as equivalent to diploma granted to graduates of technical secondary schools)

¹⁰⁴ SCHOOLS FOR SKILLS: A NEW LEARNING AGENDA FOR EGYPT, OECD, 2015

¹⁰⁵ UNESCO, 2014

¹⁰⁶ School for Skills, OECD, 2015

D.2.3 Entering the teaching profession in VET

For most VET providers, teachers and trainers are normally recruited, at central level, through public announcement in a public newspaper, applying directly to the central office, through websites¹⁰⁷, emails or other means. Selected teachers are placed in schools according to geographical region and based on statistics of teachers' scarcity and abundance. Teachers on government contract are of two kinds: graduates of Faculty of Education and graduates and Technology and Education College¹⁰⁸ (previously known as Industrial Education Colleges- IECs),¹⁰⁹ in such case they do not need to obtain a teaching certificate, and graduates of any relevant discipline, for example agriculture, hospitality, industrial, etc. (in such case they join Faculty of Education for one year to complete a diploma in education).¹¹⁰ It should be noted that a positive feature of the system is that membership in Teachers Syndicate is required for entering the teaching profession like most other professions like engineers and doctors.

With a large civil service apparatus, Egypt took bold decisions in the mid eighties to limit its growth and keep it lean in accordance with international good practice and put policies to restrict the new hiring of civil servants. With these policies in place, the recruitment of teachers is limited and subject to special approvals, and only allowed at presidential or prime ministerial level, as was the case in 2014 when the MoETE initiated a process to recruit 30,000 teacher for general education. Consequently, it has become difficult to substitute the retiring teachers and trainers, those who are on "unpaid leaves", which resulted in shortage in staffing. To overcome these shortages, VET providers are hiring on the basis of non-permanent contracts (one year subject to renew). By 2010, the proportion of teachers on non-permanent contracts have risen to around 45%.¹¹¹ Probably much more today. In 2018/2019, the MoETE launched a competition to hire 120 thousand teachers, on the basis of non-permanent contracts, to make up for shortage in teachers.

D.2.4 Quality of teachers and trainers in VET

The quality of VET teachers and trainers, has been described to face a triple interconnected challenge: weak pre-service training, limited in-service professional development, and limited workplace experience.¹¹² In addition, the social status of VET teachers and wages are very low, making it difficult to attract qualified VET teachers. These quality concerns will further be affected by the increasing number of teachers and trainers hired on the basis of non-permanent contracts (to overcome the shortages of VET teachers caused by the government freeze on recruitment). Teachers hired on non-permanent contracts are meant to be engaged on a trial basis. The establishment of TVETA within the MoETE is intended to address these challenges including the systematic assessment or selection examination of teachers and trainers as well as providing teachers with training opportunities within the private sector to gain practical experience and exposure in the private sector.

Description of Policies

D.2.5 Attracting and retaining teachers and trainers in VET

In spite of introducing additional financial incentives to teachers (teaching allowance, cadre allowance, and examination allowance)¹¹³, for teachers and trainers, the salaries are still very low and makes it difficult to attract and retain qualified teachers and trainers.

Membership of the teachers' union, the Teachers Syndicate, is a requirement for all teachers and hence the union has coverage of all teachers from government private and al-Ahzar schools. The main issues of concern for the syndicate are teachers' salaries and their professional development.

¹⁰⁷ Such as tawzef.emis.gov.eg

¹⁰⁸ In November 2019 the Supreme Council for Universities changed the Name of Industrial Education Colleges to Technology and Education Colleges

¹⁰⁹ MOHE, with support from the World Bank, has established a 4 Industrial Education Colleges (IECs) operating within the framework of public universities (in Cairo, Beni-Suef, Suez and Sohag) known also as Faculties of Industrial Education which offer four-year programmes leading to a Bachelor of industrial education (equivalent to the B. Sc. Degree in Education, Industrial Education department). The aim of IECs is to graduate qualified teachers to teach both theoretical and practical subjects in industrial Secondary Schools, and also to train technical teachers so as to improve the level of the teachers of practical subjects in industrial Secondary Schools. It is planned also that graduates of IECs could work in industry as technical trainers. Currently, the four IECs are working within the framework of public universities.

¹¹⁰ Building the Capacities of Faculties of Education, AUC, 2016

¹¹¹ Schools for Skills: OECD, 2015

¹¹² Schools for Skills: A New Learning Agenda for Egypt, OECD, 2015

¹¹³ Technical and Vocational Teachers and Trainers in the Arab Region Technical and Vocational Teachers and Trainers in the Arab Region – A Review of Policies and Practices on Continuous Professional Development A Review of Policies and Practices on Continuous Professional Development, UNESCO 2014

The syndicate opposes performance-based assessment of teachers while condoning the transfer of low-performing teachers to administrative responsibilities and maintaining their benefits.¹¹⁴

D.2.6 Steering, motivating and supporting professional development

Significant efforts have been made towards the professional development of VET teachers. These include the establishment of the Teachers' Cadre (in 2006), the development of a career path and promotional system for teachers, along with a 50% increase in basic pay (in 2007) and bonuses for each promotional level (from 2008); and the establishment of the Professional Academy for Teachers (PAT) in 2008.

Progressing through the Teachers' Cadre is a six-laddered professional licensing system for teachers, where promotion from one level to the next is subject to completing courses, including writing studies and reports, performance appraisal from their employing institution and passing tests. New teachers are appointed as 'Assistant Teacher' for two years and after successfully completing the promotion requirements are upgraded to 'Teacher', which is considered as grade one in the ladder. After four years, if he or she successfully completes the promotion requirement, the teacher will be upgraded to 'First Teacher', and then successively to 'First Teacher A', 'Expert Teacher' and 'Master Teacher'. Promotion brings with it an increase of the 'Teaching Allowance' as well as a rank increase on the civil servants' scale, including higher salary.¹¹⁵

A new development to these efforts, include the recent decision to establish the **Technical Vocational Education for Teachers' Academy - TVETA** - which was announced by the President of Egypt following the 2018 Youth Conference, **to become** Egypt's recognized training and development institution for technical and vocational teachers, trainers and assessors, having a geographical coverage through branches in governorates, will offer the needed capacity for teachers' training, as well as will enhance the credibility MoETE teachers in particular and technical education in general.

Separately, other VET providers operate pre-service training of their instructors and teachers corresponding to different departmental activities: industry, transport, housing, etc. There are a considerable range of different types of pre-service training of their instructors and teachers institution, with separate funding, philosophies and qualifications, e.g. universities, Egyptian Industrial Education Colleges, and the Staff Training Institute (STI) which serves the training centres operated by the Productivity and Vocational Training Department (PVTD).¹¹⁶

D.2.7 Ensuring the quality of teachers in VET

Quality assurance for performance of VET teachers, trainers and instructors, at a minimum takes the form of some kind of regular assessment by head teachers, supervisors, department heads, and official inspectors several times per year, where teachers are observed and evaluated. Assessment of teacher/ instructor performance is linked to upward movement on the career ladder or access to training and promotion.

Quality Assurance of pre-service training of VET teachers and instructors take place in universities, faculties of education and/or industrial education are assessed and certified according to the laws and regulations of universities approved by the Supreme Council of Universities. The National Authority for Quality Assurance and Accreditation in Education (NAQAEE) requires that every university faculty operates a quality assurance system.

D.3: Quality and quality assurance

Identification of issues

¹¹⁴ Schools for Skills: OECD, 2015

¹¹⁵ Technical and Vocational Teachers and Trainers in the Arab Region: A Review of Policies and Practices on Continuous Professional Development, UNESCO, 2014

¹¹⁶ Technical and Vocational Teachers and Trainers in the Arab Region Technical and Vocational Teachers and Trainers in the Arab Region – A Review of Policies and Practices on Continuous Professional Development A Review of Policies and Practices on Continuous Professional Development, UNESCO 2014

D.3.1 Quality and relevance of education and training content in VET

Egypt is still considered in its early stages of attempting to address the quality and relevance challenges of the VET system despite support to the sector in the past. The system is still not delivering the necessary learning outcomes, skills and competencies that meets the needs of the labour market except for few positive examples where partnership with employers was a key feature.

D.3.2 Defining the quality of learning outcomes

As for standard for quality assurance purposes, for education (including technical education), this is currently being set by the NAQAAE, however NAQAAE's law does not explicitly mention other vocational training institutions and programmes. In the future, NAQAAE or ETQAAN, whoever has the mandate for VET quality assurance and accreditation, will need to initiate a national process, involving main VET stakeholders, to review and acquire consensus on quality standards for VET, as well as develop measures based on a vision of 'good VET'.

D.3.3 Quality assurance processes in VET

Quality assurance in VET is one of the areas where the government has been putting an emphasis for some time now. First through the establishment of the National Authority for Quality Assurance and Accreditation of Education (NAQAAE) in 2006, then making an explicit reference in the 2014 constitution and introducing it in Egypt's Vision 2030, by initiating the development of a National Qualification Framework, and finally launching a VET specific quality assurance and accreditation authority.

In 2006, the establishment of NAQAAE has provided an institutional set up for quality assurance and accreditation. NAQAAE was established as an independent body reporting to the Prime Minister, responsible for quality assurance and accreditation of both pre-university (including technical schools) and university institutions. The quality assurance general framework adopted by NAQAAE, comprises of 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), where each area is defined by specific criteria and described through a set of indicators. NAQAAE operates through the head office in Cairo, plus 6 regional branches; Alexandria, Assuit, Ismailia, Mansoura, Banha and Aswan.

The number of VET institutions accredited since the establishment of NAQAAE remains marginal when compared to basic education, preparatory schools and general secondary education; 41¹¹⁷ technical secondary schools compared to 5157¹¹⁸ pre-university general education institutions; 1.68% of technical schools vs. 11%.¹¹⁹ Which has raised some concerns regarding the sustainability of NAQAAE, as funding was reported to decrease since 2013, once NAQAAE turned 5 years in operation, where it had to become self-funded mainly through fees coming from accreditation services, as per its establishment Law 82 of 2006 article 20. Although according to article 12 of NAQAAE's law, accreditation of educational institution is mandatory, however the procedure is a bit heavy on the providers and the fact there are no mechanisms in place to enforce the law has contributed to the small number of institutions/providers applying for accreditation.

At the institutional level, NAQAAE is seeking recognition by international accreditation agencies. The first of which the World Federation for Medical Education, which has awarded NAQAAE a Certificate of Recognition valid till 2029, pending annual monitoring of continued compliance. This WFME recognition Status confirm that the World Federation for Medical Education is satisfied with the accreditation process, post accreditation monitoring, and decision making process of NAQAAE as it relates to basic medical education schools or programmes.

Description of Policies

D.3.4 Creating and updating VET content

The review of the process for designing and updating VET programmes and the rationalisation of the existing specialties is one of the top priorities for reforming the VET system in Egypt. Since 2015, the MoETE, has been coordinating the curriculum development activities among various international donor organisations; the TVET Egypt Programme, Wise and the USAID. The result of these

¹¹⁷ Of which 10 technical schools with expired accreditation, according to NAQAAE, at total of 86 Technical Schools have been reviewed and a further 6 are currently under review.

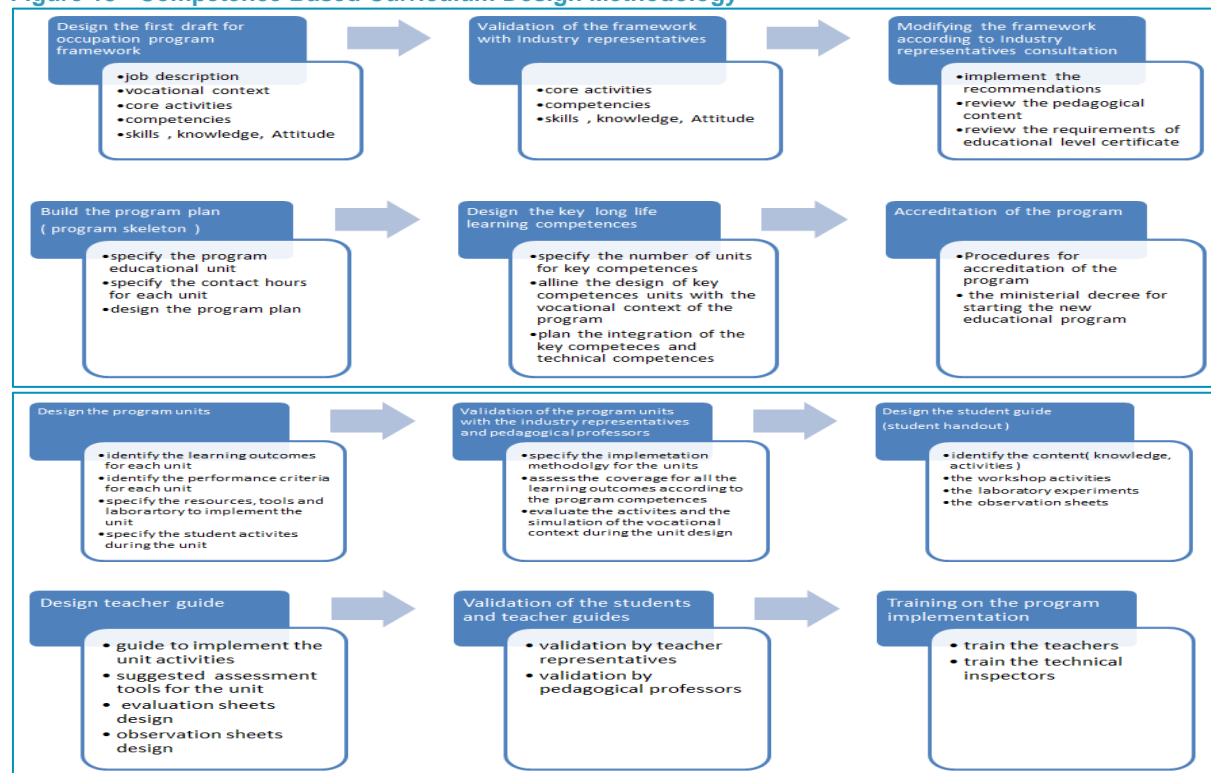
¹¹⁸ Of which 1433 institutions with expired accreditation

¹¹⁹ Data acquired from NAQAAE

coordination efforts has been a unified methodology for “Competency Based Curriculum Design”, which has been reviewed among other supporting agencies. By second half of 2019, the CBC Program achievements include 13 industrial programs, 9 agricultural programs, 5 commercial programs and 6 tourism programs and is being implemented in 105 TSSs.

The **Competence Based Curriculum Design Methodology**, includes 12 steps as demonstrated in figure 18, including: 1) Designing the first draft for occupation programme framework, 2) Validation of the framework with industry representatives, 3) Modifying the framework according to industry representative consultation, 4) Building the programme plan/skeleton, 5) designing the key long life learning competences, 6) Accreditation of the program, 7) Designing the programme units, 8) Validation of the programme units with the industry representatives and pedagogical professors, 9) Design the student guide, 10) Design teacher guide, 11) Validation of the student and teacher guides, 12) Training on the programme implementation.

Figure 18 - Competence Based Curriculum Design Methodology



Source: Ministry of Education and Technical Education

In addition, the MoETE is working closely with employers, employers’ organisations and other entities in the development of occupational standards, occupational outcomes, and assessment standards. Further, the MoETE is also aware of the need to ensuring alignment to National Qualification Framework, once it is in place.

However, there is no evidence yet that other providers, such as the PVTD and the Ministry of Health, are committed to adopting the **Competence Based Curriculum Design Methodology**.

D.3.5 EU key competences

In Egypt, more data is required to analyse to what extent the eight EU key competences are included in VET programmes. EU Key competences include: literacy and languages, mathematics, science and engineering, digital competence, personal, social and learning competence, civic competence; entrepreneurship, cultural awareness.

D.3.6 Policies to strengthen quality assurance

Policies of quality and quality assurance is becoming a priority for providers. The MoETE, in its Transformation Strategy TE 2.0 aims at setting up culture of quality within Technical Education at all levels. The PVTD, supported by TVET Egypt are actively preparing a number of its VTC for Accreditation.

In response to the small number of VET institutions applying for accreditation from NAQAAE, and whether the technical schools have the actual quality to apply and whether NAQAAE accreditation

framework is sufficiently adapted to the context of VET, the idea to establish the Egyptian TVET Quality Assurance and Accreditation National Authority (ETQAAN), was initiated following the 2018 Youth Conference and was announced by the President of Egypt. Since then a Draft Law for the establishment of ETQAAN at central and regional level, has been developed, with the objective of “improving the quality of the TVET system in all its components in order to provide a skilled and trained technical workforce in line with the requirements of labor markets, and to serve the economic and social development plans and policies”, and is currently awaiting approval by the Cabinet. ETQAAN, shall establish the general framework for the quality of technical education and vocational training programs, teaching and learning methods and the necessary evaluation methods according to international standards. In order to achieve its objectives. ETQAAN will be responsible for developing quality assurance policies and strategies for the VET as well as developing a national system for quality assurance and accreditation of educational and training institutions and programs, quality concepts and standards, teaching and learning methods, assessment methods, and following up their implementation.

According to the proposed draft law, ETQAAN shall issue two types of accreditation certificates, the first concerned with the accreditation of the institution and the second concerned with the accreditation of the programme. The suggested Quality assurance indicators (to be revised every 3 years) are already set in the draft decree to include both institutions and programs; proportion of teachers, trainers and administrators who receive annual training, ratio of the number of approved educational programs to the total programs offered by the institution, ratio of the number of graduates of the program to the number of enrolled annually, the employment rates of graduates of each program within two years from the date of graduation, percentage of employers satisfaction with the application of the graduates to the walls acquired during the study in his workplace, annual increase in the number of new students enrolled in each program, number of questionnaires or studies carried out by the institution in identifying the needs of the labor market, number of annual meetings / training conducted to spread awareness of the culture of quality inside and outside the institution, proportion of students from vulnerable groups and people with special needs in programs offered by the institution, the extent of the commitment of the providers of technical, vocational and technical education and training service in describing the qualifications granted according to the approved indicators in the national qualifications framework in terms of knowledge, skills and competencies as issued by the National Authority for Quality Assurance and Accreditation in this regard. **VET institutions subject to the provisions of the suggested law will be obliged to apply for accreditation within a period not exceeding five years from the date of issuance of the executive bylaw.**

In parallel, NAQAAE is proposing to introduce a new position in its organisational structure and management team, Deputy for Technical Education, in addition to the existing 3 deputies (Deputy for Higher Education, Deputy for Azhar Education and Deputy for Pre-university Education). NAQAAE is also welcoming applications/requests for accreditation from Vocational Training Centres. Finally, NAQAAE is also working to update the accreditation standards for technical education schools (3 year programme) to include: 1) Vision, Mission and Core Values, 2) Leadership and Governance, 3) Quality Assurance and Continuous Improvement, 4) Teaching and Learning, 5) Quality of Educational and Training Programs, 6) Financial and Material Resources and Supporting Facilities, 7) Community Participation, 8) Educational and Training Staff, 9) Training for Labor Market, and 10) Safety and occupational health.

According to the MoETE a dedicated quality assurance authority for TVET is in line with international best practices in quality assurance of VET systems. However, the establishment of ETQAAN is still pending cabinet approval and until then most VET institutions and programmes will remain excluded from the quality assurance system.

Back in 2010, NAQAAE was given the mandate for the development of a **National Qualification Framework (NQF) that would contribute to improving the quality of education and training provision thus raising the skill levels of the workforce. The mandate was given by the Prime Minister**, following a 4 year consultation among various stakeholders (supported by the ETF). The NQF is expected to assist in developing clearer and comparable qualifications, greater access to qualifications and to skills development, improved relevance of qualifications to employers, enterprises and individuals, and the benchmarking and quality assurance of Egyptian qualification against national and international standards, thus facilitating labour mobility. However, nine years have passed since the mandate was given to NAQAAE, and the process of developing the NQF is currently pending approval by the Egyptian Parliament of the NQF Law drafted and presented by NAQAAE. It is expected that the law is being considered in parallel with the on-going discussions related to the establishment of ETQAAN (a quality assurance and accreditation authority for technical education institutes and programmes at pre-university and higher education levels).

III. 'Open floor'

- The size of small and medium enterprises represent a big share of the Egyptian economy, and need to be considered as a major partner, when implementing initiatives for expanding WBL activities. Schemes fitting the capacity of small and medium enterprises and tailored to fulfil their needs may be considered
- More consideration is needed to address both agricultural and commercial technical education. A big portion of the reform initiatives are mainly focused on the industrial technical schools, an issue which the MoETE has realised and is planning to address.

III. Summary and analytical conclusions

Internal efficiency and operation of the Egyptian VET system

With the more coordinated donor interventions in the VET system that is currently taking place and with a more unified vision, the quality and relevance of VET should become stronger than it is now. The VET system is still not delivering the necessary learning outcomes, skills and competencies that meets the needs of the labour market.

Teaching and learning methods are mostly content-driven, dependent on the textbooks as the sole source of knowledge, which emphasizes the concepts of memorization¹²⁰. Moreover, practically applying the knowledge acquired, is hindered by the inadequate financial resources, as schools are not able to provide the materials needed for practical training. Therefore, work-based learning, although implemented at a small scale, is offering practical training in both IVET and CVT and has demonstrated its ability to have a strong impact on increasing the relevance, quality and efficiency of the VET system as well as the employability of VET graduates.

Other methods of teaching and learning, such as practice versus theory, has been adopted within the 45 VTCs of the PVTD, where students, in the first two years, spend more time in workshops receiving practical training than in classes. PVTD also attempted to adopt competency-based programmes, however, due to limited financial resources for raw materials, they were not able to expand

The learning environment is generally insufficient and/or outdated, equipment in schools are often not up to the required standards, which limits the students' ability to obtain practical skills and consequently they are not properly qualified for skilled work, unless they are involved in one of the work-based learning programmes.

Although around 68% of teachers have bachelor degree, the **quality of teachers and trainers remains a concern**; it has been described to face a triple interconnected challenge with regards to having strong pre-service training, appropriate in-service professional development especially in technical subjects, and sufficient workplace experience.¹²¹ In addition, the social status of VET teachers and wages are very low, making it impossible to attract qualified VET teachers.

Currently NAQAAE is the sole legal authority responsible for setting the standard for **quality assurance** in technical education; however, its law does not explicitly mention other vocational training institutions and programmes. Furthermore, NAQAAE's framework is perceived by the MoETE as needing better adaptation to the context of VET especially in the accreditation of programmes not just institutions, which is reflected in the relatively small number of VET institutions (technical schools)

¹²⁰ The Strategic Plan of Pre-University Education 2014 -2030, MoETE

¹²¹ Schools for Skills: A New Learning Agenda for Egypt, OECD, 2015

accredited by NAQAAE compared to schools for general education. Once the new proposed authority ETQAAN is officially established, it will take over NAQAAE's mandate for TVET and NAQAAE will be willing to share its 12 years of accumulated expertise and international relations to support the new authority. Until ETQAAN is formally established, NAQAAE will continue its work in technical education.

In response, policies were adopted to enhance the efficiency in the VET delivery system; for **the professional development of VET teachers**, the GoE established the Professional Academy for Teachers and introduced the 'Cadre Law' in 2006, as well as offered incentives in the form of salary increase of teachers seeking accreditation. Recently, the GoE initiated a process for the establishment of an academy for teachers and trainers training discussion are taking regarding the establishment of an academy for VET teachers and trainers' training which will allow for the separation between the provision of training and accreditation.

Measures taken to address the shortcomings of the **learning environment in VET institutions**, included committing funds for refurbishment and equipping of VET schools within the framework of implementing the EU funded TVET II (TVET Egypt) Programme, promoting and implementing the model of Applied Technology Schools, under a PPP model, which will offer students an appropriate learning environment, collaborating with other governmental organisations in schools' management to build disciplinary capacity (in 27 schools to increase by 100 schools annually) has also contributes to enhancing the learning environment inside these schools¹²², and the establishment of the "National Investment Charity Fund for Education" " under the new Capital Market Authority Law, that (among other tasks) has the potential to solve problems of overcrowded classes and enhancing the learning environment.

Policies to strengthen quality assurance in VET systems commenced in 2006, when the GoE, through a Law number 82, established the National Authority for Quality Assurance and Accreditation NAQAAE, to provide an institutional set up for quality assurance and accreditation for education. Nine years later, in 2018, the MoETE initiated a process to establish the Egyptian TVET Quality Assurance and Accreditation National Authority (ETQAAN), an organisation that will be "sufficiently adapted to the context of VET", an initiative that was announced by the President of Egypt. Following the 2018 Youth Conference. A draft law for the establishment of ETQAAN has been produced and is currently awaiting approval by the Cabinet. In parallel, NAQAAE is attempting to attract larger number of VET schools (currently very marginal) through being more adapted to VET. In this context NAQAAE, is proposing to introduce a new position to its management team, a Deputy for Technical Education, is encouraging applications/requests for accreditation from Vocational Training Centre, in addition to updating the accreditation standards to technical education schools.

The process for designing and updating VET content, has also been reviewed as well as the rationalisation of the existing specialties, by the MoETE through coordinating the activities of a number of donor programmes. By the second half of 2019, these efforts resulted in the production of a 12 step unified methodology for "Competency Based Curriculum Design", and 13 industrial programmes, 9 agricultural programmes, 5 commercial programmes and 6 tourism programmes.

Another initiative in 2010, when the Prime Minister gave NAQAAE the mandate to develop a **National Qualification Framework (NQF) that would contribute to improving the quality of education and training provision through** developing clearer and comparable qualifications, greater access to qualifications and to skills development, improved relevance of qualifications to employers, enterprises and individuals, and the benchmarking and quality assurance of Egyptian qualification against national and international standards, thus facilitating labour mobility. The process of developing the NQF is currently pending approval by the Egyptian Parliament of the NQF Law drafted and presented by NAQAAE.

Recommendations

- The **Competence Based Curriculum Design Methodology (developed and currently adopted by the MoETE)**; need to be adopted by other VET providers (from the identification of the needs by the private sector up to the assessment stages), especially those who require the MoETE acknowledgment of their qualification, such as the PVTD. Others, such as the nursing technical education, would also benefit from such methodology. It is also important to make sure that the new process will align to the National Qualification Framework in the future.

¹²² Interview with Deputy Minister of Education and Technical Education

- With the establishment of a dedicated academy for technical teachers (TVETA) and in coordination with PAT, teachers and trainers' assessment and certification need to become a prerequisite for teaching and or training in VET.
- Building on the efforts and experiences of the PPPs to duplicate ATS models into other schools; committing funds to address the shortcomings of the **learning environment** and for refurbishment and equipping of schools, training of teachers and trainers, and adopting curriculum.
- Efforts exerted by VET stakeholders to upscale **Work-based learning** opportunities for VET students, should be combined with efforts to enhance the quality; ensure that the companies engaged in provision of WBL are adequately equipped and have qualified and certified mentors/trainers/teachers who are capable of adopting well-planned programmes, as well as the VET providers' capacity to provide monitoring resources, it is important to ensure that TVETA enforces this in its mandate.
- Small and medium enterprises represent a big share of the Egyptian economy, and need to be considered a major partner, when implementing initiatives for expanding WBL activities. Schemes fitting the capacity of small and medium enterprises and tailored to fulfil their needs may be considered
- More consideration is needed to address both agricultural and commercial technical education. A big portion of the reform initiatives are mainly focus on the industrial technical schools. Future reform initiatives should focus more on commercial and agricultural education.
- Quality assurance and accreditation of VET institutions (schools, Vocational Training Centres, producers hosting apprentices, training stations, school in factory, and others), need to be mandatory.
- Review and address the weaknesses within the occupational licensing system, including; enforcement, transparency of the process, visibility by employers, quality control, business's and workers' organisations engagement, recognition of certificates by employers.

Building block E: Governance and financing of VET

Building block E collects updates on governance and financing in VET. 'Governance' refers to all institutionalised multi-level participation in VET policy making and management, including the setting of objectives and their implementation and monitoring in any given domain of VET policy and at any given governance level (multi-level governance).

'Financing of VET' refers to the consistency between the policy framework and the budget mechanisms in place that channel the resources towards the achievement of policy objectives. Three elements are analysed: VET budgeting, mobilisation of resources for VET, and allocation and use of resources in VET.

I. Thematic questions

E.1. Institutional arrangements

Identification of issues

E.1.1 Effectiveness of institutional and governance arrangements

Since 2015, the governance of VET has experienced modifications with a number of organisations becoming inactive or merged with others (such as the Industrial Training Council, the Buildings Skills Development Council, the National HRD Tourism Council, 12 sectoral Enterprise TVET Partnerships ETPs, local ETPs, the Supreme Council for Human Resources Development, and the Ministry of Technical Education and Vocational Training), others were created by means of ministerial and prime ministerial decrees but have not been activated (such the National Human Resources Development Council under the prime Minister's presidency¹²³, the Executive council for Technical and Vocational Education and Training chaired by the Minister of Education, the Executive Council for Manpower Skills Development, and Regional Human Resource Councils at the governorate level chaired by governors), while other stakeholders and structures are in still under establishment (such as ETQAAN, TVETA).

The institutional framework remains highly fragmented, with a large number of stakeholders and institutions, highly un-coordinated, each working autonomously on separate reform initiatives, which is hindering systemic reform. For example, it has been difficult to acquire consensus over a number of strategic initiatives, such as the TVET Strategy and the TVET Act prepared by the TVET Egypt Programme, which could have extended a systematic framework for reform. This has led to lost opportunities in terms of the potential for achieving improvement or innovation. An example of which are the Sectoral Skills Councils (led by TVET Egypt Programme), the piloting of Sectoral Skills Councils being implemented with the collaboration among EBRD and FEI, and the Sectoral Board of Directors suggested within the framework of the PVTDs institutional restructuring.

Despite the fact that different stakeholders have worked autonomously on separate reform initiatives, some common trends are identified which includes; a shift towards more employment oriented focus (transition from school to work, career guidance, etc.), a reform trend leading to quality assurance for TVET, higher level of involvement by employers, and regional reform.

E.1.2 Accountability, leadership and control

In an attempt to resolve the excessive fragmentation in both policy making and provision of VET, and install the appropriate leadership for the system, in 2014, the GoE established a Ministry for Technical Education and Vocational Training, as an integrated model for providing clear leadership, better co-ordination and monitoring of VET development. However, the Ministry was terminated with the following re-shuffle of cabinet after 7 months of its establishment and the Ministry of Education was renamed the Ministry of Education and Technical Education to reflect that technical education has not received less commitment with the cancellation of the TVET Ministry. Currently, the institutional framework for VET governance, **at the policy level**, includes three councils that aim to eliminate the fragmentation and build cohesion within the VET system, through a better coordination among VET stakeholders represented in these councils. These councils include: The National Human Resources Development Council NHRDC (presidency of the Prime Minister)¹²⁴, plus two executive Councils:

¹²³ Prime Ministerial Decree 705 of 2014

¹²⁴ Replacing the Supreme Council for Human Resources Development

Executive TVET Council ETVETC (chaired by Minister of Education and Technical Education), and Executive Workforce Skills Development Council (chaired by Minister of Manpower). Lately there are strong indications by the government to activate these councils, as they remain the highest formal authority in charge of formulating HRD policies and are the only platforms where most of the relevant VET stakeholders are represented. However, to date only the NHRDC and the ETVETC assembled once since 2014

At the **central level**, a number of Ministries are responsible for centrally administering the VET provision. This includes, Ministry of Education and Technical Education, Ministry of Trade and Industry, Ministry of Housing, Ministry of Health, Ministry of Military Production, Ministry of Manpower, and others. As for post-secondary VET, the Supreme Council for Technical Colleges SCTC (administering the eight Technical Colleges) supervised by Ministry of Higher Education, in addition to the Supreme Council for Technological Education, responsible for administering Technological Universities.

At the **intermediate level**, between the central level (Ministries) and the VET providers (schools and VTCs), directorates at the governorate or regional level, are currently acting on instructions and administer centrally made decisions and requirements. Though directorates, administratively follow the Governor (the administrative head of the Governorate) they still retain a technical relationship to their respective line ministries. The operational set up can be described as the de-concentration of administration, rather than any form of decentralisation. Below the Governorate level, there are two additional levels of local administration, notably the *Markaz* or district level (or metropolitan cities in urban areas), and local administrative units, such as villages, towns, and city neighbourhoods. Each level reports up to the next level, from which it receives its instructions and resources. It should be noted that in 2014, by the Prime Ministerial Decree 705, Regional Councils for VET were also introduced to address the fragmentation at regional level, but has not yet been activated.

Finally, at the **level of VET Providers**, a large number of technical secondary schools, vocational training centres, training centres, and technical colleges.

Description of Policies

E.1.3 Governance reforms

There is a strong commitment among various VET stakeholder, to better articulate VET governance reforms, which was demonstrated in a number of document and policy papers, mostly focusing on the institutional set up:

The first and the most advanced towards adoption is the **New Labour Law**, which was drafted in 2016, and put forward to the parliament by the Ministry of Manpower. In its article 16 and 17, the new Labour Law introduces the establishment (or actually the re-establishment) of the “**Supreme Council for Development of Human Skills and Resources**”, and **Executive Councils** at the regional/governorate level. The SCDHSR to be chaired by the Prime Minister and includes a selected number stakeholders (Ministry of Manpower, Ministry of Education and Technical Education, Ministry of Higher Education, Ministry of Trade and Industry, Ministry of Social Solidarity, Ministry of Planning, Ministry of Investment and International Cooperation, Ministry of ICT, in addition to 4 members from employer organisation and 4 members representing labour Unions)¹²⁵ to assume the responsibility of developing and monitoring the implementations of national policies and executive strategies for human Resources Development Council”. This Supreme Council, is expected to replace the “National Human Resources Development”, established in 2014, and also chaired by the prime Minister¹²⁶. On the other hand, the Executive Councils at the regional/governorate level will be chaired by the concerned governor and will be responsible for executing plans, decisions and recommendations of the supreme council. It should be noted that regional councils were already introduced in 2014, by a Prime Ministerial Decree (705 of 2014 article 5).

The second is the MoETE’s **Transformation Strategy for Technical Education 2.0**, which was developed in 2018, and since then has become the adopted reform strategy for Technical Education. The MoETE’s **Technical Education 2.0 for the “Transformation of Technical Education”**, heavily relies on employers’ input and contribution, giving them a leading role in reform at school level, emphasizing their input to curriculum formulation and engaging them at the provision level.

¹²⁵ No mention of other stakeholders, such as Ministry of Tourism, Ministry of Housing, Ministry of Agriculture and Land Reclamation, NAQAAE, PAT

¹²⁶ Prime Ministerial Decree 705 of 2014

The third is the amendments to the investment law (law 72 for 2017 article 15), which provided income tax incentives for investors in VET, will help strengthen the role of the private sector in provision of VET services, thus employers will become more influential within the governance of VET.

Also in 2018, the **introduction of the Supreme Council for Social Dialogue on Employment**, established by the Prime Ministerial Decree 799, chaired by the Minister of Manpower and includes representatives from a number of Ministries (Social Solidarity, Investment and International Cooperation, Trade and Industry, Justice, Education and Technical Education, Parliamentary Affairs, Agriculture and Land Reclamation, Local development, Tourism, Public Business, plus 6 representatives of trade unions and 6 employers), operational at governorate level through sub-councils under the authority of the governors, The council is responsible for participation in the formulation of national policies for community dialogue in the field of work. Since its establishment, the council has met twice.

Two more important initiatives were also introduced in 2018, following the 6th Youth conference, when the President Sisi declared 2019 to be the year of education and directed towards the establishment of two new entities; the Egyptian TVET Quality Assurance and Accreditation National Authority (ETQAAN) and the Technical and Vocational Teachers' Academy (TVETA). Where ETQAAN would operate to ensure quality for the wider VET sector, while TVETA will be responsible for provision of world class training to VET technical teachers, trainers, master trainers, assessors and verifiers. The MoETE is currently taking the leading role for the realisation of these two initiatives, and has progressed to the level of developing the draft laws and submitting for revision by the cabinet.

There are also the **TVET Strategy and the TVET Act**, developed simultaneously, by TVET Egypt. However, both are at very early stages and it is not clear, if there are consensus among stakeholders regarding the strategy and the TVET Act, and who will take the lead in submitting it to the Parliament. It is worth mentioning that the TVET Strategy aims at addressing the fragmentation within the VET system, strengthening and structuring employer engagement in VET reform within a multi-level system of governance. While the **Draft TVET Act**, basically, aims at compiling VET legislations in an integrated framework and proposing an institutional framework for VET (central, regional and sectoral levels); including a "Supreme Council for Vocational Education and Training" at policy level, local councils at governorate to cover the local and geographical level, and sectoral skills councils to address the sectoral dimension.

E.2: Involvement of non-state actors

Identification of issues

E.2.1 Distribution of responsibilities between state and non-state actors in VET

The VET sector, at large, is strongly in the hands of governmental institutions, where, the role of non-state actors in shaping and implementing VET policies is at a minimal level with very limited impact on the VET system at large. Currently, non-state actors are contributing to VET system, through work-based learning, regional observatories, participating in the process of developing the National Qualification Framework, and Skills Standards as well as participating in various councils and committees.

Description of Policies

E.2.2 Policies in support of participation of non-state actors

In support of participation of non-state actors in the provision of VET, the government undertook a number of financial and non-financial policies. In the last two years a couple of financial incentives has been offered; the first was included in investment law (law 72 for 2017), chapter 3 article 15, in the form of income tax incentives for investors that invest in and support in the provision of VET, which may attract a larger share of funding and higher level of engagement by the private sector companies, in initiative such as the Applied Technology Schools, a PPP model, currently being piloted and supported by the MoETE;

The second, was included in the amendments to Law 83 regulating special economic zones (Presidential Decree 27, which stipulated that the cabinet may, upon request from the SCZone

Authority Board of Directors, grant projects with intensive labor (among other things)¹²⁷ a number of incentives; among which is; cover fraction of the Egyptian workers technical training¹²⁸.

On the other hand, since 2006, the GoE undertook a number of initiatives to introduce formal institutional platforms for engaging non-state actors, especially employers, in the governance of VET, this included; 3 Sectoral Councils (Industrial Training Council, the Building's Skills Development Council and the Tourism Council), twelve Enterprise TVET Partnerships (ETPs) and other locally focused enterprise TVET Partnerships, however, most of these initiatives have not been able to hold their grounds due to the legislative and financial components of their establishment decrees; the Sectoral Councils that were once considered an important progress towards the reform of the Egyptian skills development sector, are no longer active; the ETPs (sectoral and local) were never integrated in the VET governance structure, and have not been able to resolve their legal status, despite many efforts to make them sustainable, they are no longer active.

More recently, various VET stakeholders, have introduced a number of institutional measures to enhance the engagement of non-state actors, especially employers, in the provision of VET. Among these initiatives is the Public Private Partnership scheme of work-based learning, introduced by the MoETE and branded as the "Applied Technology Schools", as well as the Public Private Partnership, implemented within the PVTD training centres and the expansion of the training stations for provision of vocational education within a manufacturing facility. However, it should be noted that, unlike the ATS, the PPP schemes implemented within the PVTD, are charging students considerably high tuitions fees, in some cases, as high as EGP 10 thousand annually.

Another recent initiative, came in 2017, by a ministerial decree (number 304), the Minister of MoETE restructures the National Council for Human Resources Development NCHRD, and putting them in charge of developing policies and monitoring programmes for the dual system. The NCHRD is an entity representing employers in implementing the dual system and coordinating among Regional Units.

In addition to the current plans to introduction of Sectoral Skills Councils, as well as in the institutional restructuring plan for PVTD approved by the Minister of Trade and Industry, where the PVTD's proposed organisational restructuring plan emphasises higher levels of involvement of employers in the governance of PVTD at policy level through participation of employers and employers' organisation in the PVTD's Board of Trustees, and at provision level through 20 Sectoral Boards of Directors (representing 20 industrial subsectors), allowing employers to influence the PVTD's deliverables in a way that makes it more responsive to the needs of the labour market, within various industrial sectors.

E.3: VET budget

Identification of issues

E.3.1 Expenditure planning, VET budget formation and execution

Expenditure planning for skills development is incremental (based on the previous year's expenditure), and do not incentivise performance or reflect enrolment and successful completion rates. The funding has limited integration with national economic or social goals and priorities, in the sense that it is not directed to achieve national goals, or to support a competitive sector. A high proportion of VET funding is spent on salaries, leaving few resources for development expenses like training, teaching and learning materials. For example, budget allocation for MoETE technical education is calculated as the annual budget per student, which differs according to the discipline of study, ranging from EGP 6 to 7 thousand per student per year, where 85 percent goes to cover salaries and wages.¹²⁹

Overall, the various VET subsystems all develop and operate budgeting procedures according to their own traditions, and there is no overall rationale or prioritisation in relation to budget methodologies, nor are they linked to objectives or results. With regard to the funding of VET providers, the system is

¹²⁷ Also applies to companies that are working hard to increase their local content, or those investing in logistics services, Trade Development, Electricity (conventional or renewable), agricultural, and Transport (sea, land and rail)

¹²⁸ Other incentives include; discounted rates of payment facility for energy consumed, reimbursement of all or part of the cost of connecting facilities to the project land; cover all or part of the share of Egyptian workers and employer for social insurance, allocate land through "right to utilize system" against nominal price or postpone all or part of payment, or any other payment facility, until after the actual operation of the project

¹²⁹ MoETE, Deputy Minister of Education and Technical Education

centralised, and budgets allow little flexibility, except when a particular initiative is established and funded.¹³⁰

Description of Policies

E.3.2 Policies to improve expenditure planning and budgeting in VET

A major development took place in 2014, when the Egyptian Constitution (approved through a referendum) referred for the first time to both technical education and vocational training in its Article no. 20, committing the government to gradually increase expenditure on education to reach at least 4% of GDP.

An initiative by MoETE to review and reform the regulations for distributing the income generated from the 'Education and Production Capital Project' and from the "Labour System" is still under review. The objective of this review is to allow the MoETE to efficiently and effectively use these resources in addressing the challenges at VET school level. A draft of the proposed legislation for the capital project is currently being reviewed by the MoETE legal advisor, while the review of the "Labour System" is still under study.

E.4: Mobilisation of resources for VET

Identification of issues

E.4.1 Sources and mechanisms of funding for VET

There are four types of mechanism for VET financing, namely public financing through 1) the **public financing** (national budget allocated by the Ministry of Finance), 2) **funds generated through core activities** and 3) **enterprise financing** (direct and indirect VET financing by enterprises to employees) and 4) **financing by international donors** (such as the EU, GIZ, USAID, World Bank, Global Affairs Canada).

First: Public financing remains the main source of funding for VET. As the government supports a highly subsidised public education system, including both general education and VET, at both pre-university and tertiary level. In addition to other VET providers' such as TOMOHAR, Technical Nursing Schools, MoM VTCs, and others. The Ministry of Finance allocates a budget to each ministry, an approach intended to give ministers greater control over budget allocation, which in turn transfers funds (largely for salaries and running costs) to the directorates (the Muderiya); from there, the funds go to the departments (the Ida rah), before they are distributed to schools or VTCs. However, there are some exceptions, such as the PVTD, which has an individual standing in receiving and negotiating its annual budget with the Ministry of Finance, in spite of being affiliated to the Ministry of Trade and Industry and does not have an autonomous legal identity. In the last couple of years the PVTD budget has increased from LE 160 million to LE 260 million, mainly to cover the increase in salaries.¹³¹

Second: Funds generated through core activities, such as in the case of NAQAAE, which, in compliance with its establishment law, will be financed through the National Budget for five years, after which it should be financed through income generated. Therefore, NAQAAE is currently self-financed,¹³² mainly through fees coming from accreditation procedure. In 2018, NAQAAE's approved budget amounted to a total of LE 54.8 million for FY 2018/2019 (law 143 for 2018).

Other forms of funds generated through core activities includes VET providers generating revenues through the provision of services or through productive activities, the Capital Project¹³³; this includes most of VET providers (such as technical secondary schools and the Productivity and Vocational Training Department). However, money generated is not kept by the VET providers; a large percentage of these revenues are claimed by the Ministry of Finance. In the case of the PVTD, Ministry of Finance claims 52.5% and the rest is used to top up salaries of teachers, trainers, administrative staff and materials.

Third: Enterprise financing of VET comes in so many different forms, the only institutional form is the National Training Fund (training levy), which was introduced in the 2003 Labour Law, administered by the MOM, where companies, employing 10 or more workers, are required to pay a 1 percent of their net profit to the Training Fund. However, since the introduction of the Training Fund in 2003,

¹³⁰ GOVERNANCE OF VOCATIONAL EDUCATION AND TRAINING IN THE SOUTHERN AND EASTERN MEDITERRANEAN, ETF, 2015

¹³¹ PVTD Executive Director

¹³² According to its establishment law (Number 82 of 2006) article 20

¹³³ Ministerial Decree 176 of 2001, Capital Project

disputes over the legal status of the training levy have inhibited its implementation to its full capacity, which has prompted the MoM to address areas of concern with the newly proposed labour law.

Other forms of enterprise financing of VET include a wide range of possibilities such as; participating in and supporting work-based learning programmes (such as technical education dual system, MoM's apprenticeship programme and PVTD), partnering with MoETE in implementation of the Applied Technology Schools, partnering with technical education and PVTD in hosting the "School in Factory" and "Training Stations", introduction of new specialisations (such as introduction of fast food service by Americana Group and Misr El Kheir NGO), and collaboration for systemic reform of VET (development of NSS and NQF).

Fourth: International donors play an important role in financing VET reform initiatives at central, regional and provision level, some projects also include the provision of equipment and rehabilitation of buildings, however the majority focus on technical assistance and staff capacity building. Some of the most active international donors are the European Union, GIZ, KfW, Italian Agency for Development Cooperation, USAID, JICA, World Bank, Global Affairs Canada and China.

Description of Policies

E.4.2 Diversification and mobilisation of funding for VET

The current mix of funding sources for VET, as well as its sufficiency, may be influenced by a number of policies:

- The Egyptian Constitution's aspiration (in article 20) to gradually increase expenditure on education to reach at least 4 percent of GDP, which remains an aspiration.
- The newly proposed Labour Law, in its article 18 and 19, attempts to review and amend the basis for the National Training Fund in order to resolve the conflicts with the private sector (see description above). The amendment includes collecting 1% of the total payroll on which social insurance contributions are calculated in the public sector, the public business sector and the private sector, employing thirty workers and more with a minimum of five pounds and a maximum of twenty pounds for each worker employed by them. The new Labour Law, also allows for partial exemption for the companies who offer training to their employees; where exemption shall not exceed 70% (of the calculated 1% of wages on which social insurance is calculated). Sources of financing the National Training Fund, was described to include; public budget, subsidies, donations and the return on investing its financial resources. With the new developments in the VET system in Egypt since 2016 when the proposed labour law as drafted and the establishment of new entities (like ETQAAN, TVETA and Sector Skills Councils) and their sustainability it might be worthwhile for the GoE to reconsider how the revenues of the fund could be effectively used.
- The Investment Law number 72 (2017), includes an income tax incentive for investors that invest in and support VET provision, which may have an impact on attracting a larger share of funding and higher level of engagement by the private sector.
- The Presidential Decree 27 (2015), amending Law 83, regulating special economic zones, stipulated that the cabinet may, upon request from the SCZone Authority Board of Directors, grant projects with intensive labor (among other things)¹³⁴ a number of incentives, among which covering a fraction of the Egyptian workers' technical training¹³⁵.
- MoETE's policy for expanding its dual system to increase the number of students in work-based learning.
- MoETE's "new brand of schools", the Applied Technology Schools (ATS), implemented under PPPs, was introduced in 2018, where private sector companies are responsible for funding upgrading school facilities, educational resources and equipment, as well as for funding the running costs of the schools (including bonuses and incentives for the existing teaching staff, and salaries for new teaching personnel),
- The establishment of the "National Investment Charity Fund for Education" under the new Capital Market Authority Law, allowing the government's partnership with the private sector, civil society organizations and various state institutions to supplement government budgets with other sources

¹³⁴ Also applies to companies that are working hard to increase their local content, or those investing in logistics services, Trade Development, Electricity (conventional or renewable), agricultural, and Transport (sea, land and rail)

¹³⁵ Other incentives include; discounted rates of payment facility for energy consumed, reimbursement of all or part of the cost of connecting facilities to the project land; cover all or part of the share of Egyptian workers and employer for social insurance, allocate land through "right to utilize system" against nominal price or postpone all or part of payment, or any other payment facility, until after the actual operation of the project

of funding (including governmental and non-governmental sources and banking institutions) where all investment returns to the fund will be directed towards the educational process, aiming at developing teachers and administrators, as well as solving problems of overcrowded classes and enhancing the learning environment. The fund was launched in May 2019 where, in its first meeting, board members have decided to identify supporting the VET system at the top of the fund's priority list.

E.5: Allocation and use of resources in VET

Identification of issues

E.5.1 Patterns of resource allocation

Ministry of Finance and Ministry of Planning play a major role in allocating funds for different Ministries and VET providers. Then each of these (Ministries and VET providers) have developed, and continue to operate, budget allocation procedures following their own distinct rules and procedures for funding its share of VET provision. Allocating resources to VET provision does not follow a unified methodology. There is no rationale or prioritisation of budgeting methodology¹³⁶, probably based on the previous year's expenditure.

The largest budget allocated to VET is, by far, the one allocated to the technical education sector through the total public expenditure on education (Table 4). According to CAPMAS – Egypt in Figure 2019 - the total public expenditure on education has been increasing, probably to meet the aspiration of the 2014 constitution. In FY 2017/2018, public expenditure on education has reached L.E. 107 billion, compared to 99 billion in 2015/2016. However, public expenditure on education as a percentage of total expenditure has been declining; 8.9 percent in FY 2017/18 compared to 11 percent in 2015/2017, 12.5 percent in 2006/07, 16 percent in 2005/06 and 17 percent in 2000/01. In addition, the ratio of expenditure on education to GDP decreased from 5.3 percent in 2000 to almost 3.7 percent in the last two years¹³⁷. VET policy makers may look at this declining trend as it is not in line with the increasing priority given to the education sector on the government's agenda.

Table 4: Public Expenditure on Education

Public expenditure on vocational education in local currency unit and as a share of Gross Domestic Product (GDP) - 2015/2016 and 2016/2017 and 2017/2018 in million			
	2015/2016	2016/2017	2017/2018
The state public expenditure	864,564.1	974,794.0	1,207,138.0
Public Expenditure on Education	99,262.9	103,962.2	107,075.4
Public Expenditure on education to public expenditure	11.5%	10.7%	8.9%
Expenditure on Pre-university Education	69,303.8	72,402.4	70,512.3
Percentage of Public Expenditure on pre-university education to expenditure on education	69.8%	69.6%	65.9%
Expenditure on university education	21,211.1	22,627.1	25,754.0
Percentage of Public Expenditure on university education to expenditure on education	21.4%	21.8%	24.1%
Other Aspects of Expenditure on education	8,748.0	8,932.7	10,809.3
Percentage of Public Expenditure on other aspects of expenditure on education to expenditure on education	8.8%	8.6%	10.1%

Source: Egypt in Figures 2018 and 2019

Description of Policies

E.5.2 Policies to ensure adequacy of resources for VET and equity in their allocation

Adequacy and equity are important principles of a school finance system that aim to ensure that schools systems provide a minimum amount of necessary resources for all students to learn regardless of their socio-economic circumstances.

Decentralised financing was piloted in 2008-09 and 2009-10, with funds transferred from MoETE, for example, to directorates at governorate level and then to departments of education at local level, and finally VET schools. An evaluation in nine governorates judged it as a success that could be a step towards multilevel, multi-actor VET governance.¹³⁸ However, the large expenditure on wages is one of the key challenges towards ensuring that schools provide the minimum amount of necessary resources for learning. It has been reported that the share of wages and salaries in total sector expenditure has steadily increased, from 71% in 2000/01 to 83% in 2006/07. At the same time the

¹³⁶ GOVERNANCE OF VOCATIONAL EDUCATION AND TRAINING IN THE SOUTHERN AND EASTERN MEDITERRANEAN, ETF, 2015

¹³⁷ Egypt in figures 2018 and Egypt in figure 2019

¹³⁸ VET Governance: ETF Partner Profile – Egypt, ETF, 2017

share of other recurrent expenditure (mainly student-related and school operation-related expenditure) has declined to 12% in 2006/07.¹³⁹

II. 'Open floor'

- Technical Schools, not administered by Ministry of Education and Technical Education, such as the Nursing Technical Schools (administered by Ministry of Health), are currently not influenced by any of the ongoing reforms, due to the complete separation and limited coordination.
- Another target for the Egyptian VET system is the better use of its limited resources. According to the World Bank's SABER report 2013, better resources and financial management could improve efficiency, quality and equity among the different stakeholders especially in the joint utilisation of centres, equipment and teachers. Furthermore, attention is needed to improve the link between public funding and performance of VET institutes. Also encouragement of investment by the private sector, enhanced formal monitoring and evaluation of the impact of training programs on beneficiaries are key elements of any planned reform.

III. Summary and analytical conclusions

The VET sector, at large, is mostly administrated governmental institutions, where, the role of non-state actors (especially the private sector and other social partners) in shaping and implementing VET policies is currently at a minimal level with very limited impact on the VET system at large despite some good practice of public private partnerships that exist. The institutional framework remains highly fragmented, with a large number of stakeholders and institutions, highly un-coordinated, each working autonomously on separate reform initiatives, which is hindering systemic reform.

Currently, the institutional framework for VET governance, **at the policy level**, includes three councils that aim to eliminate the fragmentation and build cohesion within the VET system, through a better coordination among VET stakeholders represented. These councils include: The National Human Resources Development Council NHRDC (presidency of the Prime Minister)¹⁴⁰, plus two executive Councils: Executive TVET Council (chaired by Minister of Education and Technical Education), and Executive Workforce Skills Development Council (chaired by Minister of Manpower). Although these councils are not yet active, where only the NHRDC assembled once since 2014, they remain the highest formal authority in charge of formulating HRD policies and are the only platforms where most of the relevant VET stakeholders are represented. It may, therefore, be concluded that the role of leadership remains operationally vacant despite the existence of the legislation and VET policies are currently developed by various stakeholders (more than 20) in a highly-fragmented environment, with limited coordination.

At the **central level**, a number of Ministries are responsible for centrally administering the VET provision, while the **intermediate level**, governorate or sometime referred to as regional level, include directorates acting on instructions and administer "centrally made" decisions and requirements, mainly operating through two additional levels of local administration, notably the *Markaz* or district level (or metropolitan cities in urban areas), and local administrative units, such as villages, towns, and city neighbourhoods. Each level reports up to the next level, from which it receives its instructions and resources. It should be noted that in 2014, via Prime Ministerial Decree 705, Regional Councils for VET were introduced to address the fragmentation at regional level, but has not yet been activated. Finally, at the **Provision level**, there is a large number of technical secondary schools, vocational training centres, training centres and technical colleges.

On the issue of VET **expenditure planning**; funding is incremental (based on the previous year's expenditure), and do not incentivise performance or reflect enrolment and successful completion rates. The funding has limited integration with national economic or social goals and priorities, in the sense that it is not directed to achieve national goals, or to support a competitive sector. A high proportion of VET funding is spent on salaries, leaving few resources for development expenses like training, teaching and learning materials.

There are four main sources for VET financing. The first is **public financing** (national budget allocated by the Ministry of Finance) and is considered the main source of funding. The second are **funds**

¹³⁹ Enhancing Institutionalized Partnerships between TVET: Institutions and the World of Works in Egypt, UNESCO, 2019

¹⁴⁰ Replacing the Supreme Council for Human Resources Development

generated through core activities, such as the case for NAQAAE and funds generated by VET providers. Third source comes from **enterprise financing of VET, such as the Training Fund (1% of net profit)**. Then fourth is financing through **international donors** (such as the EU, GIZ, USAID, World Bank, Global Affairs Canada).

Ministry of Finance and Ministry of Planning play a major role in allocating funds for different Ministries and VET providers, where each of these Ministries and VET providers have developed, and continue to operate, budget allocation procedures following their own distinct rules and procedures for funding its share of VET provision. Allocating resources to VET provision does not follow a unified methodology. There is no rationale or prioritisation of budgeting methodology¹⁴¹, probably based on the previous year's expenditure.

Policy Description

The last few years, have witnessed the development of a number of policies and initiatives that aim to address the issues in VET **governance. This included:**

- The introduction of a **policy level council for human resources development**, including representative of VET providers and employer organisations. Although a NHRDC has been established in 2014, the New Labour Law put forward by the MoM is introducing a “Supreme Council for Development of Human Skills and Resources”, and the Draft TVET Act developed by TVET Egypt Programme is introducing the “Supreme Council for Technical and Vocational Education and Training”.
- The introduction of **regional VET Councils** at governorate level. Although regional councils has already been introduced in 2014, the New Labour Law put forward by the MoM is introducing “Executive Councils” at the governorate level, and the TVET Egypt Programme proposing the introduction of “Local Councils for Technical and Vocational Education and Training”.
- The introduction of **sectoral skills councils** by TVET Egypt; by the PVTD's Institutional Restructuring Plan and referred to as “Sectoral Boards of Directors”; and by the FEI, supported by the EBRD, through piloting the establishment of a Sectoral Skills Council in the engineering sector.

To improve the coordination, VET Governance needs to be led through a unified and agreed vision for the whole system, something the MoETE is currently working at through the activation of the Executive Council for TVET (Decree 706).

Other policies have introduced organisations that has the potential to affect the quality assurance of VET, including:

- The introduction of the **Egyptian TVET Quality Assurance and Accreditation National Authority** (ETQAAN), as an organisation sufficiently adapted to the context of VET, to increase the number of accredited VET institutions. A draft law has been developed and is under revision by the cabinet.
- The introduction of TVETA for provision of world class training to technical education teachers, trainers, master trainers, assessors and verifiers. TVETA should provide an institutional set up for teachers training as well as allow for separation between provision of training and accreditation, thus leading to higher credibility.

Policies to improve expenditure planning and budgeting has also been an issue for the government, which included;

- In 2014, through the Egyptian Constitution (approved through a referendum) in its Article no. 20, the GoE committed to gradually increase expenditure on education to reach at least 4% of GDP.
- In 2017, **financial incentives** to encourage participation of employers/investors in provision of VET were introduced; in the amendment of the investment law (law 72 for 2017 article 15) which provided income tax incentives for investing and supporting VET and in the amendment

¹⁴¹ GOVERNANCE OF VOCATIONAL EDUCATION AND TRAINING IN THE SOUTHERN AND EASTERN MEDITERRANEAN, ETF, 2015

to Law 83 regulating special economic zones where the zone authority will cover fraction of the costs incurred to train Egyptian workers¹⁴².

- The New Labour Law put forward by MoM, in its article 18 and 19, proposes an amendment to the National Training Fund, aiming to resolve the conflicts with the private sector, which is currently preventing the training fund from fulfilling its objectives.
- The establishment of the “National Investment Charity Fund for Education” under the new Capital Market Authority Law, where all investment returns to the fund will be directed towards the educational process, aiming at developing teachers and administrators, as well as solving problems of overcrowded classes and enhancing the learning environment.
- Expanding work-based learning models, such as the MoETE’s policy to expand its dual system to increase the number of students in work-based learning, as well as the PVTD’s expansion of their training station model.
- MoETE’s introduction of “Applied Technology Schools”, a model that encourages co-funding of employer organisations in reforming technical schools.
- MoETE’s decision to review and improve the structure and operations of the ‘Capital Project’, maximising its contribution to enhancing the educational process. A draft for a proposed legislation is currently being reviewed by the MoETE’s legal advisor.

Public schools in Egypt continue to be under financed, where the large expenditure is consumed by salaries is one of the key challenges towards ensuring that schools provide the minimum amount of necessary resources for learning. It has been reported that the share of wages and salaries in total sector expenditure has steadily increased, from 71% in 2000/01 to 83% in 2006/07. At the same time the share of other recurrent expenditure (mainly student-related and school operation-related expenditure) has declined to 12% in 2006/07.¹⁴³

Recommendations

- A unified, clear multi-level governance model for the VET sector need to be established through a participatory approach, including VET stakeholders. This model will include mechanisms for cooperation at policy, regional, sectoral, and provision levels. The multi-level governance model should include the allocation of clear leadership roles of different stakeholders for different VET areas with close coordination with the new quality assurance authority ETQAAN. One of the options could be the re-activation of the existing HRD and TVET Councils with a steering, regulatory and monitoring role. Activation of the Executive TVET Council as a quick and short-term approach to address the leadership and vision until the labour law is passed.
- Donors’ coordination, currently lead by Ministry of Education and Technical Education, should become a formalised process, and include other VET providers.
- Employer engagement in VET, through Sectoral Skills Councils, could strengthen their role in skill identification and anticipation, developing skills standards, quality assurance of qualifications, and potential involvement in assessment procedures. This will require the leadership and commitment of the various sectoral federations as well as the right legislation and partial funding from the government looking at international good practice in this area perhaps by directing some of the money from the existing National Training Fund.
- Activation of the Regional VET Councils, in compliance with the Prime Ministerial Decree 705 of the year 2014, to build capacity at local level, towards a good multilevel governance.
- The GoE represented by the Ministry of Finance should develop a result oriented budgeting system where budget allocation to VET institutes is linked to performance. Once the system is in place some of the existing Councils (eg. The TVET Executive Council) could play the role of assessor/monitor of performance and advice the Ministries of Planning and Finance when allocating annual budgets.

¹⁴² Other incentives include; discounted rates of payment facility for energy consumed, reimbursement of all or part of the cost of connecting facilities to the project land; cover all or part of the share of Egyptian workers and employer for social insurance, allocate land through “right to utilize system” against nominal price or postpone all or part of payment, or any other payment facility, until after the actual operation of the project

¹⁴³ Enhancing Institutionalized Partnerships between TVET: Institutions and the World of Works in Egypt, UNESCO, 2019

Attachment – List of Consulted Organisations

Consulted Organisations

Torino Process - Egypt - 2018-2020

The implementation of the Torino Process, for Egypt, involved evidence collection and interpretation, consultations among the main VET stakeholders (listed below) facilitated by the Torino Process technical coordinator (Ministry of Education and Technical Education) and the National Coordinator (Ministry of Foreign Affairs).

The process commenced in April 2019 and the final draft was produced in March 2020.

Column1	Organisation
1	Ministry of Foreign Affairs
2	Ministry of Education and Technical Education
3	Productivity and Vocational Training Department
4	Ministry of Higher Education
5	Ministry of Manpower
6	Ministry of Housing, Utilities and Urban Communities - TOMOHAR
7	Ministry of Agriculture and Land Reclamation
8	Industrial Modernisation Centre IMC
9	TVET Egypt
10	Federation for Egyptian Industries
11	Ministry of International Cooperation
12	Ministry of Health
13	Ministry of Planning and Economic Development
14	National Council for Women NCW
15	Egyptian Centre for Women Rights
16	Ministry of Military Production
17	Egyptian Parliament
18	Information and Decision Support Centre IDSC
19	Egyptian Federation for Building and Construction
20	Central Department for Public Mobilisation and Statistics CAPMAS
21	International Labour Organisation ILO
22	Micro Small and Medium Enterprise Development Authority MSMEDA
23	WISE Project
24	USAID
25	Ministry of Trade and Industry MoTI
26	National Authority for Quality Assurance and Accreditation for Education
27	Egyptian Tourism Federation
28	National Academy for Science and Skills NASS
29	National Centre for Human Resources Development
30	Education Development Fund
31	GIZ
32	Egytrafo
33	CID Consulting