

# TORINO PROCESS

## 2014

# PALESTINE



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# TORINO PROCESS 2014 PALESTINE

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## EXECUTIVE SUMMARY

Key stakeholders within the technical and vocational education and training (TVET) system in Palestine<sup>1</sup> have a clear understanding of what the system should look like in the medium to long term and they are working hard to implement this vision in line with a revised TVET strategy.

Formal approval has been granted to the strategy by the Ministry of Education and Higher Education (MoEHE) and the Ministry of Labour (MoL). The vision is shared by the broader education sector to some extent, although various stakeholders appear to have different ambitions for the future of TVET in the Palestinian education sector. TVET policy makers within the ministries and international actors in the sector alike believe a strong expansion of TVET could provide a response to labour market needs and address the high unemployment in Palestine. This outlook is countered by a strong component within the Ministry of Education that persists in prioritising education for access to higher education, and the decision to remove commercial schools from the TVET mandate is symbolic of this stance.

Ongoing reform in the TVET sector principally aims to shape a system more responsive to labour market needs. For reasons that remain unclear, however, the commercial schools responsible for filling important labour market profiles are not included in the reform and they do not benefit from the new core processes, such as curriculum development, implemented within the TVET strategy context.

These two counterpoised visions of the future role of TVET in the Palestinian education system cannot co-exist. There is a serious risk of wasted effort in the constant redefinition of policies and processes with the appointment of each successive Minister; a pattern that has been a sad constant in TVET reform in neighbouring countries. There is an urgent need for agreement between all stakeholders on fundamental questions such as the basic share of education to be covered by the TVET sector.

System governance is a key aspect of TVET reform affected by these differences in stakeholder opinion. In the first version of the TVET strategy, most of the TVET actors agreed a TVET agency was needed, but the revised and currently valid 2009 TVET strategy has replaced this with a Higher Council for TVET that has hardly ever met. In June 2014, the Cabinet approved the formation of the National Agency for Vocation Education and Training (NAVET), but the NAVET idea was put on ice when the new government came in a few months later.

A common governance structure is crucial in order to avoid fragmentation of resources and to ensure coherence in strategy implementation. The operation of a single authority such as NAVET would bring greater added value than any of the other solutions currently on the table, such as re-establishment of the Higher Council for TVET. The existence of such a body would simplify reform implementation at the various levels of TVET and would grant the labour sector a role of shared leadership within the TVET system.

Having a single authority in charge of TVET would also facilitate the coordination of donor initiatives in the TVET sector. Coordination has greatly improved recently and most donors have now joined an informal working group that meets regularly and has successfully established some complementarity among the various initiatives. However, this group is not currently coordinated by the key Palestinian stakeholders and this weakness should be addressed as a matter of urgency.

Monitoring and evaluation were partially neglected as key functions in the TVET reform framework until recently when plans were put in place to establish a proper monitoring and evaluation function,

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<sup>1</sup> This designation shall not be construed as recognition of the State of Palestine and is without prejudice to the individual positions of the EU Member States on this issue.

including an operational monitoring unit. The original idea was for the unit to be created within NAVET, but other options are now on the table.

Above all, the TVET system must identify clear medium- and long-term targets and must plan for the impacts on other actors. For instance: increasing the share of TVET students to 20-25% of all applicants may meet opposition from other education subsectors, while ensuring the sustainability of other specific components of TVET reform may require additional financial resources or innovative resourcing mechanisms in the TVET, and prior discussion with the Ministry of Finance. The most important aspect of the target formulation process will be the involvement of the widest possible range of stakeholders affected directly or indirectly by the process.

TVET relevance to the labour market has been much discussed and many efforts are still ongoing. The definition of core processes, such as competency-based curriculum development, and the broad implementation of these through various programmes (e.g. the European Union (EU) funded TVET support programme and the Swiss Development Cooperation (SDC) funded centres of competence) has moved TVET significantly closer to the labour market and has earned greater trust from the world of work.

Further development and testing of the core processes should be undertaken (e.g. work on assessment), with constant consideration of the challenges inherent in ensuring the sustainability of these reforms. TVET reform will only be considered genuinely 'scaled up' once Palestinian actors are seen to launch and implement the new processes outside the context of donor-supported programmes.

The TVET reform process is built upon the ability to identify the skills required by the labour market and many efforts have been undertaken on this front, several of which are now bearing their first fruits. Inevitably, the process of change is slow as these reforms are ambitious and they require an advanced level of cooperation with companies – something that cannot be easily achieved in the short term. It is clear that TVET providers could be a driving force in bringing TVET education closer to the local labour market, and their capacity for creating links with local companies would be further increased if they were granted the capacity to become genuine lifelong learning centres providing a wide range of services.

This type of institutional change for TVET providers could generate the momentum the Palestinian TVET system needs to continue the reform process independent of donor support and stimulus.

# INTRODUCTION

Every two years, the European Training Foundation (ETF) invites its partner countries to analyse developments in their vocational education and training (VET) policies through the Torino Process. It is a participatory process leading to an evidence-based analysis, and is carried out to build consensus on possible ways forward in VET policy and system development.

The input provided by the Torino Process working group has been essential in the development of this report and to the identification of the main challenges and recommendations. All of the key stakeholders have contributed to the evidence gathering process for this analytical report.

A draft version of the report has been distributed and discussed with a wider group of stakeholders outside the Torino Process working group, in a deliberate attempt to make this report as inclusive as possible of the initiatives and contributions that form a key element in the success of TVET reform in Palestine.

The Torino Process is a powerful assessment tool that will serve Palestinian policy makers better with the integration of a comprehensive monitoring and evaluation function. Work on the development of this function was initiated in mid-2014 and could provide the perfect institutional home for the Torino Process.

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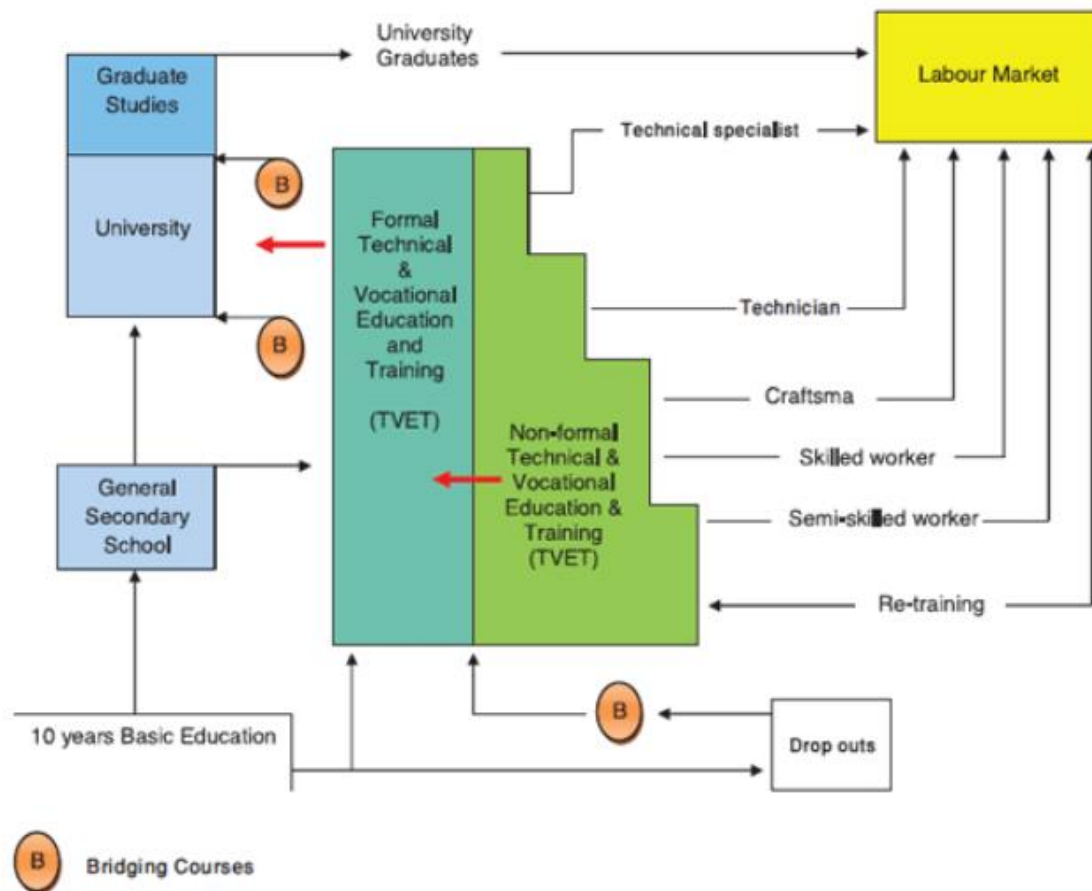
# 1. VISION FOR THE NATIONAL VET SYSTEM

## 1.1 Introduction to the VET system

TVET in Palestine is mainly delivered as part of the initial education system following 10 years of basic education. The vast majority of training provision is provided by public services.

- Non-formal vocational education and training (VET) provided by vocational training centres (VTCs) – These are run by the Ministry of Labour (MoL) and some non-governmental organisations (NGOs), with the 12 VTCs managed by MoL providing short courses of 6 to 12 months' duration for young people aged less than 25 years old. These courses produced more than 1,200 graduates in 2012, but this number is significantly lower than the number of applications for VTC programmes, which currently stands at three times capacity. The non-formal nature of these programmes does not offer VTC graduates any pathway via which to re-enter the formal education stream and access tertiary education.
- Secondary vocational education (grades 11-12) under the Ministry of Education and Higher Education (MoEHE) – Enrolment in the vocational stream (around 9,900 in 2011) represents only about 6.6% of total numbers for secondary education. Vocational schools provide two-year vocational educational programmes to produce trained craftspeople, running both applied and academic streams. Only students graduating from the academic streams can sit the general secondary education examination or *Tawjihi* and access higher education in college or university. The definition of TVET in Palestine is relatively rigid and is more restrictive than most international standards. The 2011 decision by the MoEHE to exclude commercial schools from the TVET sector resulted in a serious drop in the percentage of students enrolled in TVET. Commercial schools had previously served the majority of TVET students and they had been attracting increasing numbers of students over the previous 10 years (see **FIGURE 3.1**, p. 24). In this report, the commercial schools are still considered as part of TVET for reasons of comparability with other countries.
- Technical education provided by Community and University Colleges – Following on from secondary comprehensive school in the form of two-year programmes (grades 13-14) leading to a 'diploma' qualification. In 2011, the community colleges served around 11,200 students, representing 5.2% of higher education students, while the university colleges served around 16,000 students, or 7.2% of higher education students.
- Rehabilitation training for youth – Provided by the Ministry of Social Affairs and some NGOs.
- Further training and retraining for adults – Provided by NGOs, continuing education departments at higher education institutions, various other governmental agencies, professional employer and employee associations and companies (in the form of in-service training).
- Non-formal TVET education for the refugee population – The United Nations Relief and Works Agency (UNRWA) has its own vocational training centre and provides post-secondary TVET education through its own college.

FIGURE 1.1 TVET STRUCTURE



Source: UNESCO-UNEVOC

## 1.2 Vision for the VET system

Palestine has a clear vision for the VET system, and the TVET sector reform is being deliberately shaped to make this vision reality. Progress is constant and there are many success stories. The ultimate vision is ambitious and although there is still a long way to go, unlike other countries in the region, Palestine been moving ahead toward its reform goals for many years without turning back.

The country's vision for TVET is clearly presented in a national TVET strategy, that forms one of 23 sectoral strategies included in the Palestinian National Plan 2011-13 (Palestinian Authority, 2009).

The revised 2010 TVET strategy sets ambitious goals:

- to provide a strategic framework for reforms;
- to provide a model for efficient strategic governance;
- to ensure the coordination of all development activities implemented in the TVET sector by the donor community.

The TVET strategy is a solid and ambitious document with a high degree of ownership among Palestinian policy makers. The strategy comes with a detailed action plan structured into 14 areas of intervention for a total of 60 individual initiatives. The TVET strategy is closely linked to the



employment strategy approved in November 2010 and the education strategy 2014-19. The new planning document for the whole education sector includes a specific section on vocational education that explores and identifies the challenges and priorities in line with the TVET strategy. However, the education strategy evolution process has clearly demonstrated the low level of consideration given to TVET by many policy makers and the broader education sector in general.

While establishment of the TVET Agency (already agreed by the Cabinet as the education strategy was being finalised) has been added, many of the important consequences of such an action have been overlooked. For instance, no major shifts of financial resourcing and staffing were mentioned in the performance indicators and there was no reference at all to TVET teachers in the section on teachers (although this was added in the final draft on specific request by TVET sector representatives).

It can be probably affirmed that stakeholders within the TVET world, such as key policy makers in the MoEHE, MoL, civil society and the world of work, share a common vision of the future TVET system and are working hard to achieve this vision, while the remainder of the education sector is not fully committed to the same vision. In fact, there is even some direct opposition, particularly when reforms significantly affect education system governance, as can be seen in the strong and lengthy disputes over the role and powers of the TVET Agency within the MoEHE, despite the entity being established via a Cabinet Decree. These differences of opinion represent a persistent challenge in building of a real lifelong learning system and for the establishment of a national qualifications framework.

The broader group of TVET stakeholders (employers, parents) and participants (teachers, students) shares the strategy vision and is actively involved in implementation; these are precisely the groups most interested in ensuring the reform does not remain on paper. Employers want new qualifications more relevant to the labour market and until now, they are very satisfied with the new programmes developed so far through the competence-based approach in close consultation with the world of work. Teachers are open to the new pedagogical approaches and many of them have embraced these enthusiastically in view of the many opportunities for advancement offered within the new career ladder foreseen in the teachers' education strategy.

Students have also bought in to the new system and are confident that this will increase their chances of employment, although a significant share of students still cite access to university education as their top priority. The real added value for all students in the longer term will be the establishment of a lifelong learning system but there are no tangible results on this issue from the reforms so far.

### 1.3 Capacity for innovation and change

TVET stakeholders have agreed an ambitious vision for the reformed TVET system and they have worked hard to achieve results in recent years with the old TVET system presenting no significant resistance to change.

Directors of TVET providers have shown great initiative and determination in updating their programmes and reforming their institutions and the call for proposals within the framework of the EU TVET support programme (see **BOX 1.1**) has received many more projects than it was able to fund. Directors are powerful agents of change who use every opportunity to make their institutions more relevant to the local market, currently by working on initiatives to provide continuing training and services to companies. The commitment and motivation of TVET directors should be further encouraged by the allowing them to retain funds raised in the provision of various services for re-investment. More advanced reform providing financial autonomy to TVET providers would be an additional powerful incentive for them.

### BOX 1.1 THE EU TVET SUPPORT PROGRAMME

The EU TVET support programme is an EUR 4 million initiative funded by the EU and implemented by GIZ (German Gesellschaft für Internationale Zusammenarbeit). Within the framework of this programme, TVET institutions have been challenged to create partnerships with representatives of the world of work in order to present proposals for review of the existing TVET curricula. The best examples will be funded and supported through a strong capacity building and technical assistance programme.

Teachers are generally conservative stakeholders, scared of reforms that might change their traditional way of working and make them more accountable for their performance, but this has not been the case in Palestine. Teachers here have actively participated in various initiatives, training sessions and consultations on wide range of topics, acknowledging the need to upgrade their pedagogical competences rather than adopting a defensive stance. When asked to apply the competence-based curricula, they engaged in the provision of feedback through a constructive critical approach. Their active engagement is, however, inevitably limited by their very low salaries, which often leads to their holding a second job. They may only be able to accept a limited allocation of time for re-training and this aspect must be taken into consideration when deciding on the pace of reform. The development of a career ladder with financial benefits not purely based on years of experience (as foreseen in the teachers' education strategy) is an important incentive for them.

The biggest challenge to innovation is the chronic lack of resources. TVET reform is supported by donors through large-scale financial aid. The political and economic situation is very difficult and the Palestinian government does not have significant funding available for allocation to development initiatives. The financial sustainability of the TVET sector is in doubt but the situation is similar in most sectors in the country and this should not be considered an obstacle to the reform process.

Many reform initiatives are deliberately conceived to be flexible and cheap and some plainly acknowledge the role of donor funding in the medium and long term, building this into the sustainability model. For example, the new human resources development system is based on matching training demand and supply, where most of the training will be delivered with external funding. Ideally, however, the process of calculating costings for the various planned TVET reform policy options should receive greater consideration and be more structurally integrated into individual reform initiatives.

Another bottleneck for TVET reform is the limited human resources available to deal with the TVET sector in the MoEHE and MoL. The 2012 Torino Process report (ETF, 2013, p. 30) made mention of this point as a crucial challenge:

'Palestinian policy makers have identified a lack of financial and/or human resources in several areas in the TVET sector (definition of national VET and employment policies, skills and training needs analysis, definition of qualifications, designing lists of occupations, development/revision of curricula, pre-service and in-service teacher training, school-to-work transition). They have also identified a lack of competence in others (monitoring of VET and employment policies, skills and training needs analysis, pre-service and in-service teacher training and, in some cases, development/revision of curricula and planning of budgets for TVET schools).

A strong capacity-building programme across the different TVET strategy components is addressing the lack of competence. Donors' financial support for TVET reform is currently addressing the lack of human and financial resources. Doubts exist as to the future sustainability of the TVET system. The lack of human resources is a particular priority as it affects not only future sustainability but also the role played by the Palestinian authorities in reforming TVET. The Palestinian stakeholders, particularly the Ministry of Education and Higher Education and the Ministry of Labour, have played a crucial role in designing the TVET strategy. They should also

take the lead in its implementation. They have the political will and the capacity to do it, but the lack of human resources is a serious problem.’

One possible way to resolve this issue would be to reduce the pace of TVET reform but there were fears that this would endanger the internal coherence of the strategy and the complementarity of the different core processes (ibid.).

The establishment of thematic committees to take charge of specific components of TVET reform is an important new development which could have a strong impact on the capacities of local stakeholders. The first to be established will be the monitoring committee (possibly supported by a specific monitoring unit within NAVET) and discussions are under way for an Employment working group where policy makers and donors could debate interventions.

Capacity development will also be promoted by the launch of a new TVET support programme funded by the EU and implemented by GIZ. One of the main components of the new programme is the strengthening of stakeholder capacities within the framework of the establishment of NAVET.

## 1.4 Action and assessment of progress since 2010

When grading on a scale of 1 to 5, where 5 is highest<sup>2</sup>, ownership of the TVET system vision described above would probably score between 3 and 4 as the strategy has been officially approved and the local stakeholders are demonstrating strong ownership for the strategy and a will to change despite the complex political situation and climate of instability. This sort of score reflects the huge commitment and heavy workload undertaken toward implementation of the strategy in the TVET sector. A detailed implementation plan exists and many of the identified initiatives are currently under way within the framework of different programmes.

The various actions are financed from several sources including external donors (EU, GIZ, Belgian Technical Cooperation [BTC], SDC, etc.); a technical assistance pooling funding mechanism created with funds from different sources (Germany, Belgium and the Welfare Association among others); and; joint financing agreements with a number of major donors (Germany, Norway, Belgium and others) that allow the MoEHE to spend around EUR 40 million on pre-agreed priorities.

No systemic monitoring tool has yet been developed for strategy implementation, although some monitoring already occurs in a wide variety of formats. Monitoring activities are built in to the framework of the various actions and each project is monitored against agreed targets and evaluated at the end of its life cycle. In addition, larger initiatives such as GIZ support to the TVET strategy include lengthy joint evaluations with local stakeholders and the education strategy 2014-19 includes specific progress indicators for the TVET sector. Despite all these disparate elements, however, TVET system monitoring should probably be considered insufficient overall on several counts.

Ideally, all monitoring should take place independently of international projects but monitoring of TVET reform progress is far too dependent upon international donors in Palestine and the evidence that is being gathered in the various TVET subsectors is not subjected to sufficient consolidation and analysis. These concerns are shared by all actors within the sector and a group of new initiatives were launched for the establishment of a structured monitoring system by local stakeholders supported by

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<sup>2</sup> The ‘amount’ of change can be expressed or ‘translated’ by using a scale of 1 to 5 or equivalent text descriptors, such as:

0 = no progress at all;

1 = policy options have been identified and validated among stakeholders;

2 = policies have been implemented on a pilot basis by country and/or by donor;

3 = policies have been implemented systematically by country;

4 = policies have been monitored and progress discussed among stakeholders;

5 = policies have been evaluated and results documented/measured in an objective way.

the ETF, GIZ and the BTC in the second half of 2014. Each individual initiative is led by one international donor but all of the elements are implemented under the coordination of a specific monitoring and evaluation working group led by MoL and established in 2014.

The original plan was to place future responsibilities for the monitoring and evaluation functions within a specific unit in NAVET, but given the current unclear future prospects for NAVET, additional institutional arrangements are being investigated.

The ETF is facilitating discussion that should lead to an agreed set of TVET indicators collected and published on a yearly basis and MoL is leading a project for the setup of tracer studies throughout the entire TVET system within the framework of the Governance for Employability in the Mediterranean (GEMM) project. As a second stage, the new TVET monitoring unit should look into producing a more developed set of indicators for monitoring TVET reform than those included within the education strategy. These indicators should be monitored independently of the various initiatives run by international organisations.

Donor coordination of TVET sector interventions has greatly improved in the last four years, with specific examples of good coordination seen between the EU international agencies (GIZ, BTC, SDC), but also more recently among other actors such as the World Bank. Donors are coordinating interventions and implementing joint projects and activities in some cases (e.g. BTC, GIZ, SDC and EU joint organisation of 'Open Days of Technical and Vocational Education and Training', ETF and GIZ joint implementation of a qualification initiative in Khadoorie, etc.). An informal working group has been created where the most active international organisations meet regularly to discuss ongoing initiatives within the framework of TVET reform.

Palestinian stakeholders do not yet have any structured involvement within this network although donors have been seeking the active involvement of representatives from the key Palestinian institutions in the working group for many years. The Education Development Strategy Plan 2014-19 gives a clear commitment to the establishment of a TVET working group by 2015 within the context of the Education Sector Working Group. The establishment of NAVET would have provided a different and final answer to this problem.

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

### 2.1 Economic and labour market factors shaping the demand for skills

This section addresses the relevance of the TVET sector with regard to labour market needs which has traditionally been a weakness of the Palestinian TVET sector. Reforms are in place to target this issue and they are expected to show a positive impact over time. Several factors currently affect TVET relevance and its effectiveness in meeting labour market needs:

- the significant role of the informal sector,
- the structure of the economy – dominated by small businesses and micro-enterprises,
- limited control over land, and
- administrative burdens caused by the occupation.

This analysis also provides specific evidence of two trends caused by the profound impact of the political and economic situation in Gaza: the particular and limited role of females and the difference in economic and social development in the West Bank and Gaza.

Palestine has a population of 4.49 million living in West Bank and Gaza Strip, 1.4 million living inside Israel and 5.6 million living in exile. It has the highest fertility rates (4.4 children per women) in the region<sup>3</sup>. The share of the population aged under 14 ranks amongst the highest in both the region and the world (40.25% in 2013) and puts enormous pressure on current social services in terms of schools, health and housing. When this is combined with the increasing share of the 15-29 age group (37%), the share of population under 30 years can be seen to stand at more than 70% of the total population. The need for future jobs is expected to increase further as a result.

The global Palestinian population numbers 11.6 million. At the end of 2011, more than half of all Palestinians (50.1%) lived abroad, including Palestinian refugees living in the neighbouring Arab countries of Syria, Jordan, Egypt, Libya, Lebanon and Iraq. Palestinian emigrants are generally well qualified and 7.2% of them are university graduates. The need to seek job opportunities outside their own country is one of the reasons why students consider university attendance and graduation so important.

The age dependency ratio in Palestine has been always a burden with values ranging from 91.4 in 2006 to 77.3 in 2012. However, the reduction of almost 15% points in the last six years has brought some relief to the system.

The social burden indicator (the ratio between the inactive and employed populations) offers an even more accurate warning of a negative situation that must be addressed as a key priority for the Palestinian government. In situations where this indicator exceeds 1, the number of inactive workers exceeds the employed population. In Palestine the social burden currently stands at 1.68 but, somewhat paradoxically, this actually provides evidence of a positive trend in the activity rate, down from 1.89 in 2006.

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<sup>3</sup> All macro-economic and demographic data is drawn from the World Bank and the Palestinian Central Bureau of Statistics (PCBS). The only exception is the population by age group which is an ETF calculation from the United Nations Population Division (World Population Prospects: The 2010 Revision).

**TABLE 2.1 LABOUR MARKET INDICATORS – PALESTINE, 2013**

	Total	Males	Females
Activity rates (15+)	43.6	69.3	17.3
Employment rates (15+)	33.4	55.1	11.2
Unemployment rates (15+)	23.4	20.6	35.0
Informal employment rates <sup>1</sup>	56.4	56.9	54.2
Youth unemployment rates (15-24)	41.0	36.9	65.0
NEETs rates <sup>2</sup> (15-24)	30.2	23.4	37.3
NEETs rates (15-29)	37.8	25.5	50.7
Tertiary educational attainment (30-34), % of population	25.9		
	Total	West Bank	Gaza
Total population (million)	4.4	2.7	1.7
Unemployment rates (15+)	23.4	18.6	32.6

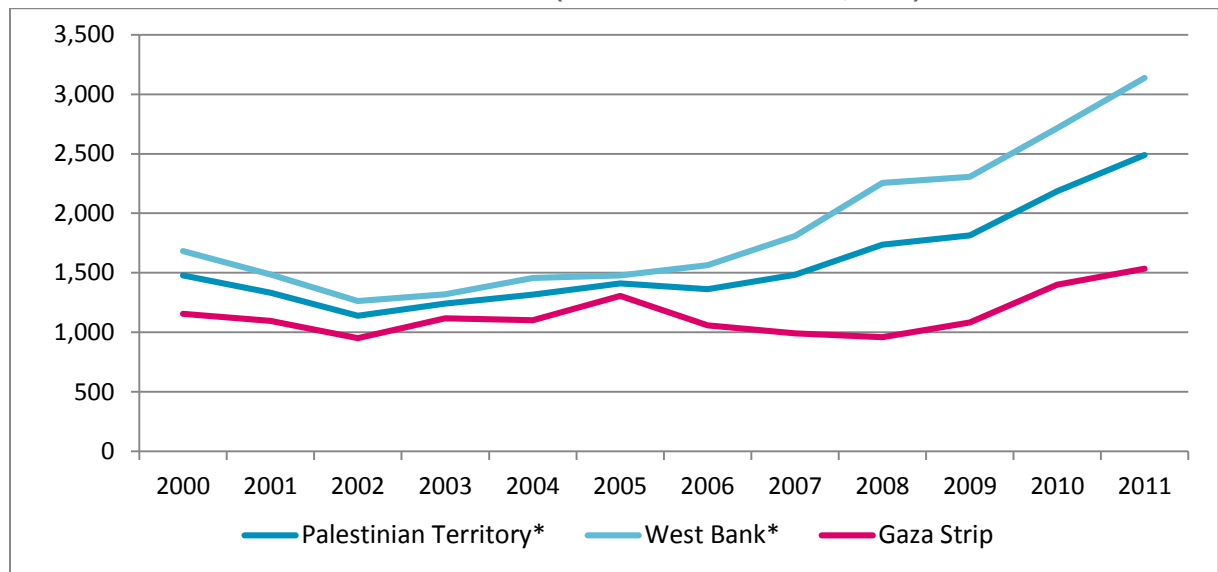
Notes: (1) the percentage of persons in informal employment in total employment; (2) the proportion of people aged 15-24 and 15-29 not in employment, education or training (NEETs)

Source: ETF calculations on PCBS data, labour force survey database

Similarly to the unemployment rate, economic growth in Palestine has fluctuated over the years in response to external constraints and the political situation. Overall economic growth continued in the West Bank and Gaza in 2011, despite some signs of slowdown in the West Bank. The projected growth rate for 2012 is 6.2% (5% in the West Bank and 12% in Gaza). Once again, the public sector is driving growth (1.8% of the 5.8% growth rate in the first three months of 2011 in the West Bank and 3% of the 25.7% growth rate in Gaza). The other large growth sector in the West Bank has been manufacturing (1.8% of the 5.8% growth rate), while in Gaza, the construction sector has been a huge driver of growth (11.9% of the 25.8% growth rate (World Bank, 2012)).

In order to reach an accurate conclusion on economic and labour market performance in Palestine, we must be clearly aware of the difficult underlying economic and political situation that forms a backdrop to the recent positive trend. Over the past few years, the economic situation in Palestine has improved with an upward move in per capita GDP despite the high increase in population. In addition, despite the disproportionate youth population entering the labour market each year, figures such as activity and employment rates have somehow improved, while unemployment rates have been maintained.

**FIGURE 2.1 GDP PER CAPITA BY REGION (AT CURRENT PRICES, USD)**



(\*) The data excludes those parts of Jerusalem annexed by Israel in 1967.

Source: PCBS, last accessed 10 March 2014 at: [www.pcbs.gov.ps/site/lang\\_\\_en/1/default.aspx](http://www.pcbs.gov.ps/site/lang__en/1/default.aspx)

The main reasons for the overall difficult economic situation are the fiscal crisis in the Palestinian government and the lack of significant new easing of Israeli restrictions. The World Bank (ibid.) has now clearly stated that sustainable economic growth and an end to the fiscal crisis will require unleashing of the Palestinian private sector's potential.

Three elements must be resolved in order for this to happen.

- Israeli restrictions on access to land, water, and export markets must be significantly reduced.
- An enabling business environment must be created<sup>4</sup>.
- More relevant skills must be provided for the labour market and the number of technicians and skilled workers must be increased.

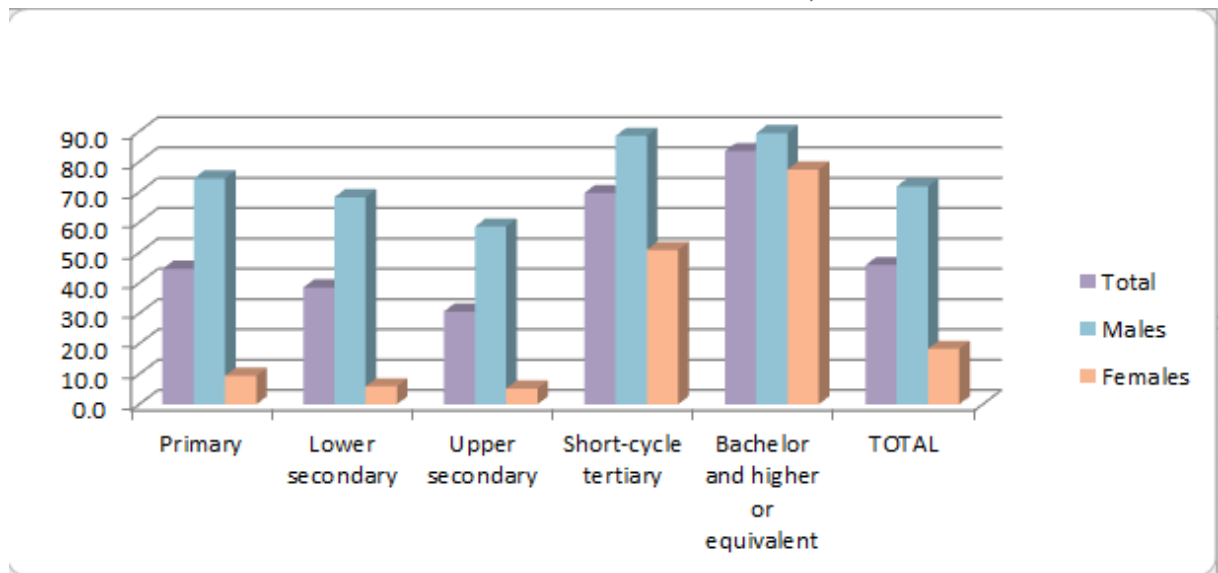
The employment structure in the Palestinian labour market changed significantly following the economic crisis of 2000 to 2002. Between 2000 and 2005, employment in the industrial sector fell from 34% to 25.9%. This was compensated for by a growing services sector, where employment increased from 52.3% to 59.5% (PCBS, 2010). Since then, the share of employment in the various sectors has not changed significantly while employment in agriculture decreased from 15.0% (2005) to 11.5% (2012) and employment in the industrial (26.3% in 2013) and services sectors (62.2% in 2011) increased only slightly (PCBS, 2014).

<sup>4</sup> Palestine currently ranks very low in the World Bank's index of ease of doing business (131 out of 185 countries; 177 when it comes to opening a business). The main issues to be addressed are increasing land registration to reduce the price of land in areas A and B, and simplifying the legal and regulatory environment, which is currently a complex mix of Jordanian, British Mandate and Palestinian laws.

One of the main constraints to growth in both the industrial and agricultural sectors is the access to land. Limited availability and the large share of land earmarked for residential purposes in areas A and B<sup>5</sup> make prices extremely high for industries. In area C, building restrictions prevent the establishment of new industries over more than 60% of land in the West Bank. Agricultural companies are based mainly in area C and face similar limitations in terms of building permits and movement restrictions that have delayed the development of a modern food-processing industry. There is huge potential for development in the internal market as the share of domestic products consumed is below 60%. The agricultural sector is mostly based in area C and the limited provision of TVET education in this area has led to a severe shortage of skilled workers with the capacities needed to support modernisation of the agricultural sector.

The Palestinian economy is dominated by small businesses and micro-enterprises. According to the definition used by the PCBS, 90.5% of companies are micro (with fewer than four employees) and 8.38% are small (with fewer than 20 employees). In addition, 82% of total employment in the county is covered by micro, small and medium enterprises (less than 99 employees) (see OECD et al., 2014). During Torino Process workshops, representatives of chambers of commerce stated that the majority of these small companies look for unskilled and semi-skilled workers in order to pay lower wages.

**FIGURE 2.2 ACTIVITY RATE PER EDUCATIONAL ATTAINMENT, 2013**



<sup>5</sup> Wikipedia – According to the Oslo Accords, the Palestinian Authority was designated to have exclusive control over both security-related and civilian issues in Palestinian urban areas (referred to as Area A) and only civilian control over Palestinian rural areas (Area B). The remainder of the territories, including Israeli settlements, the Jordan Valley region and bypass roads between Palestinian communities, were to remain under Israeli control (Area C).



FIGURE 2.3 EMPLOYMENT RATE PER EDUCATIONAL ATTAINMENT, 2013

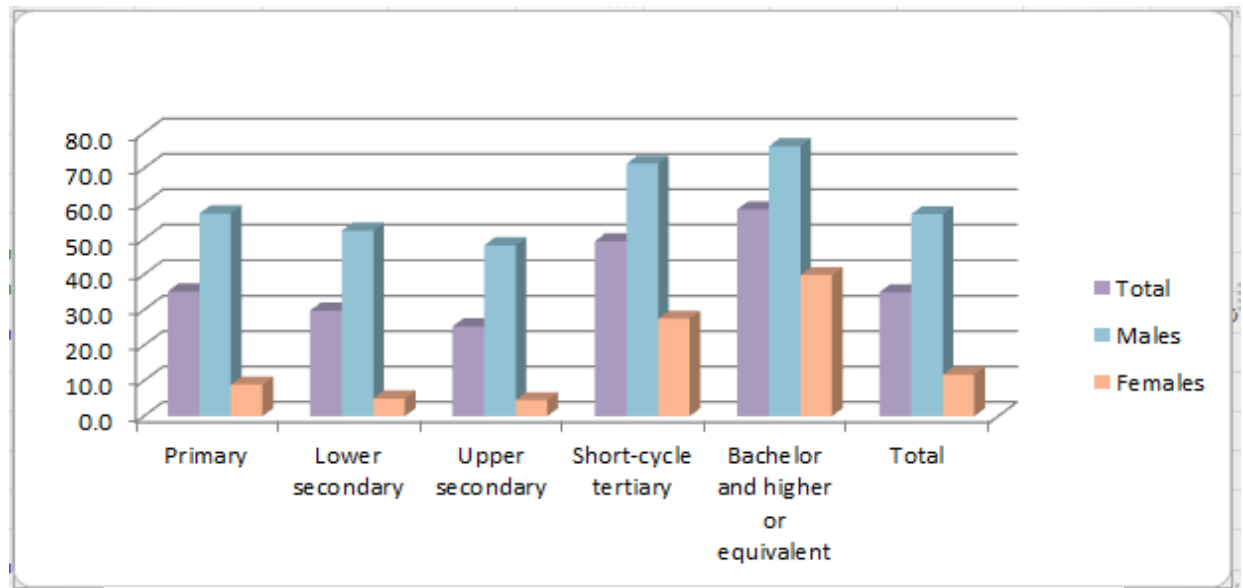
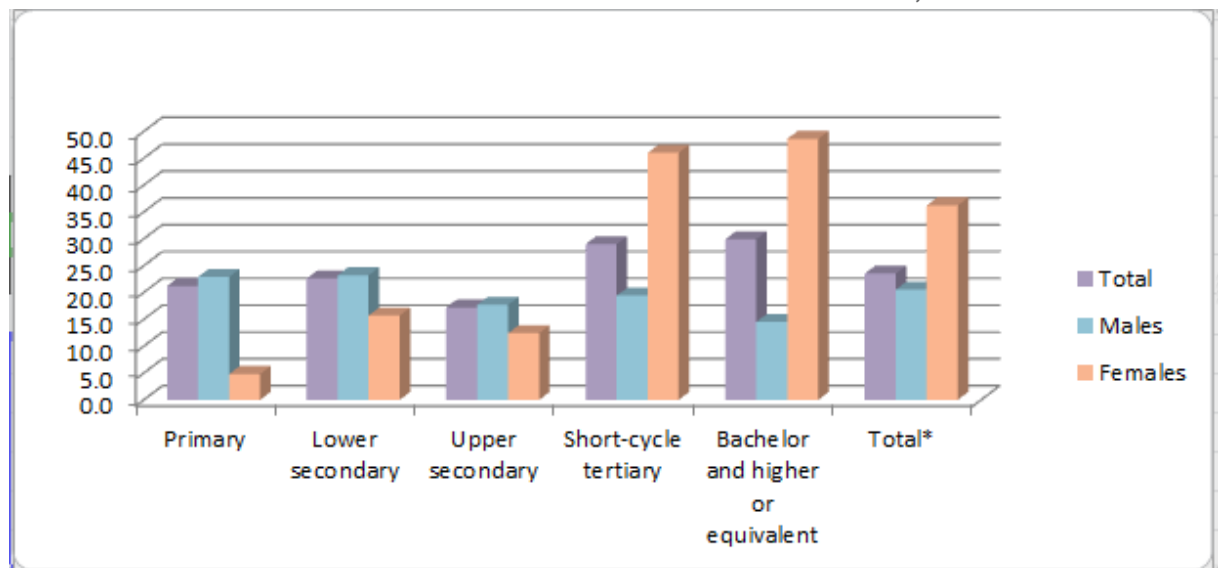


FIGURE 2.4 UNEMPLOYMENT RATE PER EDUCATIONAL ATTAINMENT, 2013



Employment in Palestine is affected by the two main factors of: gender disparities in activity rates and educational attainment. Looking at the unemployment rate (Palestinian Authority, 2013); we can see that major efforts to increase access to the higher levels of education undertaken by the Palestinian authorities and individuals have had a limited effect on employment. The overall unemployment rate for people with a higher education degree (29.9%) is significantly higher than for those with upper secondary qualifications (17.2%). Graduates of tertiary institutions suffer the disadvantages of an overly academic education and resistance to the recruitment of more expensive human resources by a labour market dominated by small and medium-sized enterprises (SMEs).

If we look at the gender-disaggregated data, the message is less clear. The high unemployment rate of tertiary graduates is due mainly to the female unemployment rate (48.6%). This is far higher than the female unemployment rate at other education levels. Part of the reason is linked to female activity rate per educational attainment, which is extremely low until it comes to post-secondary levels (e.g. 4.5% for females with upper-secondary diploma) while it jumps to a very high level for females with a bachelor or higher diploma (77.4%).

Overall, it can be claimed that higher education still offers a more promising future for Palestinian males (the male unemployment rate decreases with education), due to the predominant role of the public sector in the employment structure. Expanding education and public administration bodies require employees with tertiary education and this reduces the unemployment rate for this specific target group.

The data clearly shows that tertiary education significantly increases the female activity rate, but it does not succeed in providing enough jobs for women. This has two important consequences: most employed females have a degree (with the exception of females working in agricultural family businesses) and female graduates face specific entry problems in the labour market. Specific policies addressing these problems could have a big impact on the employment situation in the country.

The added value of higher education for males and the limited labour market offer to female graduates are trends that are becoming stronger over the years as clear from **TABLE 2.2**.

**TABLE 2.2 CHANGE OF LABOUR MARKET INDICATORS FOR TERTIARY GRADUATES (BACHELOR OR ABOVE) BY SEX, 2006-12**

	Total	Males	Females
Change in unemployment rates	7.9	-0.4	13.8
Change in activity rates	0.1	1.8	0.7
Change in employment rates	-6.6	1.8	-10.2
Change in tertiary educational attainment (share)	4.1	2.7	5.8

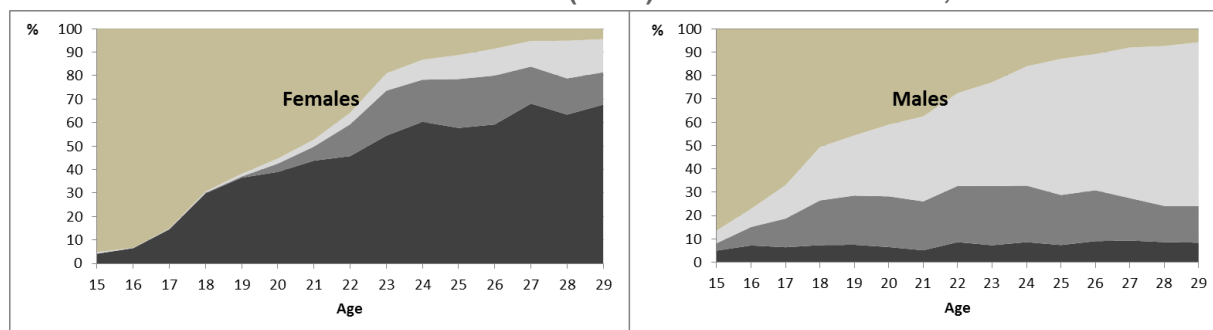
Note: Values represent the change in percentage points from 2006 to 2012, calculated by subtracting the percentage for 2012 from the percentage for 2006. Negative values indicate a decrease and positive values an increase.

Source: ETF calculations on PCBS data, labour force survey database

Additional indicators that loudly announce the need for an increased initial and continuing TVET offer are the youth unemployment rate of 41% and the proportion of people aged 15-24 and 15-29 not in employment, education or training (NEETs). These stand at 30.2% for 15-24 age group and 36.4% for 15-29 age group.

Data on youth unemployment is often viewed as indicative of the need to concentrate on initial education, but the data on NEETs clearly shows the need for a solid continuing vocational training (CVT) system putting young people back in the active market.

**FIGURE 2.5 YOUNG MALES AND FEMALES (15-29) BY STATUS AND AGE, 2013**



■ Inactive (not in Education) ■ Unemployed ■ Employed ■ In Education or Training

Source: ETF, 'Youth not in employment, education or training (NEETs) in ETF partner countries' (unpublished); PCBS data, labour force survey database

The transition from school to the labour market is completely different for males and females in Palestine. Males transit mainly to employment or unemployment, while females mainly go to inactivity after school. Only a few women go into employment or unemployment (with the latter group probably made up of those higher-educated women wishing to work but unable to find a job). As Marrar (2009) stated in a study on gender impacts in the labour market:

‘The low formal labour force participation rates for Palestinian women attest to the fact that women tend to be segregated into marginalized sectors of the economy (the informal and domestic spheres). This low level of formal labour activity is primarily due to the structural limitations of the economy rather than to ideological or cultural inhibitions. Palestinian labour markets are highly gender segmented, offering women access to an extraordinarily limited number of sectors. These few sectors are in non-growth areas of the economy, and are unable to absorb new female labour market entrants leading to a persistently high rate of female unemployment over the last years.’

The current structure of the Palestinian labour market and the inability of the formal sector to absorb employees have led to an expansion of the informal sector. A project implemented in 2008 by the PCBS with the support of the International Labour Organisation (ILO) concluded that figures for the informal sector in Palestine are particularly high.

ILO definitions distinguish between formal and informal enterprises, classing informal concerns as those that are unregistered and not paying taxes. Informal employment involves the labour force working in informal enterprises and own account workers for own final use only, while informal jobs include those with no written contract and no social security coverage, many of which may actually take place within formal enterprises. Al-Kafri (2009) stated that for Palestine in 2008:

- 37% of all enterprises were informal;
- informal enterprises accounted for 28.2% of total employment;
- the value added by the informal enterprises represented 8% of GDP; and
- 54% of employees had informal jobs.

Recent statistics for 2013 provided to the ETF by the PCBS are equally striking. The total share of employees with informal jobs stood at 56.4%, although the relative figures decrease proportionally to educational attainment: ranging from 77.2% for people with primary education to 24.8% for people with a bachelor or higher diploma.

This situation results in a series of negative impacts on the development of appropriate skills needed by the labour market.

- In general, informal companies are more reluctant to prioritise the skills development of their own employees.
- The position of informal companies on several issues, including skills development, is not represented or is only partially represented by the employers’ organisations.
- Active labour market policies usually target formal companies or formal employees, ignoring a large proportion of the Palestinian economy.

Policy makers should not underestimate the major role played by the informal economy and they should develop active labour market policies that include the informal economy. Social partners and chambers of commerce should play a more active role in trying to expand their services to more informal companies.

## 2.2 Mechanisms for identifying demand for skills and matching skills supply

Many of the factors mentioned as shaping the demand for skills above also complicated the skills identification process. From 2008, Palestine has attempted to develop a strategic policy framework, agreed among all stakeholders, including the government, the private sector and civil society, which will guide government operations and development spending through the establishment of the national development plans.

The National Development Plan 2014-16 has a strong focus on stopping economic deterioration and the export of Palestinian products. In response to this priority, the Palestinian Trade Centre (PaTrade) has led the development of a set of sectoral national export strategies, all of which include analysis and a set of recommendations on the situation of TVET provision for the relevant occupations.

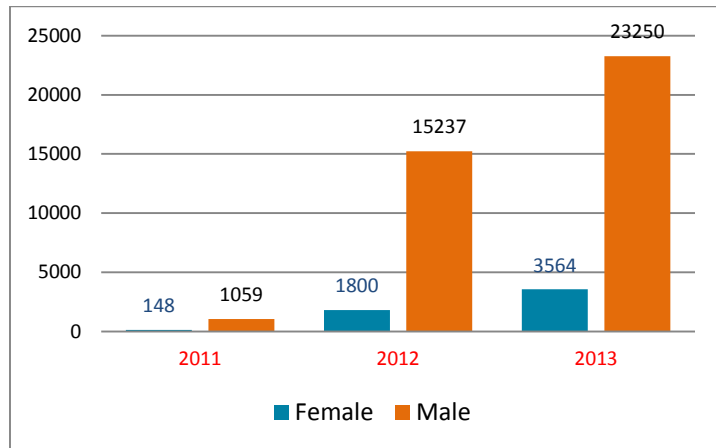
Historically, there have been limited mechanisms for identifying those skills needed by the labour market and one of the main reasons for developing the employment strategy (published in November 2010) was the desire to meet this challenge. The two main tools developed to produce information on labour market demands have been the Local Employment and TVET (LET) councils and the labour market information system (LMIS).

The LET councils are non-formal bodies established at local level and composed of a varied set of stakeholders (e.g. government offices representing the MoEHE and MoL in the region, city administration representatives, social partners, local development agencies, TVET providers, institutions working in the field of employment, self-employment and SMEs, etc.). LET councils have been set up at regional level to ensure proximity to the local labour market and in order to provide rapid and flexible information on specific skills needs in Bethlehem, Hebron, Nablus and Ramallah.

These four councils can be considered a success story (Nablus and Hebron in particular) representing the first attempt at regular and structured cooperation between TVET providers, the world of work and government at the local level. To date, the LET councils have been very active within the framework of specific international initiatives (e.g. the EU funded TVET support programme) where they were given a specific role. Beyond the bounds of these initiatives, the councils have suffered from a lack of resources that has prevented them from being very active except for in Hebron, the most industrialised area in Palestine, where the LET Council has been successful in facilitating job placements. The LET councils do not yet perform any specific skills anticipation activities such as employers' surveys, although the emerging positive and structured relationship among the various actors is an added value that should not be underrated as it represents a strong starting point for new initiatives and policies.

The LMIS is the most ambitious reform within the framework of the employment strategy, planned as a parallel activity to restructuring of the 16 employment offices. These employment offices were previously offering limited services to Palestinians, mainly in terms of the provision of work permits for Israel. The new employment strategy has led Palestine to initiate the transformation of these offices into One-Stop-Shops (OSSs) providing a more comprehensive package of services including career guidance, TVET related services, job search and job application support. In 2011, four employment offices were transformed and an additional five offices followed suit in 2013. The LMIS was established in all active OSSs in 2012.

**FIGURE 2.6 NUMBER OF JOBSEEKERS BY SEX, 2011-13**



Note: 2011 data is generated on the basis of the Nablus OSS alone as official registration on the LMIS only started in March 2012.

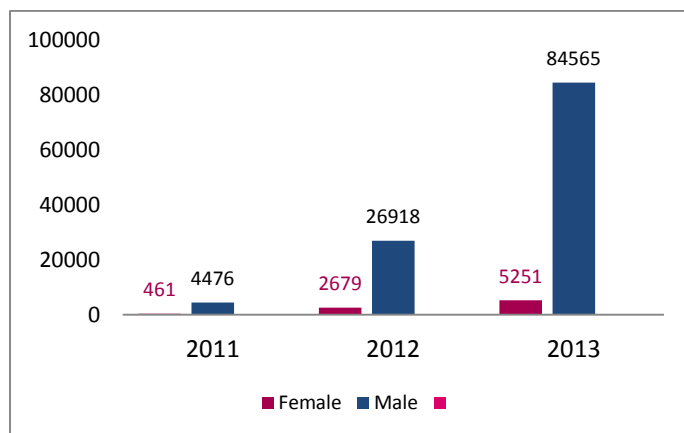
Source: GIZ

This transformation of employment service offices into OSSs has led to the provision of a wider range of services for employers and jobseekers. GIZ, which supports the development of OSSs, provided the following figures showing the increased interest of beneficiaries in the OSSs and the increasing success of the services provided.

- Jobseekers increasingly require services from OSSs in the form of career guidance and counselling, vacancies, training opportunities and other options registered on the system. The number of jobseekers approaching the OSSs by end 2013 was 26,814 in comparison to 17,073 in 2011.
- In 2013, OSSs offered 1,682 job opportunities compared to only 992 in 2012. The percentage of job opportunities available in the OSSs increased by 59%.
- In 2013, OSSs implemented 360 job placements through job matching on the LMIS.

The LMIS was officially launched by the Minister of Labour in January 2012 and was later installed within the OSSs. By the end of 2013, the number of beneficiaries registered on the system totalled 89,816; a figure almost 18 times the number registered in 2011. An additional 39,000 registered on the LMIS before mid-February 2014.

**FIGURE 2.7 NUMBER OF INDIVIDUALS REGISTERED ON THE LMIS BY SEX**



Source: GIZ

These figures show that the system is growing fast and that it is becoming recognised as a reliable tool for finding job opportunities. Unfortunately, the scale of the LMIS is not yet significant enough for it to function as analytical tool for skills anticipation and identification. One particular obstacle for the LMIS is the companies register section; while MoL wishes to transfer the listed company information from the chambers of commerce and industry databases to the LMIS, many companies are extremely reluctant to provide full information due to undisclosed informal practices and the fear of possible government inquiry or disputes with tax authorities.

Above all, the reform must fight the historically established pessimism about the services provided by employment offices amongst young people. Changing client perception of these services will require more time and a continuous effort in OSS staff training. Insistence on the importance of the LMIS and ensuring proper coordination among all of the actors involved should be a top priority for the Palestinian government.

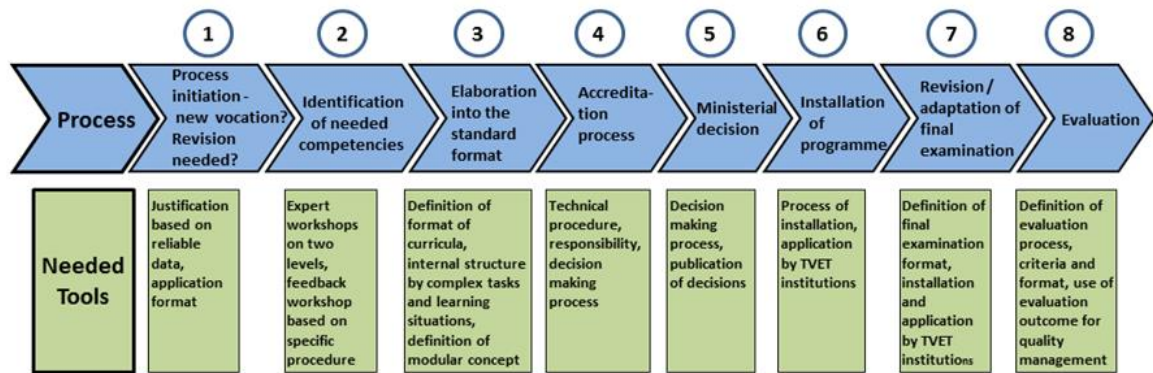
Temporary solutions to the lack of information on skills needed by the labour market are provided in the framework of various international initiatives. In 2011 and 2013, the BTC performed extensive qualitative and quantitative training needs assessment studies for qualified workforce within the basic work levels. In 2011, four governorates were assessed in the electricity, electronics, communications and information technology, and office management sectors. In 2011, 2012 and 2013 regional skills gap analyses were performed to identify the qualifications most needed in each governorate within the framework of two programmes implemented by GIZ, the TVET support programme funded by the EU and the Promotion of Youth Employability in the Palestinian Territories programme funded by the Swiss Development Cooperation. The information gathered has been used to establish the eligibility criteria for the call for proposals.

The PCBS should take a leading role in skills anticipation and identification as they have strong competences and already possess relevant data from the labour force surveys. At present, however, institutional cooperation on these issues between the PCBS, the MoEHE and MoL is not clearly structured and the responsibilities of the respective institutions are not well defined beyond the framework of internationally funded initiatives. If new functions need to be added beyond the current PCBS remit, then an additional financial allocation could be discussed.

A new labour market needs analysis is generally performed each time new qualifications are developed within the framework of an international project, but Palestine is still lacking a structured approach to skills anticipation independent of external aid. The new standard process for curriculum development approved by the MoEHE and MoL (see **FIGURE 2.8**) includes skills identification as a structural element in the first of seven steps of the process. However, detailed skills identification procedures and manuals have not yet been developed. Until now, greatest priority has been given to the 'identification of needed competences' in Step 2 and the 'elaboration of the standard format' in Step 3. Skills-gap identification has always been funded by donor initiatives in all of the pilot qualifications developed through the standard process for curriculum development.

An attempt was made to introduce skills foresight through the use of input-output tables in 2014, but the model was considered difficult to apply in the Palestinian context and the project has been frozen.

**FIGURE 2.8 THE SEVEN STEPS OF THE STANDARD PROCESS FOR CURRICULUM DEVELOPMENT**



The next key building block of TVET reform involves the development or updating of qualifications that match the skills needs identified as required by the labour market and this is the area of TVET reform where the greatest efforts have been made. One of the main challenges has always been the relevance of TVET qualifications to the labour market as the TVET system has traditionally been too rigid. The systems lacks the flexibility to be more responsive, with decisions on opening or closing specialisations made in a highly centralised manner. Policy makers are also severely constrained by the budget and human resource ramifications of such choices, particularly among public training providers. Training staff have no opportunities to interact with businesses and industry or to keep up to date with the latest pedagogical and technological innovations. Managers are generally not empowered to respond effectively to needs in a timely fashion.

Both the BTC and GIZ have supported curriculum development procedures based on a competence-based approach. However, up until now these methodologies have been implemented only within the framework of big initiatives paid for by donor funding and it is too early to foresee the difficulties local stakeholders will face in maintaining the new system with their own resources. In addition, implementation of a competence-based approach within a system where the basic principles of this have never been applied is likely to be just as challenging as it has been for the other Mediterranean countries that have attempted this recently (e.g. Morocco, Tunisia). Possible obstacles can be predicted in the lack of financial resources, the time needed by teachers and trainers to adapt to the new pedagogical approach and the impact that competence-based approach has on a series of processes (e.g. cooperation with world of work, change approach to assessment).

Stakeholders currently have a strong commitment to adopting the new methodology and groups that were reluctant to adopt the approach in other countries due to the significant impact of change on their daily work (e.g. teachers) have shown motivation and an active attitude in the various pilot initiatives. Social partners have also shown plenty of interest in taking a stronger role in the skills and competences identification process. One of the main challenges in implementing a competence-based approach is the revision of assessment procedures. Stakeholders are currently working on this issue and new procedures and ad hoc manuals should be developed by the end of 2014.

Strengthened career guidance services and established TVET monitoring policies and tools are additional key reforms required to support the TVET system in delivering the skills needed by the labour market. Career guidance is crucial in a country where young people have the tendency to enrol in educational pathways despite evidence of limited career opportunities. The most recent transition from school to work study carried out by ILO and GIZ provides striking figures (e.g. the youth unemployment rate of a university graduate is 1.5 time that of the young person with no education; 47% to 31.2% respectively).

All these reforms are instrumental in the development of a national qualifications framework (NQF). This important tool is designed to link the different segments of the Palestinian education system and enable students and workers to advance irrespective of their current qualifications or career status. This would mean that the training courses offered by MoL and the Ministry of Social Affairs would no longer be considered dead-ends for low achievers in initial education. It would also ensure that secondary and tertiary TVET institutions would be better linked to the academic track (although this is not envisioned as the main goal of TVET programmes). The development of a series of complementary reforms should support the establishment of an effective system of lifelong learning. A procedure for recognising prior learning will be established as part of the NQF.

The process of establishing an NQF has proceeded without major difficulties up until now. Extensive consultation has been held and the Palestinian NQF concept paper has been approved the MoEHE and MoL. Implementation of the NQF, however, remains challenging, with the integration of VTC programmes, currently considered non-formal education, and the creation of flexible pathways between VET and higher education as the two biggest and most persistent challenges.

The NQF development process is now being pushed forward by the TVET sector, which is moving ahead of the rest of the education sector on this front as it is in other important processes such as the adoption of student-centred learning pedagogy and the implementation of a competence-based approach.

While some of the innovations can be run independently, others such as the NQF require strong cooperation among all education sub-sectors and this cooperation is not really effective at present. The TVET sector as a whole is keen to gain autonomy through the establishment of NAVET but their aspirations are also curbed by the perceived limited relevance attributed to TVET within the broader framework of the education sector. While cooperation between the TVET departments in the two ministries has always been productive at operational level, this has not always been the case at policy level. Many observers, including most of the staff of TVET departments, think that it might be better to deal with the fragmentation of the TVET system by taking these departments out of the ministries.

## 2.3 Action and assessment of progress since 2010

System capacity to identify and answer the needs of the labour market should probably score between 2 and 3 on the 1 to 5 scale given in Footnote 2. Many reforms have been formally approved meaning that change can be considered at systemic level, but most of the pilot implementation still occurs within the framework of international projects.

The main priorities for improving TVET responsiveness to economic and labour market needs are:

- strengthening institutional cooperation between the main actors, the MoEHE, NAVET (monitoring unit) and the PCBS, and establishing specific responsibilities for skills anticipation among the various actors;
- scaling up the LMIS through more active cooperation from social partners and capacity building for OSS staff;
- continued development of the various steps of the standard process for curriculum development while also trying to expand use of the new approach to new vocations without the support of international organisations.



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

### 3.1 Demographic and social factors shaping VET demand

The first main social inclusion problem is the high number of refugees as these groups represent a significant proportion of the overall population in Palestine. According to UNRWA statistics, 727,471 refugees were present in the West Bank and 1,167,572 in Gaza in 2014 (UNRWA, 2014). The UNRWA works with refugees separately through its own TVET system. Until recently, the UNRWA operated independently of the Palestinian public system and the greater degree of autonomy led to success in ensuring employability for students entering the labour market, mainly at the lower education levels. Between 200 and 300 students graduate from each of the UNRWA vocational training centres and the technical colleges in Ramallah, each year.

However, refugees who do not live near to these centres still have problems accessing TVET institutions. The UNRWA recently developed training programmes that can be delivered outside TVET institutions, being taught directly in areas inhabited by isolated populations. The recently launched educational strategy and the UNRWA's internal TVET strategy will both have a national focus to ensure that they are acknowledged by the government education and certification systems.

The second main social inclusion challenge concerns the people living in area C, which has a total population of 113,710. The residents of area C have a younger age profile compared to other areas. Households in area C are larger and poorer (6 people per family compared to 5.5 people in areas A and B). They are far more likely to experience poverty or extreme poverty. According to the PCBS, the poverty rate is 23.1% in area C compared to 18.1% in areas A and B. Extreme poverty is given as 14% in area C compared to 8% in areas A and B.

The TVET system does not meet the needs of this segment of the population. Young people and adults have no access to offices or centres where they can learn or start a profession in which they can then work. The vocational training centres are often some distance away and the expense involved, including travel costs, makes them inaccessible. Competition for places in the small number of institutions is strong and women and girls have an even lower chance of continuing their education or vocational training because they are expected to attend separate, gender-segregated schools. Many young people, especially young females, are forced to leave school early to help support their families.

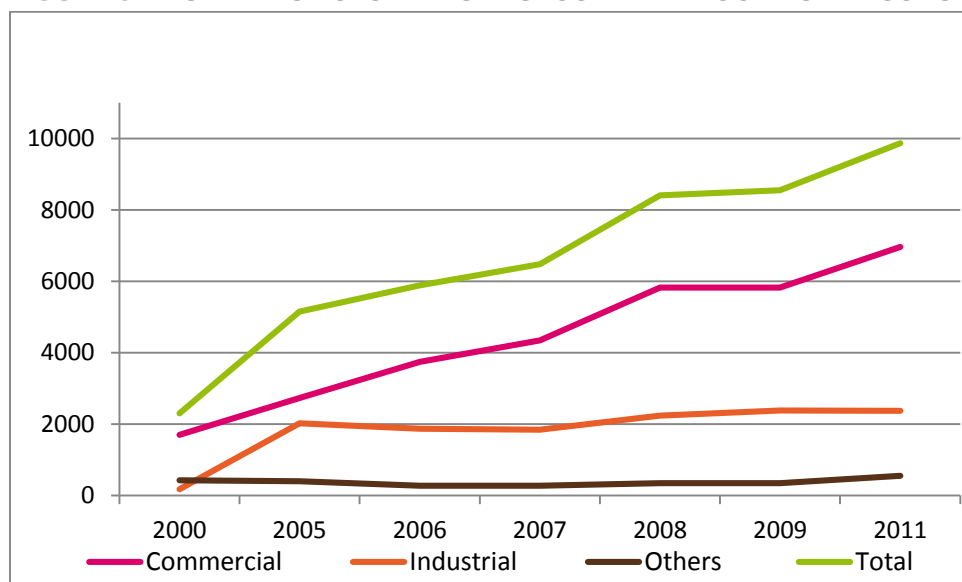
NGOs work actively to support underprivileged target groups mainly on the themes of empowerment, gender and business start-up. They have little in the way of impact or sustainable results on the ground and there is little follow-up of activity. In some cases, NGOs ask residents to contribute to funding, not always with prior needs assessment. More could be done to support mobility for residents of area C despite the building and mobility restrictions imposed by the Israeli government. Support could be provided in the form of peripatetic teachers and trainers who could visit local villages to deliver courses that are not equipment-intensive or that make use of the equipment owned by family businesses.

Overall, the TVET system has been relatively successful in addressing social challenges shaping the demand for skills. However, some of these challenges are linked to macroeconomic and political factors that TVET can do little to change.

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

Historically, TVET has had a negative reputation in Palestine, being cast as a second-choice education system mainly for lower achievers. This resulted in a very low enrolment rate that was regularly the lowest in the Mediterranean region and one of the lowest in the world. The enrolment rate has increased in recent years.

**FIGURE 3.1 NUMBER OF STUDENTS IN SECONDARY VOCATIONAL SCHOOLS, 2000-11**



The enrolment rate in TVET is very low, mainly due to the sector's poor image. Enrolment has increased in recent years, however. According to UNESCO publications, the official enrolment rate is still very low, at 1.9%, as the Ministry of Education decided in 2011 to exclude commercial schools from the TVET sector. When commercial schools are included – as done by the ETF in the Torino Process report to ensure comparability with other countries – the share of TVET enrolment increases to 6% at secondary school level. This figure does not include either participants enrolled in non-formal education in VTCs, or students enrolled in technical and community colleges.

VTCs are a case apart. They are considered non-formal education and are thus not included in statistics on the share of VET students. However, many VTC programmes target students currently in the initial stage of education who will join those programmes at the age of 16 as an alternative to vocational schooling. If we also add the private TVET providers (NGO type) into the calculation, the share of TVET becomes even more significant. The sector has the potential to become even stronger if resources could be provided for response to increasing demands for VET training.

Current VTCs have a limited absorption capacity and cannot meet the demand. In 2013, VTCs in the West Bank and Gaza accepted 3,957 applications from a total of 9,710 applicants. This very high demand for VTCs courses is due to the desirability of the practical training delivered in VTCs, which broadly viewed as a good complementary training to the more theoretical education received within general education, universities and colleges.

Students tend to choose general education for a number of reasons, most of them common to the other southern Mediterranean countries. In Palestine, TVET was always perceived as a dead end that did not allow students to continue their studies at higher education level or to engage in lifelong learning after graduation.

The perception that TVET students have no opportunities at higher levels of education is not justified. Over the last decade, several universities began to accept vocational education graduates of the apprenticeship scheme to study on their programmes. Even graduates of the applied vocational stream can sit for an additional examination within two years of graduation. Passing this examination enables them to pursue higher education. A recent study (Al Zaroo, 2009) showed that 51% of male graduates and 57% of female vocational secondary school graduates for the years 2004 to 2006 were continuing higher education in colleges or universities.

The system is, however, almost fully closed to graduates of the non-formal TVET system, including graduates of MoL and UNRWA vocational training centres. Only 4.5% of MoL vocational training centre graduates continued to higher education between 2004 and 2006. The NQF is expected to open the door to higher education levels thanks to its focus on integration and accessibility.

Adult learning is also suffering from limited consideration by policy makers and workers alike. Policy makers have identified the huge youth unemployment rate as the main challenge here and they consider improvements to initial education as their priority. Palestinian adults perceive that their further development is limited due to the fact that there are few continuing vocational education opportunities and no system is in place to validate knowledge gained in the workplace.

A wide range of activities have been undertaken to improve the attractiveness of TVET at national and institutional levels. Vocational guidance and career counselling services have been significantly improved both within TVET providers and for adults. An overall national system for career guidance and counselling is under development with the support of GIZ. Career guidance within TVET institutions has been significantly strengthened and some of the changes have become systemic and sustainable (e.g. establishment of career guidance units in universities). Career guidance services for adults are provided by the OSSs as part of the new framework for the transformation of employment offices into OSSs.

Public awareness media campaigns are conducted to raise awareness and highlight the important role played by TVET in the lives of individuals, especially young people, some on radio and TV. Potential trainees and their families can find out more about TVET institutions at open days and on guided visits, and some of these events have had a huge response from potential students. In May 2014, the Open days of TVET Institutions in Hebron and Bethlehem Governorate (jointly organised by the MoEHE, MoL, the BTC and GIZ) had to be extended to accommodate all of the attendees.

However, the lack of reliable and up to date data on the status of graduates makes it difficult for TVET institutions to make their case, justifying once again the need to improve monitoring of the TVET system. MoL is currently leading a pilot initiative within the framework of the Governance for Employability in the Mediterranean (GEMM) project (funded by the European Commission and implemented by the ETF) that aims to develop a model for annual tracer studies in all TVET providers. This initiative will be integrated into the broader process of developing a monitoring system for the TVET sector.

The most important element is that TVET directors have understood the need to develop an entrepreneurial approach and to market their own institutions in a way that goes beyond merely publicising their own institution, to improving the quality of education and establishing stronger links with the local world of work. This change in outlook is already under way but the process would progress so much faster if greater autonomy was to be given to TVET providers.

The biggest improvement in terms of access, participation and progression is the development of an NQF. This important tool is designed to link the different segments of the Palestinian education system and enable students and workers to advance, irrespective of their current qualification or career status. This would mean that the training courses offered by MoL and the Ministry of Social Affairs would no longer be considered dead ends for low achievers in initial education. It would also ensure that secondary and tertiary TVET institutions would be better linked to the academic track (even though this is clearly not the main goal of TVET programmes). The development of a series of complementary reforms should support the establishment of an effective system of lifelong learning. A procedure for recognising prior learning will be established as part of the NQF.

Until now the process of establishing an NQF has proceeded without major difficulties. Extensive consultation has taken place and the Palestinian NQF concept paper has been approved by the MoEHE and MoL. Implementation of the NQF, however, remains challenging. The integration of VTC programmes, currently considered non-formal education, and the creation of flexible pathways between VET and higher education remain the two biggest challenges. The NQF development process is currently being driven by the TVET sector.

The TVET sector is also running ahead of the rest of the education sector on other important processes, such as the adoption of student-centred learning pedagogy and implementation of the competence-based approach. While some of the innovations can be run independently by interested parties, others, such as the NQF, require strong cooperation between the many sub-sectors in education in a manner that is not really effective at present.

The TVET sector desire to gain autonomy through NAVET is also shaped by the perceived limited relevance of TVET within the overall education sector framework. The idea of dealing with TVET system fragmentation by removing the TVET departments from the two ministries also gives some indication of the difficulties of cooperation at policy level between two ministries (cooperation at operational level has always been more productive). This weak cooperation represents one of the major challenges in developing the NQF but is also one of the biggest justifications for the process.

Gender inequalities are an issue in Palestine, as they are throughout the regional context, and TVET does not do enough to address this issue. Female participation rates in secondary TVET are very low, at around 10% with a minimal increase seen in 2013/14. Clearly, the exclusion of commercial schools from the TVET sector can be seen as contributing to this state of affairs as the remaining TVET schools focus on an industrial sector that is male dominated in most countries.

Gender segregation within classes, which is applied in the majority of TVET providers, adds an element of complexity to any attempts to the increase female participation in TVET, as it is hard to gauge the potential market of a new programme for girls. Gender segregation is also apparently strong in the work place. In a September 2014 youth focus group run by the ETF and Leaders' organisation, female participants clearly stated that certain jobs are still gender-defined (e.g. project management for males, secretary or assistant for females).

The absence of any national law to protect the rights of pregnant woman also has a negative impact on females. Several participants in the focus group cited real-life negative experiences: 'I have a friend who was pregnant. The employer waited until she finished her contract, then she went home, had the baby, and only after the baby did the employer ask her to come back to the job'. Employers are even reluctant to deal with potential mothers: 'A friend of mine was married and she went to an interview. She did very well, but when the employer found out she was married, he refused to give her the job'.

### 3.3 Action and assessment of progress since 2010

When grading on the 1 to 5 scale given in Footnote 2, the capacity of the system to ensure access, participation and progression with education sector should probably score between 2 and 3. Many actions have been implemented to facilitate and increase the attractiveness of progression and lifelong learning. Some initiatives are already sustainable and systemic (e.g. career units within universities and colleges) and the new attitude of TVET directors is very promising. However, much remains to be achieved in terms of mobility and progression between education sectors within the framework of establishing a real lifelong learning system.

The priorities here should be to:

- establish better coordination amongst the various education sub-sectors;
- create a more structured framework for CVT;
- empower TVET providers, granting them more autonomy;
- continue the process to develop an NQF;
- launch discussions on credit systems and validation of prior learning.

## 4. INTERNAL EFFICIENCY OF THE VET SYSTEM

### 4.1 Quality assurance

#### 4.1.1 Planning

The revised TVET strategy places strong emphasis on the importance of quality assurance and quality management as a defining aspect of all proposed reforms, stating that ‘a quality system will be used for all components of the TVET system, including internal and external evaluations to ensure the quality of the output’ (Palestinian Authority, 2010, p. 40). This strategy refers to linking TVET outcomes to labour market demands and improving the employability of TVET graduates through the effective and efficient use of available resources according to a set of unified quality standards consistent at all levels with best international practice. The document recognises that there will be major training and capacity-building implications at all levels of the system, while the associated action planning section places emphasis on the establishment of an appropriate national accreditation and quality assurance body for TVET. This entity will have responsibility for developing and applying a TVET quality system, promoting a quality culture across the entire sector, and developing curricula, assessment and certification based on the standards of working life for all TVET learners and apprentices.

Current quality control mechanisms refer mainly to the auditing and inspection of inputs and there is no overall approach to quality assurance. However, important developments in recent years can be viewed as elements of a quality assurance approach. For instance, the MoEHE now includes objectives and key performance indicators in its planning, which can be taken as a starting point for system-wide quality assurance.

The recent and most significant attempt to establish a quality system within VET education is being implemented within the framework of the centres of competence established through the programme funded by the Swiss Development Cooperation for the promotion of youth employability in the Palestinian territories. The four centres of competence are TVET institutions that have been transformed into regional vocational centres highly specialised in one specific field or family of professions relevant to the region. From 2014, the centres of competence have been piloting the ISO 29990 ‘Learning services for non-formal education and training – Basic requirements for service providers’ quality assurance system. The process to establish this internationally recognised quality standard was launched in January 2014.

#### 4.1.2 Assessment and evaluation

Assessment and evaluation is under review within the framework of the standard process for curriculum development and a revised methodology should be ready by autumn 2014. This will of course apply to the qualifications already developed through the competence-based approach. The new model for assessment is not yet finalised, but some concepts have already been discussed. The TVET examination scheme will be decentralised for all TVET qualifications and will follow a predefined examination system in which the private sector and external experts will be involved. TVET examinations will combine practical and theoretical assessments and will evaluate knowledge, skills and attitudes. Students who pass these exams will be granted licences or be eligible to move to a higher TVET level.

To date assessment was based on traditional written exams with no involvement from the world of work and limited scope for practical tests.

### 4.1.3 Accreditation of VET providers and programmes

In 2002, the Cabinet established an Accreditation and Quality Assurance Commission (AQAC) to license higher education providers and approve new programmes and qualifications using quality criteria applicable to all community colleges and universities. AQAC links a national governance role with quality development and quality assurance at the local provider level. AQAC does not, however, cover all aspects of the quality cycle and its functions are not sufficient to ensure quality at the college level.

For the industrial schools and the VTCs, no specific accreditation procedure has been foreseen for any aspect including quality assurance criteria, and institutions and programmes have simply been approved through ministerial decisions. Establishment of the standard process for curriculum development has recently introduced the competence-based approach and has given the world of work a crucial role in determining new qualifications and curricula.

### 4.1.4 Qualifications

Stakeholders and the donor community have put most effort into the area of the relevance of qualifications towards labour market needs as a quality target. Several initiatives have been or are being implemented. A BTC-funded project has worked to enhance the capacity of both the supply and demand side through partnerships with the chambers of commerce in four governorates, to improve the links between taught programmes and labour market skills needs. LET councils are piloting the development of local public-private partnerships around the local chambers. As mentioned before, the GIZ-supported standard process for curriculum development also focuses on involvement of the private sector in the definition of vocational training content in order to increase curriculum quality. The World Bank Quality Improvement Fund is also being used in the 'Education-to-work transition' programme to enhance partnership between the supply side and the demand side. Other projects include the adoption of the Arab classification of occupations as a step towards identifying the profile, knowledge and skills associated with particular jobs.

It is difficult to say how much these efforts have brought change at systemic level. The complexity of switching all TVET education to a competence-based model inevitably affects the pace of reform. In theory, the standard process for curriculum development is the formally approved procedure for curriculum development and no additional 'institutional' scaling up is necessary. The standard process provides a comprehensive framework for the entire curriculum development cycle - from initiation of the development process, through the standard curriculum format, curriculum accreditation and final examinations, to programme evaluation. However, in practical terms the following additional conditions should probably be met in order to consider the competence-based model systemically established.

1. Local stakeholders should autonomously launch and lead the development of new qualifications or the upgrade of old ones outside the context of internationally supported projects.
2. Local stakeholders should demonstrate they possess the technical competences to facilitate all the various steps of the standard process for curriculum development.
3. Local stakeholders should autonomously and systematically deal with obstacles arising during implementation of the new competence-based qualifications (teacher capacities, appropriateness of learning situations within TVET providers, adoption of new assessment modalities, etc.).

Palestine does not meet these conditions yet (nor does any other country in the region), but it is moving steadily in the right direction. The different building blocks of a competence-based system are being addressed in turn and they are being tested in real-case scenarios within the various pilot initiatives funded by the EU programme and with support from the Swiss Development Cooperation. After an initial focus on development of vocational profiles and competence-based qualifications, there

is now strong attention on quality assurance, the review of assessment procedures and support for teacher capacity to adopt the new approach.

Important discussion topics such as institutional settings and the role of the NQF are now ongoing within the framework of establishing NAVET.

In Palestine, funding is likely to remain a problematic issue due to the financial constraints linked to the political situation. When the current internationally-funded initiatives come to an end, efforts should be made to proactively seek additional resources to fund further reform initiatives based on the processes already developed. Current initiatives should be used as the basis for identifying the principal challenges remaining to the development and implementation of new competence-based qualifications. Local policy makers should steer future international initiatives toward meeting these challenges in an assertive manner.

Establishing a systemic competence-based model for TVET is a very difficult task. Local stakeholders should be aware that it will take time and that it is their responsibility to maintain the focus of the various international initiatives on this objective. Having only parts of the system in place will not work. All pieces of the puzzle must be in position to establish an effective competence-based TVET system in the long term.

## 4.2 Policies for VET trainers and directors

VET teachers have a university degree in the relevant technical field and most come to their job direct from university, starting work with a one-year probationary period in an industrial school. If they pass the probationary period they receive an indefinite contract. However, the approval rate for probationary VET teachers is very close to 100% meaning that the probation period appears to be a mere formality. Teaching jobs are considered as secure but low paid and most teachers also work in a second job, meaning that they have little availability for activities related to school or personal development outside of teaching time. This should not be considered as indicative of a negative attitude on their part, as teachers and trainers have shown great commitment to change in many ad hoc projects. However, in the long term, these social and economic issues will inevitably impact upon their availability.

Historically, neither pre-service nor in-service teacher training were available for TVET teachers and trainers in Palestine. This weakness has become more evident with attempts to bring in new methodologies such as the learner-centred approach or competence-based pedagogy. These are widely considered to be the most effective tools for learning and will form the key building blocks of TVET reform in Palestine.

This issue did not remain unnoticed as Palestine started down the TVET reform path. Many initiatives have been implemented through the support of various international actors and specific actions have been included in the revised TVET strategy. GIZ launched a massive teacher training programme for around 350 teachers in 2010/11 and a train-the-trainer component was included to ensure the future sustainability of the programme. There are now four teacher trainers working for the MoEHE and providing teacher training sessions on request for TVET providers.

From 2011 to 2013, the MoEHE, MoL and the National Institute of Educational Training piloted a school-based, in-service, teacher training model for TVET teachers, supported by the ETF. This model has been included in the education strategy and, when implemented, it should lead to the establishment of a cost-effective mechanism to provide TVET teachers with the appropriate pedagogical tools.

A GIZ-supported human resources development system has also been approved by the ministries and is currently being implemented with the stated goal: 'to develop enhance, qualify and retain all TVET manpower. This includes head masters, teachers, administrators, and support staff teacher trainers,



and system developers, as well as personnel of the underlying development and administration structure'. Operation of the system will be based on matching training demand and supply, with the human resources development unit established within either the ministry structure or NAVET once the new entity is operational.

This new development offers a smart solution that considers both capacity needs and the current strong offer of training opportunities. The TVET system as a whole is in dire need of capacity development in Palestine, not only at the levels of teachers and trainers. However, there is currently a strong offer of training opportunities from international sources and within the local community; and while this may not initially look like a sustainable long-term solution, it is likely that donor support will remain strong in the TVET sector for quite some time in the specific case of Palestine. This solution also acknowledges a structural lack of funding from public sources which would have threatened a more traditional solution for training in the public administration.

Another key innovation is the MoEHE's development of the teachers education strategy covering both general education and TVET. This strategy was approved in May 2008, but implementation has been taking place over the past few years. The strategy contains two key issues that affect the TVET sector. The first is the decision to establish a four-step career ladder (new teacher, teacher, first teacher and expert teacher) in a radical change which strongly motivates TVET teachers to engage in self-development. The second is the launch of a massive teacher training programme targeting general education and TVET teachers (industrial and commercial schools).

Despite all these developments, teacher training in Palestine is still a major challenge. The first and main weakness remains the absence of a structured pre-service teacher training system. Up until now, newly recruited teachers start work straight away in the classroom without a single day of training and it is unclear if the new MoEHE programme will target this need. In addition, following the creation of NAVET and the exclusion of commercial and industrial schools from the MoEHE remit, it is not clear whether this teacher training programme will still target TVET providers. Another important issue is that this programme needs to be based on modern pedagogies such as the student-centred and competence-based approaches if it is to be relevant to the TVET sector. As was mentioned above, the TVET sector is the most innovative sub-sector in education at present and targeted staff training is very much needed.

Another important open question is which institution will be in charge of follow up to teacher training for the TVET sector, considering that the National Institute of Educational Training's mandate is strictly limited to general education. It is not yet clear whether the Institute will expand its mandate to TVET, whether this will still go ahead should NAVET be established or whether a specific unit will be created within NAVET, but clarification should be coming in the near future. The most important aspect is that teacher training for TVET must be given the same importance as teaching in general education as this has not been the case in the past.

The degree of autonomy in staff management given to school directors is a further key issue. To date, teacher appointments were fully dependent upon the relevant ministries. With the creation of the career ladder and the increased possibilities for career development, the interaction between directors and teaching staff should become more dynamic. In the context of a general process of decentralisation, the directors should probably be given greater autonomy in the assessment of teacher performance and the monitoring of competences. This would also be in line with demand-based training outlook inherent within the new human resources development system.

The last important issue to be considered on the topic of teacher development is absorption capacities. As mentioned before, teacher availability outside core working hours tends to be limited and the student-centred and competence-based approaches are complex models that require time to

be absorbed by experienced teachers with sophisticated pedagogical backgrounds. This is even more the case in teachers who have no experience of a pedagogical approach.

Teacher and trainer competences may yet be an element that slows down the impact of the new reforms and policy makers should acknowledge that while teacher capacities will improve slowly and steadily, the impact of the reforms will increase in parallel with their increased capacities. Any evaluation of the first results of revised qualifications should take this fact into consideration.

TVET directors are a crucial target group within TVET reform and most have embraced the various innovations with enthusiasm. The ministries have relied on their input in the context of several initiatives and have promoted a number of them to higher responsibilities. Most of the directors are willing to take on greater responsibilities within the framework of a decentralisation process. They will still need capacity building, in particular in relation to the financial autonomy of their institutions, but assessment of their readiness by local stakeholders and international organisations has been highly positive. The impression is that many directors already have good networks within the local context and would be able to quickly establish TVET providers as lifelong learning centres. At the moment, however, there are few incentives to do so as they gain nothing from the additional services they provide to companies and workers.

### 4.3 Teaching and learning

The learning environment in TVET providers has usually been poor due to the financial constraints on the sector, but the scenario is changing for all those institutions that benefit from significant donor support. In some cases donors take care of both building or restructuring and modern equipment installation while in others, such as the EU TVET support programme, they focus on establishing the equipment needed within the framework of the new qualifications. The situation as it stands is, however, not particularly sustainable as the investments are expensive and often beyond Palestinian budget capacities. The TVET system needs to progress simultaneously along various routes in order to ensure a higher level of sustainability in providing high-level TVET education.

The first option currently under exploration is the establishment of systemic work-based learning. This is an approach used internationally to avoid the high costs of updating technical workshops while simulating more effective real working situations. This is especially applicable for qualifications where equipment is very expensive or where rapid obsolescence is an issue. An initial attempt was made to pilot work-based learning models through a GIZ initiative in the tourism and car mechanic sectors in the Hebron governorate in 2005. Everyone involved considered the pilot to be a success and the employment rate of graduates was very high. The model was approved in 2012 and accredited by the former MoEHE, meaning that interested schools are able to apply to take part.

Several programmes are currently delivered using the same work-based model. Despite being formally allowed by ministerial regulations, work-based learning models did not become immediately popular and there are a number of reasons for the lack of scaling up.

Establishing the necessary networks and legal agreements between TVET providers and companies is a complex process that entails its own costs. The hierarchical structure of TVET governance means that TVET directors are not used to taking an innovative approach and, also, the Palestinian labour market is dominated by micro and small enterprises with whom it is historically more difficult to establish these types of agreement. Countries with effective work-based learning models have built them on strong historical cooperation between social partners and the education sector; hence involving the world of work is a more complex affair in countries where this is missing.

General awareness of the advantages that a work-based learning model could bring to Palestine and the success of the pilot initiative have led policy makers to agree to a large-scale new BTC-funded

initiative (EUR 4 million). This will develop a work-based learning model for Palestine which will build upon the success stories while ensuring consideration of the challenges already identified. This initiative was launched in 2014 and will start with an extensive base-line study to map and evaluate all previous experience, gathering feedback from all of the actors involved with special attention given to the role of the private sector and social partners.

The second option that would allow TVET providers to make use of a more modern learning environment will be the establishment of close cooperation with enterprises. This would be dependent upon the decentralisation process envisaged, but not yet implemented, within the TVET strategy. In this model, the TVET providers would become real life-long learning centres that establish strong links with the local market, providing services, continuing vocational training and establishing agreements on the use or rental of technical equipment.

A similar process has already taken place within the framework of various international projects, the most interesting of which are those programmes funded by the EU and the Swiss Development Cooperation, both implemented by GIZ. In these cases, close cooperation between the TVET providers and the world of work was a mandatory requirement and the partnerships established by the two sides (education and world of work) have proven to be highly efficient in all the selected projects. Stakeholders involved have expressed their appreciation of the partnership model in several contexts and they are willing to maintain this into the future.

Particularly significant is the positive assessment coming from the world of work. The mandate of the centres of competence include the objective of providing training services for local businesses. In the Kahdoorie Centre of Competence, the ETF and GIZ are testing the development of CVT based on specific modules of the new competence-based curricula. These centres of competence are fully equipped at the moment due to input from external funding, but the idea is to create a positive cycle whereby companies make use of the services of training providers to update staff competence in certain domains while the teacher and trainers gain additional training from the companies in other domains.

The decentralisation process is a key element for the scaling up of the many success stories of partnerships between education and the world of work. Such an approach would empower directors to formulate their own initiatives and to use the funds gained to modernise the school itself or provide additional services. This would help them in tackling some of the challenges identified (lack of cooperation with the world of work, limited CVT provision and low utilisation of facilities).

The utilisation of facilities in particular has been identified in the 2010 and 2012 rounds of the Torino Process as one of the weaknesses of the system:

‘Establishing and maintaining a TVET institution with rapidly changing technology is very expensive. The majority of TVET institutions in Palestine are used only in the mornings and are closed for several months of the year, including three months in the summer. Some solutions (double shifts) applied elsewhere are difficult to implement due to limited freedom of movement. More should be done to ensure greater efficiency in the use of facilities. In the last two years no real progress has been made regarding this critical point’. (ETF, 2013)

From a pedagogical point of view, the main developments in the TVET sector are the establishment of a student-centred approach and competence-based model as the standards to be applied in the delivery of TVET education. As mentioned before, a great deal has been done in terms of teacher and trainer support but time and money will still need to be invested to ensure that these approaches are properly implemented.

The adoption of the new pedagogical approaches is better supported within the framework of international projects reviewing the vocational profile and curriculum, but the situation is difficult for teachers who are trained in the new pedagogies but who have to apply these to the old curricula. In

most cases, teachers are committed to introducing the new pedagogical model, but they find it difficult to match the approach with curriculum content, most commonly complaining that the new approaches prevent them from completing the whole programme. Many teachers make continued attempts to introduce innovative methods in some specific circumstances, but they tend to rely on the traditional approach as a main model throughout the year.

Former graduates interviewed within the framework of the youth focus group stressed the need for these developments and when they were asked to comment on the relevance of TVET to the labour market they all agreed that the main weakness lies in the fact that TVET education does not deal with the soft skills required, leaving these to be learned on the job.

#### 4.4 Efficiency in resource use

Overall, Palestine has a structural lack of financial resources dependent upon the political situation. The nation finds it impossible to exploit natural resources or access most of the land, while also facing several limitations on the export of products. Scarce resources are allocated to TVET and most of the innovation and modernisation of TVET sector providers depends on external funds.

Apart from the private community colleges, which are almost entirely self-financing through fees and owner patronage, almost all funding for initial TVET comes through either the Finance Ministry, general budget or donor activity. There are no levies or other requirements to fund provision placed on employers and student contributions in the form of fees produce only limited income.

The main alternative for additional system resourcing would be to encourage TVET providers to develop income-generating activities, motivating participation by allowing them to retain most of the funds raised. Another option would be to lobby the government for additional resources on the basis of strong evidence on the efficiency of the reformed VET system, clear indications that VET graduates find jobs more easily and convincing arguments that VET fights youth unemployment better than higher education.

Some evidence for this can clearly be seen in the form of strikingly high figures for unemployment following higher education and frequent employer complaints about the lack of skilled workers. However, the TVET system should do much more to collect evidence in support of its claims and to improve efficiency in the allocation of financial resources.

Efforts currently under way to establish a modern TVET monitoring system provide a firm response to the first challenge, but nothing is yet moving in relation to the financing issue.

The current distribution methodology used by the ministries to fund TVET providers is rigid. The director-general of each appropriate section asks provider establishments to estimate and justify their spending needs for the following year on a pro forma and, once the central costs of Ministry staff, buildings, equipment, etc. have been added to the bill, the requests are presented to the Finance Ministry. The shortfall in resources, however, means the actual allocation is usually considerably smaller than the amount requested. Once the central decision has been made on the TVET funding allocation to the appropriate ministry, each director-general is responsible for trimming and allocating funds to the various sections and establishments under the control of that section.

No costing analysis is made of the TVET system, but an attempt has been made to identify how resources were spent under various cost categories in a MoL-led project supported by the ETF. The same project also calculated some specific indicators, such as cost per student. The project presented a methodology and some tools that could be applied by the various TVET providers, but the project did not continue after the pilot phase and the tools developed have not been used. Although this is a sensitive issue which has an impact on several stakeholders, costing should be probably reconsidered as a second step of the monitoring initiative.

## 4.5 Action and assessment of progress since 2010

Grading on the 1 to 5 scale (see Footnote 2) would probably give a score of between 2 and 3 for efficiency and effectiveness in the VET system delivery.

Many different initiatives have been implemented at pilot level, many of which have been considered successful. TVET provision is subjected to more rigid rules and procedures than other TVET processes and scaling up initiatives at system level is more difficult and requires more time.

There are four main recommendations that could speed up the process of scaling up the new approaches.

- Make a strong attempt at establishing a quality system which takes in consideration the whole quality cycle. Quality standards could be a powerful incentive to change.
- TVET providers should try to develop a new vocational profile in partnership with local enterprises using the standard process for curriculum development outside the framework of an international project.
- Introduce forms of decentralisation that would allow TVET providers to become lifelong learning centres.
- Continue investment in teacher development identifying forms of in-service teacher training models that support teachers in implementing the new pedagogical approaches throughout the academic year as teachers are using them with students.

## 5. GOVERNANCE AND POLICY PRACTICES IN THE VET SYSTEM

### 5.1 Defining vision and strategy for VET

The TVET governance system was fragmented until May 2014 when NAVET was established in principle. NAVET is not yet operational and the ongoing complex political situation means it is difficult to envisage when it will be fully up and running, so for the purposes of the text and matrixes in this section both the MoEHE/MoL and NAVET options will be presented.

Until 2014, coordination among the main stakeholders was supposed to have been ensured by the TVET Higher Council. This body was formed in 2005 as part of the implementation plan for the earlier national TVET strategy. The Higher Council was chaired in rotation by the ministers, was composed of 16 members with an equal representation of public, private and other relevant bodies but, it hardly ever met and has been inactive for a long time.

The establishment of NAVET would imply that all departments dealing with TVET in the MoEHE and MoL would move over to the new institution. NAVET is expected to have the full mandate over the TVET sector including all implementation responsibilities previously in the hands of the Ministries. The new structure will eliminate fragmentation, although some areas of training provision would temporarily remain in the hands of the Ministry of Social Affairs, and UNRWA institutions will remain outside the mandate of NAVET.

Possible negative consequences include a potential lack of cooperation between TVET and general education that could impact negatively on establishment of the NQF and, more generally, the issue of progression through the education system.

A very interesting development currently ongoing under MoL leadership, in cooperation with the MoEHE and all other key TVET stakeholders, is the establishment of a monitoring and evaluation unit. In October 2014, a concept note was developed by a specific working group set up for this purpose. The establishment of a monitoring and evaluation function will have a wide range of positive consequences on the efficiency of the TVET sector, its capacity to market itself and the pace of ongoing TVET reform.

#### MATRIX 1 DISTRIBUTION OF RESPONSIBILITIES

	Objective setting	Implementation	Monitoring
Who is responsible?	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Who is accountable?	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Who is consulted?	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Who is (only) informed?	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET

## MATRIX 2 MODE OF ACTION/DECISION MAKING OF THOSE RESPONSIBLE

	Objective setting	Implementation	Monitoring
Full autonomy/unilateral	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
After (obligatory) consultation <sup>1</sup>	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
If consultation, with whom? (please list)	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET

(1) Consultation could be both because of an obligation to involve and for accountability purposes.

## 5.2 Effectiveness and efficiency in addressing economic and labour market demand

Responsibility for the identification and matching of skills demand with supply is still centralised with the MoEHE/MoL or NAVET. The new processes actively involve representatives of the world of work and other institutions such as the PCBS; however, these formally come under the coordination of the central authority. For example, the involvement of company representatives is crucial in the identification of any new vocational profile as a mandatory step of the new standard process for curriculum development and no new vocational profile can be developed without their input. However, the responsibility for identifying potential companies, selecting the experts and facilitating the expert workshop will still be in the hands of ministry or NAVET representatives.

Social partners also have a role in the consultation but they have not been given any formal responsibility to identify companies and nominate experts. The mandatory involvement of representatives from the world of work is an excellent step ahead in improving the relevance of qualifications towards labour market needs. The structural and formal involvement of social partners would represent a strong step ahead but this could take time to make reality. In the meantime, their active role in the different reform initiative committees promotes their own capacity building in a way that should allow them to play a more active role in the future. The involvement of social partners is limited by several factors.

- Historically, social partners had a limited role in discussions on key economic issues that were dominated by political considerations. Consequently, social partners believed their participation was mainly a formal requirement.
- Social partners are aware of the social responsibility of the private sector, including its support for TVET sector development. However, this is not always high on the agenda of the social partners or their affiliates. For example, trade unions and the federation of industries are currently engaged in complex negotiations about a minimum wage.
- The structure of the Palestinian economy, which is dominated by small businesses and micro-enterprises and includes a significant number of informal companies, makes it difficult for the employers' organisation to be fully representative of the business world. This means that the needs of a large number of enterprises are ignored.
- Social partners need to develop the technical expertise in human capital development issues required for them to take a more assertive and proactive role in TVET reform.

At governorate and more local levels, some chambers of commerce and associations of particular industries launch initiatives or act as partners when more local programmes occur. Some civil society organisations, such as the women's organisations mentioned above, undertake a similar role. Even

though this activity is rather limited in scope and may not be widespread, it is clear that at least some initiatives are being taken, and much may be learnt from this.

One particular initiative to establish Local Employment and TVET councils (LET councils) may offer particularly interesting insights. So far, a small number of LET councils are being piloted in four governorates. Their structure and operation is intended to bring together the public authorities, employers and TVET providers into a formal forum to gather sound labour market intelligence, bring together the main stakeholders into active local partnerships and set up ways to improve teaching and learning in local, more demand-driven TVET provision. Once again, this is a GIZ initiative working with two ministries<sup>6</sup>.

LET councils have just been established and are already starting to play a role in the skills anticipation arena. Up until now they have mainly operated within the framework of international projects, strongly contributing to the identification of new sectors and qualifications for development. Their role is expected to be informal, but this should not undermine their importance as a tool for cooperation among all of the actors involved in the TVET sector at local level. In particular, the LET councils could play a major role in facilitating contacts between TVET providers and companies as the former really develop themselves into lifelong learning centres.

### 5.3 Effectiveness and efficiency in addressing social and inclusion demand

Responsibilities in these areas are centralised in the hands of the MoEHE and MoL until NAVET can take over and TVET implementation will be moved to the new institution. The most significant exception to this rule will be the UNRWA that manages VET education for refugees in an autonomous manner. Although somewhat separate, the UNRWA frequently cooperates with the ministries and international donors. The entity has also been able to form quite strong links with some of the employers' organisations at the local level (e.g. in the recent signing of six memoranda of understanding with the local chambers).

### 5.4 Internal efficiency and effectiveness of the VET system

Governance of the different types of TVET provision is currently fragmented into various sub-systems. This fragmentation could be easily addressed once NAVET is up and running, but the current situation remains as described below.

At the local level, with the exception of the private community colleges and the not-for-profit public colleges to some extent, providers have little if any autonomy to take initiatives, to make significant local management decisions or to raise significant additional finance. A rapid outline can help to illustrate how different facets of TVET management operate in the different systems.

Twenty-eight community colleges (some technical colleges) are operating across Palestine. Most of the community colleges are public or not-for-profit entities established by civil society organisations. The private colleges are responsible for raising their own funding, often with the support of donor organisations. Each private community college has a board of trustees, representing key stakeholders, and this serves to give colleges at least some degree of local responsibility, for example, in forming links with local employers and community organisations. They are also subject to the Accreditation and Quality Assurance Commission (AQAC) recognition and accreditation procedures and they all use the comprehensive examination for matriculating students. In other respects, they have much greater local responsibility for management, staffing and finance than the smaller number of governmental

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<sup>6</sup> See the GTZ project specification for Local Employment and TVET (LET) councils published as part of the GTZ/GIZ 'Promotion of TVET and the labour market' programme.



colleges. The public colleges also have a considerable degree of autonomy, but are entitled to state funding if they meet the conditions set.

The five governmental community colleges come under the management responsibility of the MoEHE TVET directorate. The ministry is responsible for management, funding, appointment of the dean and all staff and equipping the colleges under the regulations and norms laid down. In practice, significant funding is also provided by a range of international donors, who may be involved in particular initiatives. In theory, the college should have a stakeholder consultative committee for advisory purposes concerning ethos, local partnerships, etc. The governmental colleges are subject to the quality control and financial auditing established by the MoEHE, which includes no formal evaluation procedure, and also the financial auditing of the Ministry of Finance. In order to gain accreditation, any new community college must be recognised by AQAC, to whom the colleges must also submit any proposals for new programmes. Colleges can award their own diplomas on completion, but if students are successful in the comprehensive examinations, they will receive the relevant certificates from the ministry.

Vocational schools come directly under the management responsibility of a MoEHE directorate. The ministry provides management, financing, staffing and facilities and equipment including textbooks and the curriculum. The schools must follow the quality control and auditing systems set down by the ministry that grant them very little local autonomy. The ministry certifies successful achievement of the vocational Tawjihi and the schools certificate on completion of study.

The underlying culture and management capacity of vocational schools mean that they rarely undertake strong initiatives and that there are no strong incentives to innovate. Thus, for example, when EU programmes relating to new initiatives in vocational schools are established, the initiative is almost always taken by the directorate. The school principals are mainly responsible for satisfying ministry requirements and teachers are not generally expected to contribute new ideas.

Teachers in these schools are on low salaries and do not enjoy high social status. Some teachers also work in another profession or trade when not teaching, while accepting the limited but significant benefits of a secure income and pension from state employment. Although there is an absence of incentives, some initiatives are taken at this local level. If the vocational schools ask for approval to take educational initiatives or to generate income, the director-general would probably endorse the request subject to suitable safeguards being met. These arrangements vary somewhat in the small number of private vocational schools.

VTCs come under the direct management responsibility of the director-general for vocational training of the MoL. In most respects their management mirrors the situation found in the vocational schools. Management is centralised and the centres are expected to follow the norms and requirements of the ministry, while having little if any local autonomy. This is considered to be a non-formal branch of vocational training that does not lead to formal and recognised qualifications and, therefore, the centres award their own certificates of successful completion, endorsed by the MoL.

Funding and financing of the TVET sector is quite centralised. Apart from the private community colleges, which are self-financed through fees and the patronage of the owners to a considerable extent, almost all the funding for initial TVET comes through either the Finance Ministry, the general budget or donor activity. There are no levies or other requirements placed on employers to fund provision, and student contributions through fees produce only limited income. College students pay some fees, UNRWA students are not required to pay and students in the not-for-profit institutions only pay part of the fees with donors covering the remainder. Some fees are collected in government establishments, but many students are only required to pay a small proportion of the actual costs.

Government funding usually covers the fixed expenses including permanent salaries, running costs and developmental expenditure, but much of the funding for initial and continuing training is provided by donors. These may be international organisations, other agencies involved in technical cooperation or the international co-operation agencies of national governments. This represents a significant commitment on the part of international donors, but their resource allocation is usually scheduled over the lifetime of a project or programme, essentially in the form of temporary funding that results in non-permanent appointments in ministries and TVET establishments and time-limited expenditure on equipment, learning environments, etc. This methodology can be helpful in generating initiatives, but often results in challenges and problems that inhibit permanent solutions and sustainability once the project and its financing draw to a close.

The methodology used by the ministries to distribute funds to TVET providers is fairly well established. Provider establishments in each appropriate section submit estimates and justifications of their spending needs for the following year on a pro forma to the director-general. After adding in the central costs for ministry staff, buildings, equipment, etc., the requests are presented to the Finance Ministry. Given the shortage of resources, the allocation granted is usually considerably smaller than that requested. Once the central decision has been taken on TVET funding allocations to the ministries, each director-general is responsible for trimming and allocating funds to the various sections and establishments. Donors, on the other hand, provide funding on a project-by-project basis.

The ministries must follow the auditing requirements laid down in the regulations as required by the Finance Ministry, and some details of the funding allocations are publicly available on the website. On the other hand, the funding mechanisms and audit requirements associated with donor activity are the exclusive domain and property of the donors. While subject to their own procedures, these are not published or otherwise detailed as part of TVET activity funding in Palestine.

### MATRIX 3 DISTRIBUTION OF RESPONSIBILITIES FOR QUALITY STANDARDS

	Responsible for setting	Accountable for compliance	Monitoring and assessment
Quality standards: learning environment	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Quality standards: learning outcomes	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Quality standards: teaching	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Standards for provider <sup>1</sup> accreditation	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET

(1) This can also refer to individual programmes.

#### MATRIX 4 MODE OF DECISION MAKING WHEN SETTING QUALITY STANDARDS

	Unilateral	Obligatory consultation	If consultation, with whom
Quality standards: learning environment	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Quality standards: learning outcomes	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Quality standards: teaching	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
Standards for provider <sup>1</sup> accreditation	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET

(1) This can also refer to individual programmes.

#### MATRIX 5 RESPONSIBILITY FOR CURRICULUM CONTENT AND TEACHING STANDARDS

	Responsible for determining	Obligatory consultation	If consultation, with whom
Curriculum content	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET
How curriculum is taught	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET	MoEHE/MoL or NAVET

## 5.5 Assessment of progress since 2010

Assessment of reform in TVET sector governance will be based on the assumption that NAVET will exist and that the new agency will soon become operational. It is not possible to estimate the timing of this process due to the impact of a serious international crisis in Palestine in the summer of 2014.

The effectiveness of TVET governance should score a full 3 on the 1 to 5 scale given in Footnote 2.

The main weaknesses in TVET sector governance identified in the previous rounds of the Torino Process and widely acknowledged by all local stakeholders were the lack of high-level coordination between ministers and the overall fragmentation of the system. Stakeholders and all policy makers directly working on the TVET sector have been strongly in support of the creation of a TVET Agency and NAVET was finally established in a Cabinet decision of May 2014.

NAVET is expected to be a semi-governmental organisation affiliated to the Council of Ministers (Cabinet). It will be a legal entity with financial and administrative autonomy and will take responsibility for policy development and implementation of all levels of TVET education (VTCs, vocational schools and colleges). NAVET is expected to absorb all of the human resources currently working in the MoEHE and MoL plus additional newly recruited expertise to deal with the additional responsibilities. The entire staff of TVET providers will be a direct NAVET responsibility.

While an operational NAVET would be a very positive development and present strong answers to the challenges of fragmentation and lack of coordination in the TVET sector, it would also create additional separation between TVET and the other education subsectors. Some risks therefore exist in relation to the permeability between sub-systems.

The third challenge for TVET governance is the lack of autonomy of TVET providers (with the exception of the colleges). As mentioned before, TVET providers have a very low resource utilisation rate; they do not provide additional services to the labour market and are not active on the CVT front, mainly as a direct result of the lack of incentives. In the current system, all of the financial resources

raised by TVET providers in such additional activities go back to the Ministry of Finance. The lack of contacts with social partners and individual companies within the local market limit the capacity of TVET providers to be innovative and to deliver up to date vocational education matched to the products and competences needed by the labour market.

Some important reforms have already been implemented on this front though. The establishment of centres of competence with a mandate including services for the labour market and partial financial autonomy is revolutionary and the involvement of TVET providers within the LET councils is also a favourable development in terms of connection to the labour market. Detailed bylaws establishing a margin of financial autonomy for TVET providers have been also developed within the framework of a project implemented by the German Adult Education Association Institute for International Cooperation (DVV international) aiming at strengthening TVET provision for adults. These bylaws have not yet been approved or rejected.

The ETF, GIZ and DVV will try to raise the topic of school autonomy once again at policy level on the basis of this experience and the current GIZ- and ETF-led initiative aimed at developing CVT programmes from the recently established competence-based programmes. The next sensitive but crucial step would be to build on the successful experience of the centres of competence to bring a higher degree of autonomy to all TVET providers.

## 6. PRIORITY AREAS FOR REFORM

This year, the Torino Process aims at identifying three priority areas where TVET sector reform should be encouraged and supported.

### Governance

The first priority area is governance at two different levels. The first of these is systemic TVET sector governance and several sections of this report state that the creation of unified governance is now essential to ensure the scaling up and sustainability of reforms. NAVET would help to resolve the situation, but, should final approval for the entity not be forthcoming, additional solutions could be put on the table. The second level of governance to be tackled in the coming future concerns the level of TVET institutions.

### Lifelong learning centres

The rigidity and centralisation of the system is an obstacle to the transformation of TVET institutions into lifelong learning centres and we have identified this as the second priority area for reform. In this vision, TVET institutions become a highly dynamic actor in the local context, providing different types of services to companies and civil society. Delivering continuing vocational training and other services to companies could be a way to maximise efficiency in resource use while also providing income that could be used to fund expansion of the TVET sector beyond the current small share of the overall education sector. Reforms in this regard are already ongoing and should continue, but it is important for these reforms to target system governance systemically in order to help the success stories to be scaled up at national level.

### Monitoring and evaluation

The third priority is the establishment of an efficient monitoring and evaluation function for the TVET sector. A consistent and scientific evidence-gathering system would allow performance within the TVET system to be assessed (providing information on the relevance of TVET education to the labour market, quality of TVET education, national demand for TVET programmes, etc.) as well as monitoring reform implementation and its impact on the TVET system.

# ANNEXES

## Annex 1. Youth discussion groups

### Introduction

The European Training Foundation (ETF) is a specialised agency of the European Union (EU) based in Turin, Italy. The ETF provides advice and assistance to the European Commission and 31 partner countries for the reform of human capital development policies, in particular as regards vocational education and training (VET), under the EU's external relations instruments.

The ETF implements a biannual Torino Process review of VET reforms in its partner countries. This is a participatory process leading to an evidence-based analysis of VET policies and includes a determination of the state of the art and vision for VET in each country, or, after a two-year period, an assessment of the progress that countries are making toward achieving the desired results. In 2010 and 2012, the ETF launched the first two rounds of the Torino Process with the participation of most of its partner countries, including Palestine. A new round was launched in 2014 and Palestine took part once again.

The added value of the Torino Process lies in the fact that it embeds VET within the socioeconomic context and ensures that the analysis is informed by relevant evidence, taking place through structured dialogue. In this respect, the ETF helps countries to gather information from different sources of evidence and fosters policy dialogue.

In 2014, the ETF wished to take a further step toward involving civil society representatives and youth in its projects and youth consultation was therefore included in the Torino Process in a number of countries, including Palestine. Since youth unemployment is a key feature of the Palestinian labour market, similarly to many other countries in the region, a discussion group was organised with youth representatives and youth associations.

### Youth discussion groups

The discussion groups focused on youth employment and transition from school to work. This choice was made in consideration of the Torino Process analytical framework.

Key questions addressed were:

- What are the main obstacles for youth in finding an employment? Are the obstacles the same for women and men?
- What are the channels to finding a job? Did you get any support in finding a job after school? If so, did you get any support from public employment services or others?
- How useful and relevant is education and training? Did it help you to find a job?
- Do you have any additional suggestions to help young people integrate into the labour market?

The groups were organised with the support of the Anna Lindh Foundation networks (via the Leaders Organisation), the EU Delegation in Palestine and the ETF Young Mediterranean Leaders (YML). They provided support in terms of identification of participants and associations. The discussion group was not intended to be representative but to provide qualitative insight into how the youths view and experience the challenges of career choice, job search and labour market integration. The information and opinions gathered must be considered as evidence expressed by a small number of young people (anecdotal evidence).

The participants were made up of two groups: (i) youth below 30 years old, who had undertaken studies or training in vocational secondary schools; and (ii) representatives of local youth associations.

The main criteria with respect to the selection of the participants are listed below.

- Participants of the focus group should have left the education system.
- Participants should be below 30 years of age.
- Participants should cover different profiles with respect to their labour market situation (entrepreneurs, employed and unemployed, etc.) and possibly gender.

The discussion group was organised in Ramallah, at the Leaders Organisation premises (as part of Anna Lindh Foundation network), on 28 September.

The group was composed of 15 participants, all between 20 and 25 years-old. Most of them have studied TVET and some had continued to higher education; others were working for youth organisations. In general the young people were very open and willing to share their points of view. The discussion was initiated in English but the language was discouraging debate, so the discussion soon switched into Arabic (with the support of an interpreter). The discussion lasted for about two hours.

## Outcomes

The outcomes given below summarize the opinions stated by discussion participants.

### 1. Labour market integration

#### **‘What are the main obstacles you met in finding employment?’**

Participants highlighted very different reasons.

- Lack of connection with industry was mentioned as one of the main reasons: they complained that some specialities are not required by the labour market. There seems to be a gap between graduates and the labour market.
- Lack of career guidance: students do not receive information about labour market possibilities (or if they want to continue to higher education, about what they can study). In addition, there is an absence of guidance for those who might want to start a business. There is no orientation or awareness. Therefore, they do not know where to look for a job.
- Lack of skills (particularly soft skills): education offer skills that are not required by the labour market and completely overlooks the soft skills.
- Low quality of education: teachers seem to need updating on what to teach (also in order to meet labour demand).
- TVET diplomas are considered of low quality, and TVET graduates cannot compete with graduates with a university or a master’s degree.

Quotes from participants:

‘Teachers need guidance on how to teach and what to teach. Without tackling the system it might be difficult to have good TVET.’

‘I studied a speciality and when I finished I realised there were no jobs, so I am not looking for a job.’

## **‘Are obstacles the same for men and women?’**

Despite the fact that all youth face big problems finding a job, the discussion group agreed there are some gender-related issues. Some of the professions seems to be gender defined (i.e. project management) and since there is not national law protecting pregnant women, most of the time employers overcome this issue by not paying any maternity leave (for example by a temporary suspension of their contracts). As a matter of fact, there are fewer employment opportunities for married females than for males.

Quotes from participants:

‘Project management is for males while secretaries are always females, and this is not fair, there are women that can manage projects!’

‘I have a friend who was pregnant. The employer waited until she finished her contract, then she went home, had the baby, and only after the baby did the employer ask her to come back to the job.’

‘A friend of mine was married and she went to an interview. She did very well, but when the employer found out she was married, he refused to give her the job’.

## **2. Channels to finding a job (guidance)**

**‘Based on your personal experience and in your opinion, what are the channels to finding a job? Did you get any support from public employment services, from your school or others?’**

Participants highlighted the importance of friends and relatives as a main channel to finding a job, while the public employment services were not yet considered able to provide the services they propose. Moreover, contributors criticised the use of internships by employers as a way to employ a cheap labour force.

They pointed to private companies that link jobseekers with employers as good tools for finding a job, but the main issue (which is a problem that could therefore be linked to the first question) is that there are few job opportunities in either the public or private sectors.

One of the participants presented her personal experience: she studied in the US before returning to Palestine. Her father initially refused to help her and she tried to find a job for a year and a half. In this time, she did three unpaid internships. After this time, her father circulated her CV among his friends and she finally got a job.

The issue of internships came up in different interventions and participants felt that employers use this device by promising future contracts that do not materialise, thereby getting cheap labour for a while.

Various participants mentioned that many young people wait at home for a job, expecting a public job to come up. Recently, 55,000 young people applied for 1,000 new public jobs, plainly showing that there are not enough public jobs for everyone who would like one.

There is a preference for public over private employment in Palestine and the participants explained that this is mainly due to the fact that public jobs are better paid and they provide better working conditions (shorter hours, less work) than private jobs. Nevertheless, there are very few vacancies in public or private institutions (one participant stressed that no private companies were planning to hire new staff before the following year).

Another element that appeared in the discussion group was the importance of the NGO sector in the country. Many youth are employed by NGOs, mainly on short-term contracts. The problem identified by one participant was that NGOs may not exist in the future and that many young people may therefore be left without a job.



When providing ideas on how to improve youth employment, the discussion group also had a long debate on entrepreneurship. One participant, an entrepreneur himself, pointed out that young people do not look at business as a work opportunity. Although young people may provide many new ideas, they are not business-oriented and they do not have marketing strategies. Participants complained that education completely ignores this lack of entrepreneurial skills (the group proposed a title of 'entrepreneurship education' for this).

The discussion group emphasised the need to orient students on how they can start a business and all of the steps needed to establish one. When they were asked about mentorship as a possible option to overcome the lack of skills, a degree of disagreement arose: some participants defended the idea that they needed mentorship to start a business that was otherwise very difficult, while others stated that mentorship would not resolve the major problem presented by the excessive administrative requirements in starting a business (reform and simplification being preferred over a mentorship programme).

Quote from a participant:

'Palestinian businessmen think like employers, they do not finance your ideas, they want you to work for them. It is this type of mentality that needs to be changed.'

### 3. Relevance of education and training

#### **'How useful and relevant is education and training? Did it help you to find a job?'**

The entire group agreed that there is a big gap between theory and practice. Participants felt that there is no relation between what they studied and what they are required to do at work.

They also complained about the variance in the quality of TVET courses. Some of the programmes seem to provide good technical skills while others are very low quality, offering technical skills unrelated to labour market needs.

The discussion group mentioned that many students, and most employers, do not know about TVET. This implies that many students continue to higher education before realising that they could have taken a TVET option.

Finally, there was an overall agreement on the fact that curricula do not take the soft skills into account. Students can only learn those skills on the job.

Quote from a participant:

'Believe me, in this country there are doctors driving a taxi'.

#### **Do you have additional suggestions to help young people integration into the labour market?**

Quotes from participants:

'There is no connection between the various ministries; they should work more together to straighten out their efforts.'

'We export a lot of educated people abroad. It is not good to blame the local community, they do what they can.'

'Decision makers are living on a different planet. They know what the problems are, because they know youth, but they are not finding solutions. So they should look for real solutions or give up...'

## Annex 2. EU benchmarking of Palestine

Benchmarking Palestine to the EU concrete measurable targets foreseen by the EU 2020 education and training strategy is a difficult process as the political economic backgrounds of the two areas are plainly different. However, this exercise is very important for Palestine as the country is undergoing the process to establish a monitoring and evaluating function. It is important for TVET policy makers to decide on specific medium-term targets to be used in monitoring the progress of TVET reform in the country.

Tertiary education attainment should not be considered a desirable scenario for Palestine. The desired situation in Europe has been calculated in consideration of the labour market requirements in EU countries and the Palestinian labour market is already incapable of absorbing the existing share of graduates from higher education. The country should not aim, therefore, to increase significantly this share.

All of the other targets, however, are relevant for Palestine. The lifelong learning and employment rate targets in particular should incentivise greater effort from TVET policy makers in fostering CVT provision and measures to facilitate the female activity rate.

Addressing the issues of school leavers is also important, as this would decrease the number of NEETs and is likely to increase the share of students choosing TVET education.

## PALESTINE AND EU BENCHMARKING

TRP14 code	Indicator and definition		Palestine		EU-28 2013				
			2013	Target 2020	Average	Best	Worst		
TRP14.55	Early school leavers (EU2020 headline target)	% of 18-24 with at most lower secondary education and not in further education or training	37.4*	10	12.0	3.7	23.6		
TRP14.46	Tertiary educational attainment (EU2020 headline target)	% of 30-34 who have successfully completed university or university-like education	25.9**	40	36.9	52.6	22.4		
TRP14.68	Achievement in reading, maths and science (EU2020 target), 2012***	% of pupils with low performance in the <b>reading</b> scale (level 1 or below)	md	15	17.8	9.1	39.4		
		% of pupils with low performance in the <b>mathematics</b> scale (level 1 or below)	md		22.1			10.5	43.8
		% of pupils with low performance in the <b>science</b> scale (level 1 or below)	md		16.6			5.0	38.0
ADD.1	Lifelong learning (EU2020 target)	% of 25-64 participating in education and training	2.9*	15	10.5	31.4	1.7		
TRP14.30b	Employment rate (20-64) (EU2020 headline target)		41.0*	75	68.4	79.8	53.2		

Note: md = missing data

Sources: (\*) ETF calculations on PCBS data, Labour Force Survey 2013; (\*\*) Labour Force Survey 2013, data received from the country; (\*\*\*) OECD, PISA results

## ACRONYMS

<b>AQAC</b>	Accreditation and Quality Assurance Commission
<b>BTC</b>	Belgian Technical Cooperation
<b>CVT</b>	Continuing vocational training
<b>ETF</b>	European Training Foundation
<b>EU</b>	European Union
<b>EUR</b>	Euro
<b>GDP</b>	Gross domestic product
<b>GIZ</b>	German Gesellschaft für Internationale Zusammenarbeit
<b>ILO</b>	International Labour Organisation
<b>LET</b>	Local Employment and TVET
<b>LMIS</b>	Labour market information system
<b>MoEHE</b>	Ministry of Education and Higher Education
<b>MoL</b>	Ministry of Labour
<b>NAVET</b>	National Agency for Vocation Education and Training
<b>NEET</b>	(Young people) Not in employment, education or training
<b>NGO</b>	Non-governmental organisation
<b>NQF</b>	National qualifications framework
<b>OSS</b>	One-Stop-Shop
<b>PCBS</b>	Palestinian Central Bureau of Statistics
<b>SDC</b>	Swiss Development Cooperation
<b>SME</b>	Small and medium-sized enterprise
<b>TVET</b>	Technical and vocational education and training
<b>UNRWA</b>	United Nations Relief and Works Agency
<b>USD</b>	United States dollar
<b>VET</b>	Vocational education and training
<b>VTC</b>	Vocational training centre

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