



TORINO PROCESS 2016-17

LEBANON

EXECUTIVE SUMMARY

Executive summary of the Torino Process 2016–17 Lebanon report.

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1. Introduction

The popular uprisings that have taken place in several countries in the Mediterranean area since 2011 and the consequent instability of a number of States in the region have continued to increase the pressure on Lebanon's resources. This has forced the country to shift its priorities towards addressing the negative impact of the crisis rather than implementing national strategies aimed at developing different economic and social sectors, including the education sector – both academic and vocational.

Today (as of January 2016), the country is hosting over 1.017 million Syrians registered as refugees with the Office of the United Nations High Commissioner for Refugees (UNHCR) – one of the world's highest numbers of registered refugees per capita¹. Overall, there is increased pressure on resources and public services, as well as a growing demand for education services, in particular for displaced Syrians, coupled with mounting fiscal costs and an adverse effect on the quality of public education, as well as a significant need for non-formal education.

Starting in May 2014, attempts to elect a new President of the country repeatedly failed. Finally, on 31 October 2016 in the 46th round, Michel Aoun, a Member of Parliament, was elected with 83 votes in parliament. However, the situation of the State remains defined as one of 'institutional paralysis'. This institutional paralysis combined with the influx of refugees and declining domestic investment have all led to a higher unemployment rate (recorded in the official figures of 2012 as 11%) and had a negative impact on the global competitiveness of Lebanese enterprises. Moreover, the country has also experienced reductions in the numbers of job opportunities available, the quality of job types offered, and general salary levels. Such factors have restricted the expectations of a considerable portion of Lebanese young people, and thus paved the way for increased emigration of those seeking better opportunities outside the country, leading to a 'brain drain'.

The main challenge for Lebanon remains the implementation of reforms. The decision-making system is closely linked to the established balance of powers between religious groups at all levels of the system. Therefore, while society and the business community move swiftly and respond quickly to the changing socio-economic environment, governmental structures remain slow and in some cases paralysed. These specific characteristics of the country also influence the education and employment reforms that are very much needed to achieve stability.

¹ Office for the Coordination of Humanitarian Affairs, *Lebanon Overview*, February 2016.

2. Main findings

National VET vision and strategy

With regard to the national vocational education and training (VET) vision and strategy, the Lebanese government set out an Action Plan, back in 2012, for the reform and development of technical and vocational education and training (TVET), based on four core objectives: to examine and update curricula; to review the academic and administrative structure; to develop human resources; and to strengthen partnerships with the private sector. Since 2012, and specifically since the last Torino Process round in 2014, there has been no adjustment to the Plan. This is mainly due to the country's prevailing situation of insecurity, political instability and the influx of displaced Syrians, all of which have increased the poverty and vulnerability of the Lebanese population and hindered economic growth. Furthermore, these factors have added to the pressure on the government to shift its priorities from development to providing relief or short-term interventions to address the current situation and to concentrate its efforts on mitigating the impact of these realities on the country's social and economic sectors.

Different initiatives have been undertaken by various governmental and non-governmental agencies, within the response to the Syrian crisis framework, but these have not been linked with the current Action Plan nor with any of the strategies that include vocational education components which have been formulated by other ministries. The government has taken only tentative steps towards the implementation of the Action Plan, based on the need to adapt to the rising demands of the labour market and increased rates of youth unemployment. Modest progress has been made in terms of introducing new specialties that respond to the labour market, increasing the number of training hours required, and updating the curricula to reflect different educational levels.

Labour market and employment strategy or action plan

Looking at the Lebanese labour market, the influx of refugees has increased the workforce by approximately 35% since 2012, which has boosted the supply of low- to semi-skilled workers, specialising primarily in construction, agriculture, and personal and domestic services². Around 20% of the workforce are concentrated in informal wage employment, while another 30% are self-employed, with no access to social security³.

The labour market in Lebanon continues to be characterised by high unemployment rates for young people and women compared to the overall unemployment rates (a youth unemployment rate of 16.8% was recorded in 2009, while in 2012 the unemployment rate for women was 13.8%, compared to 9.7% for the overall population)⁴. Furthermore, the current climate of economic uncertainty and the slowing down of business activity have acted as the main demotivating factors hindering the growth and expansion of enterprises that under normal circumstances would be creating employment opportunities. Sluggish economic growth coupled with a fall in investment as a result of a climate of insecurity, have meant that enterprises are facing financial austerity and are thus unable to expand their operations. This has resulted in a reduced number of job opportunities, a lower quality of job types offered, and falling salaries. Such factors have also accelerated the previously existing trend of skilled and professional citizens emigrating in order to seek better opportunities outside the country. The implications of all these factors, along with the slow path of progress in the formal VET education sector, has led over the years to a considerable skills mismatch in the Lebanese labour market, which was confirmed in the various interviews conducted with a range of stakeholders for this report.

² World Bank, *Lebanon Economic Monitor: A Geo-Economy of Risks and Rewards*, Spring 2016.

³ World Bank, *Lebanon: Promoting Poverty Reduction and Shared Prosperity – A Systematic Country Diagnostic*, June 2015.

⁴ The data here are from Eurostat.

Additionally, the regional disparities in access to education exacerbates this mismatch – due to inequalities in accessing education between rural and urban areas, there are, for some, limited opportunities to access the labour market.

There is still no specific employment strategy or action plan for employment in Lebanon. There are a number of factors that hinder efforts to develop evidence-based policy regarding labour market and skills development, including a lack of updated data, a dearth of labour market analyses and an absence of updated and operational labour market information systems. Considering these factors, addressing the current mismatch poses a great challenge for policymakers, especially as there is no official labour market information system that allows for systematic data collection and analysis regarding trends in the labour market, the skills demanded by employers, and the supply of graduates along with their specialties, all of which would facilitate the design of solutions to fill the gaps or improve the matching of skills with labour market requirements. The main challenge remains, therefore, setting up such a system under the control of a governmental agency with the responsibility for systematically collecting labour market data and disseminating the results to all public and private stakeholders, with the aim of developing better active labour market policies. As a consequence of the lack of data, the VET sector is also deprived of information, although some progress has been made, with the support of the international community and various donors, through the development of accelerated⁵ vocational training programmes that respond to labour market needs, and in facilitating VET graduates' access to the labour market through Employment and Career Guidance offices at a number of public and private VET schools. There remains room for further improvement in matching jobseekers' skills to the rapidly growing needs of the labour market, but at least these initiatives have set the VET sector on the right path towards further interventions.

Social context governing VET

Looking at the social context governing VET, the situation has not changed significantly since the Torino Process 2014 report, except perhaps in terms of the increased vulnerability of the refugees and host community members, and the greater difficulties apparent in addressing social inclusion in such a context. The latest Syrian Crisis Plan estimates that there are 1.5 million vulnerable Lebanese, 320 174 Palestinian refugees, and 1.5 million displaced Syrians living in Lebanon, including those who are registered as refugees with the UNHCR and those who are not⁶. The total population of Lebanon was estimated by the national statistical office (Central Administration of Statistics) at 3.7 million in 2007⁷. Additionally, there are almost 1.2 million people in Lebanon living in extreme poverty on less than \$2.4 a day, a 75% increase compared to 2014⁸. The main impact that the above-mentioned factors have on VET demand is an increased need for non-formal education or accelerated vocational training to allow rapid integration into the labour market and the ability to generate income to sustain life for both the Lebanese and refugee populations. The interventions in 2015, implemented by 30 different organisations as part of the Livelihoods working group, mostly targeted skills training programmes to improve links to market demands and focused particularly on women and young people. At the same time, these initiatives also provided support for micro, small and medium-sized enterprises, thus encouraging growth in this area, which will eventually facilitate the absorption of new employees. Local and international organisations became involved in the provision of skills-based

⁵ Accelerated vocational training consists of accelerated courses of varying complexity and entry levels provided by private or non-governmental organisations. Completion of such training is acknowledged with a certificate that nevertheless enjoys little public recognition.

⁶ United Nations; Government of Lebanon, *Lebanon Crisis Response Plan 2015–2016 Year 2*, January 2016.

⁷ The UNDP estimate of the total population was 5.8 million in 2015. This figure includes the Syrian refugees (UNDP, *World Population Prospects: The 2015 Revision*).

⁸ United Nations, Government of Lebanon, *Lebanon Crisis Response Plan 2015–2016 Year 2*, January 2016.

training, but with varying degrees of coordination with the respective ministries and the Directorate-General for VET (DG VET).

Currently, accelerated vocational training, which is mostly donor led, is being advocated as a means to increase the employability of young people and adults. However, there are no proposed measures to increase enrolment in the VET system, nor have there been any attempts to change the negative perceptions of the Lebanese public – whether parents or industrialists – regarding the effectiveness of VET. On the positive side, VET education has a good infrastructure, with exams held at the end of each year at the same time in both public and private institutes. This leads to stronger students transitioning from one academic year to the next. Also, the entry conditions for the VET education system are transparent: any student wishing to enrol in VET education has to pass the Brevet Exam or else undergo 800 hours of intensive training before progressing to VET. The process of advancing to higher education however is not a smooth one and is often perceived as restrictive by VET graduates wishing to pursue further studies.

Regional disparities and centralisation remain an impediment to social inclusion, despite the concerned ministries' efforts to provide equal nationwide access to education. For the Syrians, interventions from international organisations represent the main opportunity for improving integration, but residence and work permits, as well as work restrictions in terms of specific sectors, are the main obstacles to their employability and integration into the labour market. For the Palestinians, the situation is different due to the UNRWA's⁹ support in setting up different vocational education schemes, along with career guidance, starting in schools and continuing through employment service centres for graduates, which provide job placement and training in soft skills. However, the accreditation of these programmes is pending from the DG VET on curricula and, in addition, Palestinians face major restrictions on access to the labour market in the case of a number of professions, which hinders their full integration into the Lebanese labour market. Although there have been some improvements in this respect, and restrictions on employment have been reduced from 73 to 36 professions, such actions remain inadequate, with Palestinians generally suffering from a lack of decent working conditions and lower wages, which pushes them into finding work in the informal sector. While the Kingdom of Saudi Arabia used to be the natural work and career destination for the Palestinians, the situation there has changed drastically in the last couple of years, with difficult economic conditions prevailing and fewer work opportunities arising for migrant workers, which has added a further complication to the already restricted status of the Palestinians and their access to work.

Internal efficiency of VET

Regarding the internal efficiency of VET, some progress has been made in curricula development since the last Torino Process round, but this area could benefit from further support and strengthening to help address the problem of market demand and facilitate the integration of VET graduates into the labour market. The curricula for the *licence technique* and *technicien supérieur* have been upgraded, while those for the *brevet professionnel* and *baccalauréat technique* are under review; however, the upgrading or updating is not carried out on a competency basis, nor is there continuous consultation with private-sector representatives. Additionally, not all of the teachers involved have the capacity or experience to work on such issues, making the whole updating process a positive but timid step requiring further improvement and support from both governmental and non-governmental institutions.

Regarding monitoring and evaluation, the Torino Process 2016–17 indicates that although there are provisions in place within the legislation of the country, they are not enforced, while the feedback from the evaluations is, in general, not used.

⁹ United Nations Relief and Works Agency for Palestine Refugees in the Near East.

There is no shortage of teachers in the VET system, but rather a lack of highly qualified and well-trained teaching staff working in the VET schools. The standards and qualifications set by the National Pedagogical Institute of Technical Education (IPNET) for VET teachers are inadequately applied, and the only criterion which is met is the taking of a public exam set by the Civil Service Board.

Moreover, teachers' and trainers' capacities are hampered by insufficient investment in all matters related to their recruitment, career progression and continuing training. Consequently, with little incentive to develop their skills and in the absence of adequate rewards, many teachers have resorted to administrative functions as a means of ensuring financial stability.

Students' learning methods have not significantly evolved since the last round of the Torino Process in 2014. The attempts to improve these methods are mostly taking place in the context of initiatives by private rather than public schools, due to the enhanced capability and financial capacity of private schools to add new courses, if required by the labour market. Public schools' limited financial capacities prevent them from making significant investments in upgrading teaching methodologies or integrating digital and online facilities into their premises. Improvements in the learning and training environment are hindered by weak investment in the physical infrastructure of schools, inadequate teacher training, and a failure to upgrade the curricula in response to the changing needs of the labour market. The dual VET system remains the only quality option for students in terms of work-based learning, and, despite its limitations, it represents a way to better match labour market needs with a skilled labour force. However, in terms of implementation, the dual system remains limited with regard to the specialties offered and the number of students who benefit from it.

For VET graduates, accessing the right jobs and ensuring that the private sector acknowledges their skills and competences remains a challenge. Businesses continue to identify a lack of skilled graduates and employees as one of the main issues for enterprise development. However, the unwillingness of enterprises to engage in skills development, including training employees or offering internships/apprenticeships for VET students, which could boost business development and job creation, remains a major obstacle. Despite the fact that the Lebanese National Qualifications Framework has been officially endorsed, to date the system has not been implemented, due to the lack of legal and institutional arrangements, the lack of involvement on the part of stakeholders in its integration, and the preoccupation of the government with the Syrian crisis, prioritising their response to this situation over other pending issues. This poses a great challenge for employers in terms of recruiting VET graduates and placing them in appropriate roles. The situation is further exacerbated by the proliferation of non-governmental organisations offering similar VET programmes. Additionally, there is a need for a universal job coding system that can provide a standard definition for each profession and stipulate the qualifications required. This would help in the recruitment process, filtering the applicants for job vacancies and increasing the chances of hiring in line with the relevant job profiles in each company.

Governance of the VET system

Progress in the governance of the VET system has stalled over the last couple of years; indeed the situation has become more complicated, with the management of the response to the Syrian crisis and the interventions of international organisations focusing on labour market demand, VET provision and linking education to the labour market. Within the framework of the Lebanon Crisis Response Plan, one of the priorities is to reinforce Lebanon's economic, social, institutional and environmental stability through expanding economic and livelihood opportunities for the benefit of local communities, especially those deemed to be the most vulnerable. The Plan foresees the creation of coordination mechanisms between the government and line ministries, and between various local and international United Nations (UN) and non-UN organisations, yet interaction between different ministries and the assignment of roles, functions and responsibilities still need to be strengthened. In addition to that, the

Higher Council for VET, which was created by a government decree to operate as an advisory body for the DG VET, has never been activated or convened.

The official data available and the interviews with various stakeholders clearly identify budget limitations as the main challenge hindering the advancement of the VET sector, along with the other socio-economic and political factors highlighted above. This shortfall in funding is mainly attributed to a fall in government revenues as a result of the Syrian crisis and an increased need for government expenditure on basic public services to address the effects of the crisis. In fact, the total budget allocated for VET in 2009 accounted for 0.5% of total government spending.

Furthermore, regional disparities are not taken into consideration when allocating funding, hiring new personnel or upgrading curricula. This becomes more apparent in regions with a high density of refugees and, consequently, increased pressure on public services, including education.

The lack of coordination among the relevant ministries and government institutions and their respective, often overlapping, functions is a major obstacle to the development and effectiveness of vocational and technical education, especially when it involves accelerated vocational training. There is a plethora of organisations, local and international, that are providing or funding skills training programmes; however, there is no clear reference or cooperation framework between such organisations and the DG VET, and this lack of coordination has an adverse impact on the effectiveness of VET policy implementation and the further development of the sector.

3. Recommendations for action

Based on the above-mentioned findings, the following main recommendations are proposed.

- **Set up better coordination mechanisms among ministries and improve fulfilment of the roles and responsibilities** of the Ministry of Education and Higher Education, DG VET, the Centre for Educational Research and Development and the various ministries and public-sector units that play a central role in the management and leadership of VET systems. Reforms should be clarified, together with the role of private-sector actors.
- **Operationalise the Higher Council for VET.** With such an important mandate and the great potential for establishing a road map for the educational sector in Lebanon, it is recommended that the Higher Council for VET be reactivated and begin holding meetings on a regular basis in order to initiate a dialogue that will lead to setting standardised guidelines to be followed in any education-related issue (including policies that would cover VET), and to the formulation of a clear plan for how to improve and expand the VET sector.
- **Extend the expansion of employment and career guidance centres** to other public and private VET schools. Currently, employment guidance centres have been set up in six public schools through the regional EU-funded GEMM project¹⁰. While continuing to support these centres, it is recommended that they be replicated in other schools. This will facilitate networking between the centres and help to improve liaison with the private sector, thus creating effective linkages, including through the implementation of tracer studies. Governance employment offices need to work together with the National Employment Office, which should revamp its operational mandate so that career guidance is decentralised and offered at the school level, following standards and rules decided at the central level. To this end, **the role of the National Employment Office should be strengthened** with regard to the coordination and monitoring of services to support employability.

¹⁰ EU-funded project on Governance for Employability in the Mediterranean.

- **Invest in setting up a labour market information system.** It is recommended that one government entity should develop a labour market information system that can collect and analyse data systematically and consistently. This will support policy development by disseminating the information required for the design of relevant interventions by both government or non-governmental institutions. Linked to this, there should be increased interaction between the Ministry of Education and Higher Education, DG VET, the Ministry of Labour, the National Employment Office and the Central Administration of Statistics to keep the system alive through regular updating.
- **Improve networking and linkages with private sector and social partners,** such as the Association of Lebanese Industrialists, to establish stronger ties with the business sector and a more effective provision of employability skills for VET graduates, along with the acquisition of practical experience. This networking and relationship-building process should also include employers' organisations, Chambers of Commerce and all social partners, in order to enhance the level of their engagement in the identification of skills (and possibly also in the development of curricula), aiming towards such stakeholders playing an active role in the VET policy cycle and policy making.
- **Increase the efficiency of work-based learning,** through investment in building the capacities of the business sector. In this way, potential employers can better support the development of curricula tailored to their required competences, promote more effective implementation of work-based learning, host apprenticeships in a variety of sectors, and ensure that continuing training for jobseekers and current employees is up to date with the latest requirements in the labour market.

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