LEBANON

EDUCATION, TRAINING AND EMPLOYMENT DEVELOPMENTS 2018

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT

Following nine years of multiple postponements due to regional crises, security concerns and internal political wrangling, Lebanon held parliamentary elections on 6 May 2018. The results showed that the same political elites continue to dominate Lebanon's political scene, winning the vast majority of seats and confirming the power of Hezbollah. Political instability and uncertainty in Lebanon will remain high. These tensions will deepen Lebanon's long-standing sectarian fault lines and will have a big impact on the politics, security and economic performance of the country. Unfortunately, attempts by the government to revitalise the policymaking process have been repeatedly undermined by political crises and the vested interests of different confessional groups. At the time of writing, the new government is still not in place, and former ministers are acting as caretakers.

The current political internal and external setting, together with the protracted conflict in Syria, continue to dominate Lebanon's outlook. Seven years on from the beginning of the conflict in Syria, attention is still focused on security issues and on providing a solid response to the Syrian crisis, which is putting tremendous socio-economic pressure on the country. Registered refugees currently account for over one-quarter of the population. This affects local communities and public finances and infrastructure (which are already weak) and contributes to poverty and unemployment.

The government has ambitious plan to restart job-rich growth by 2020, estimated to cost USD 11 billion. The last Brussels Conference on Supporting the Future of Syria and the Region (April 2018) confirmed the need to support the economic development of both Jordan and Lebanon to address the impact of the Syrian crisis. Enhancing access to vocational training for refugees and host communities and implementing skills matching programmes are among the actions to be taken. In this regard, the government announced a youth strategy, including vocational training, which is closely aligned with the needs of the private sector and targets 500 000 young people at risk.

In the education sector, 2018 was a crucial year in defining the strategic orientation of vocational education and training (VET) in the country. The National Strategic Framework for Technical Vocational Education and Training 2018–2022 (TVET) was launched and further steps will be taken to develop its action plan. The strategic framework confirms the government's commitment to promoting a TVET system that provides young people and workers with the competencies and skills required to access decent work and allow businesses to recruit the workforce needed for growth.

The political and economic uncertainty and weak business activity hinder job creation, and negative labour market trends persist. Moreover, there is still no specific employment strategy or action plan to improve labour market performance. The lack of recent data and information on labour market needs and developments hamper efforts to build a labour market and formulate skills development policies. An important development in the field of data collection was the launch of Lebanon's first labour force survey in January 2018, its largest household living conditions survey to date. It will be carried out by Lebanon's Central Administration of Statistics (CAS) with the technical support of the International Labour Organisation (ILO) and funding from the EU.

Lebanon will benefit from financial support from the international community, especially from the EU Syria Trust Fund, which adopted the largest-ever aid package of EUR 165 million for Lebanon in June 2018 to support refugees and local communities. The new projects include the public schooling of refugee children in Lebanon and social assistance for vulnerable refugees and local communities affected by the Syrian crisis in Lebanon and Jordan. The new aid package brings the overall value of Syria Trust Fund projects to over EUR 1.4 billion.

Negotiations on the Mobility Partnership with the EU have come to a standstill, and should restart when the new government is formally in place.

1. KEY DEMOGRAPHIC AND ECONOMIC CHARACTERISTICS

Lebanon's total population increased by more than 25% in seven years: from 4.30 million in 2010 to just over 6 million in 2017. Lebanon is in the midst of a demographic transition, characterised by rapid reductions in fertility rates and significant increases in life expectancy. Characteristics of this middle phase of the transition include the shrinking of the under-14 population, a bulge in the size of the working-age population (15–64 years), as well as considerable growth in the cohort aged 65+[1]. Lebanon thus has an age distribution profile that is somewhere between the regional average and that of more developed regions of the world. There are proportionally fewer children and proportionally more elderly people than in nearby countries.

Population growth has significantly exceeded natural population growth due to a net inflow of migrants into the country. Lebanon has historically been a country of immigration, and diversity is one of its main characteristics. However, the influx of an estimated 1.5 million Syrian refugees since 2011, in addition to the presence of Palestinian refugees caught in a protracted refugee situation (estimates vary between 174 422 and 469 331)[2], has strained public finances, infrastructure and service delivery and has also contributed to the disproportionately rapid growth of the labour force. At the same time, due to previous conflicts and the current socio-economic situation, Lebanon is also a country of emigration. Well-educated Lebanese tend to look for employment opportunities abroad. Of the 15 000 to 20 000 Lebanese who emigrate every year, most go to the Gulf countries (27%) and North America and Australia (46%). Most emigrants (76%) are also aged between 15 and 34[3]. One impact of emigration has been the development of a large and steady stream of remittance income.

Lebanon is a middle-income country with an open and largely service-oriented economy. It has a strong commercial tradition of domestic free trade and investment policies. In 2016, the service sector accounted for 80.08% of the country's gross domestic product (GDP), followed by industry (14.7%) and agriculture (4.5%). Small and medium-sized enterprises (SMEs) remain the main form of business organisation, particularly micro and small enterprises[4]. There is also a large informal sector in the country.

The crisis in Syria is having a profound effect on the Lebanese economy. While slowing output and employment growth, declining worker productivity and per capita GDP were pre-existing trends, the disruption of trade routes and tourism, the influx of refugees and greater political instability caused by the crisis have created added burdens. Among these are greater fiscal pressures and reduced spending on construction and tourist-related activities, which had been the main sources of growth in recent years. In 2017, the real GDP growth rate was 1.2%, down from 2% in 2016, with the main drivers being services and tourism.

According to the World Bank's projections, medium-term economic prospects remain sluggish and macro-financial risks high. Projections indicate that annual growth rates will remain around 2% over the medium term[5]. The economic forecast for the coming years very much depends on the geopolitical context and institutional capacity. A resolution of the Syrian crisis and more regional stability would help to restore the population balance and significantly boost Lebanon's economy by bringing stability and re-establishing commercial relations. The Paris Investor Conference (April 2018) presented a unique opportunity for Lebanon to provide a sustained boost to the economy, attract much needed capital inflows, help stabilise financial and foreign exchange markets, and catalyse job creation. An

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[1] See https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_633487.pdf
[2] Ibid.
[3] See https://www.etf.europa.eu/sites/default/files/m/0DEB50C5BB6ACEC9C12581530038CDD7_Lebanon%20MISMES.pdf
[4] Micro enterprises, which employ fewer than 10 workers, represent 80% of all companies; small businesses account for a further 16%.
[5] See http://documents.worldbank.org/curated/en/189231523637982157/pdf/125256-MEM-April2018-Lebanon-EN.pdf

essential component of this process is the adoption and implementation of a structural reform programme.

The EU supports Lebanon through the implementation of the Partnership Priorities and the EU-Lebanon Compact, both of which were adopted in November 2016. These initiatives focus on countering terrorism; fostering growth and job creation, in particular for women and young people; strengthening the rule of law and democratic governance; and working on migration and mobility. Since the start of the Syrian crisis, the EU has allocated almost EUR 1.3 billion across different instruments. The support includes bilateral aid to Lebanon (EUR 268 million) and assistance in addressing the impact of the Syrian crisis (close to EUR 1 billion). Both host communities and the refugee population have benefited from the support, in particular in the areas of healthcare, education and infrastructure.

2. EDUCATION AND TRAINING

2.1 Trends and challenges

Lebanon has a relatively low-skilled labour force, as 66.5% of the adult population has a low level of education and only 17.9% has a high level of education (2012 data). Although the youth literacy rate (among 15 to 24-year-olds) is high at around 99% for both males and females[6], the Lebanese public education system is characterised by low learning and high dropout rates. The education data that is currently available for Lebanon reveals that a significant majority of children enrolled in formal basic education have been unable to successfully complete formal basic education and make the transition to secondary education[7].

In 2013, 2.48% of GDP was spent on education, which is low compared to other middle-income countries[8]. Lebanon has both a private and a public (government) education system. The former charges for admission, while the latter is practically free of charge. Private schools, the overwhelming majority of which are dependent on various religious communities, have a long and strong tradition in Lebanon. This has led to a great variety of educational institutions in the country, which may be considered a reflection of the openness of the government to the international community.

One of the main deficiencies in the education sector is the lack of reliable national education data that can be meaningfully used for programming policy interventions. A lack of timely information and insufficiently detailed disaggregated enrolment figures hamper evidence-based programming. The Ministry of Education and Higher Education is in the process of digitising data collection – both centrally and at school level. The ministry is collaborating with education partners (mainly UN agencies) to conduct a comprehensive study on out-of-school children. This will provide policymakers with information about the scale of the problem, barriers to access and gaps in data, and will improve resource allocation to bring children back to school[9].

In 2013, to improve access to education, the Ministry of Education and Higher Education opened its public schools to host Syrian and Palestinian refugees from Syria, adding a second afternoon shift to expand participation. As a result, around 70% of refugee children (aged 6–14) were enrolled in school in 2017 compared to just 52% the year before[10]. The increased enrolment can partly be explained by consistent donor support and targeted outreach campaigns. For example, the Ministry of Education

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[6] See http://uis.unesco.org/country/LB
[7] See http://files.unicef.org/transparency/documents/Lebanon_Education_StrategyNote_3MAY2016.pdf
[8] See http://uis.unesco.org/country/LB
[9] See https://reliefweb.int/sites/reliefweb.int/files/resources/LCRP2018_EN_Full_180122.pdf
[10] Ibid.

and Higher Education joined forces with donors for the launch of the Back to School (BTS) campaign, entitled 'School Heroes', for the 2017–2018 school year.

TVET is generally associated with academic failure and poor-quality provision. The association of TVET-level jobs with low wages, poor working conditions and lack of career prospects has discouraged young people from enrolling in VET courses at secondary and post-secondary level. Only 14.1% of students enrolled in secondary education and 24.2% enrolled in upper secondary education opted for a vocational track in 2016. The unattractiveness of the VET system could be due to its weak links with the labour market, which exacerbates the difficult transition from the education system to the labour market. The system also suffers from an uneven geographical distribution of schools across the country. Moreover, although the conditions for entering the VET education system are transparent, the process of advancing to higher education is not smooth and is often perceived as restrictive by VET graduates wishing to continue their studies.

Lebanon participated for the first time in the Programme for International Student Assessment (PISA) exercise in 2015. Participants scored poorly in all tested areas: reading: 70%, science: 60.2% and mathematics 62.6%. Overall, PISA results showed the need to focus on tackling the issues leading to underperformance, to address the issue of school dropout and to assist those struggling with school performance in earlier grades. Revision of pedagogical methodologies and practices, of curriculum contents and approaches and excellence in pre-service teacher training and in the recruitment of teachers are key.

2.2 Education and training policy and institutional setting

Education has traditionally been highly valued in Lebanon. In 2010, the government approved a National Education Strategy Framework and a related Education Sector Development Plan (for general education) to cover the period 2010 to 2015. The plan included more detailed strategy and development objectives covering access, quality of education for a knowledge society, and the education system's role in achieving economic and social objectives. However, it was not followed by a new strategy covering the period from 2016 onwards.

Recent years have seen an increasing socio-political awareness of the importance of education and training for sustainable and cohesive socio-economic growth. In 2014, with the support of the international community and civil society, the Lebanese government developed a multi-year, multi-stakeholder national response plan entitled Reaching All Children with Education (RACE I) (2014–2016). Its objective was to provide quality education opportunities to all children in Lebanon who have been affected by the Syrian crisis. It progressively ensured the mainstreaming of refugee children into the national education system. RACE II (2017–2021) envisages furthering inclusive education for the most vulnerable children in Lebanon by increasing access to education, improving the quality of service delivery and strengthening the national education system.

2018 was a crucial year in defining the strategic orientation of TVET in the country, with the launch of the National Strategic Framework for TVET 2018–2022 and further development of its action plan**.** The strategic framework confirms the government's commitment to promoting the TVET system, which provides young people and workers with the competencies and skills required to access decent work and allows businesses to recruit the workforce they need for growth. The framework is developed through three main axes: i) expanded access and service delivery; ii) enhanced quality and relevance of TVET provision; and iii) improved TVET governance and systems. These axes will be realised through eight building blocks. The framework also represents an important step towards better collaboration between government institutions and a stronger partnership with the private sector.

The education system is governed by the Ministry of Education and Higher Education. A number of bodies work under the auspices of the ministry: Directorate General of Education, Directorate General of Higher Education and Directorate General of Technical and Vocational Education (DGVTE), which is responsible for both initial and continuing TVET. The public VET training providers (representing around 40% of the overall training offering) do not have enough autonomy to take management decisions at a local level and depend fully on DGVTE management. At the same time, large numbers of private training providers have management and funding independence, providing they use the state examination system, and are subject to some DGVTE quality control measures.

In addition, a number of ministries and government agencies are responsible for vocational training provision for unemployed people and other specific target groups, especially Syrian refugees. The main institution offering adult education and continuing training courses is the National Employment Office (NEO), which operates under the auspices of the Ministry of Labour. The chambers of commerce also offer training courses through their own centres. As a result of the protracted Syrian crisis, there is a proliferation of service providers offering private accelerated training. These are NGOs or companies that have their own curricula and training schemes, and thus are not connected to or directly supervised by the DGVTE. All of this creates a significant fragmentation in the TVET system and somehow moves the focus from formal to informal TVET.

While there is no national quality assurance system for the TVET sector, the DGVTE has established some measures of quality control, such as accreditation of TVET providers and programmes. Also, students in public and private TVET must take the national examinations endorsed by the DGVTE. Minimum quality assurance procedures are in place for qualifications, although curricula do not fully incorporate educational and quality standards and have not yet been fully upgraded.

ProVTE is an EU-funded project which was launched in February 2017 and is being implemented by GIZ (a German development agency). It supports practice orientation and work-based learning in VET provision in Lebanon by encouraging the introduction of a strategic shift towards a more competence-based teaching and learning system. To improve dialogue between representatives of various economic sectors and public institutions responsible for VET, the ProVTE project envisages the establishment of one or more sector skills councils as a bridge between the labour market and the training systems to ensure the labour market relevance of skills.

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 could move more swiftly and respond to the changing socio-economic environment, government structures remain slow and, in some cases, paralysed. This specificity of Lebanon also influences education reforms and the education system.

3. LABOUR MARKET AND EMPLOYMENT

3.1 Trends and challenges

The Lebanese labour market faces significant challenges. It is characterised by low labour market participation and employment rates, particularly among women; high unemployment rates, particularly for women and young people; low levels of job creation, particularly in value-added sectors; a significant number of workers engaged in the informal sector; large-scale immigration and forced displacement from other parts of the Arab world, particularly from Syria; emigration of skilled young Lebanese workers; and significant occupational segregation and skills mismatch.

The Syrian crisis has had a significant negative impact on the Lebanese labour market and has amplified pre-existing structural weaknesses. According to World Bank estimates, an additional 250 000 to 300 000 Lebanese citizens have become unemployed, most of them unskilled young people, due to the Syrian crisis[11]. The majority of refugees are low- or semi-skilled workers, primarily active in agriculture, construction and personal and domestic services. Even though these sectors have traditionally been dominated by migrant workers, job competition has sometimes fuelled tension

[11] See http://www.worldbank.org/en/country/lebanon/overview

between the refugees and Lebanese host communities. Early estimates suggest that unskilled wages in some areas have fallen by as much as 50%[12].

Significant gaps currently exist in the collection and assessment of timely and credible primary labour market data at both national and regional level. Labour market data is outdated, the most recent being the Multiple Indicator Cluster Survey published by the Central Administration of Statistics (CAS) in 2009 and the Household Expenditure Survey (CAS, 2012). In the absence of recent primary data, and in light of rapid and substantive demographic changes in the country, assessing Lebanon's labour market presents challenges. To address this issue, the CAS launched the Labour Force and Households' Living Conditions Survey in January 2018. This survey will be carried out with technical support from the ILO and funding from the EU. Preliminary results are expected in the last quarter of 2018 and full results are to be released in 2019.

Lebanon had a low and stagnant activity rate of 38.7% in 2012, which reflects a low female activity rate of 23.5%. According to recent ILO estimates, 44.2% of the working-age population was economically active in 2017, with a female labour force participation rate of just over 21% compared with 66.9% among males over the age of 15. The low employment and low activity rates of females can be attributed to social, cultural and economic factors. The unemployment rate was estimated at 6.3% in 2017, with youth unemployment (among the 15–24 age group) estimated at 16.5%[13].

The main factors driving persistent poverty and the lack of inclusive economic growth are weak job creation and low-quality jobs. Overall, the structure of employment in Lebanon has been shifting towards services: 76.3% of the workforce was employed in this sector in 2012. This is accompanied by a decline in productive activities such as manufacturing and agriculture. As a result, employment has become more concentrated in fewer activities with relatively low levels of productivity. The labour market is also affected by the large size of the informal sector. According to the ILO's 2015 report, the overall informality ratio for Lebanon is 44.1%, representing an estimated 614 000 people. Informality in the labour market is characterised by the absence of explicit and registered work contracts and/or social security coverage for workers[14].

As the Lebanese economy does not generate enough high-skilled jobs to absorb university graduates, higher education has not led to better labour market outcomes. In general, only 40% of graduates work in jobs that are a very good match for their qualifications, while 20% work in occupations that do not match their educational fields[15]. According to the United Nations Development Programme (UNDP), the 'skills gap' is the most striking obstacle facing the Lebanese labour market. Two types of skills gap apply in Lebanon's case: the first type occurs when the supply of labour and vacancies is sufficient but the 'demands and wishes' of both employers and employees diverge; the second type occurs when there is a skills mismatch between supply and demand due to information asymmetries. Additionally, geographical disparities with regard to access to education exacerbate the mismatch and inequality between rural and urban areas, and thus lead to fewer opportunities for accessing the labour market[16].

Young Lebanese people, particularly highly skilled young people, have consequently been discouraged from seeking employment in Lebanon, with as many as 37% expressing an aspiration to

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[12] See http://www.europarl.europa.eu/RegData/etudes/BRIE/2017/599379/EPRS_BRI%282017%29599379_EN.pdf

[13] See https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_633487.pdf

[14] Ajluni, S. and Kawar, M., International Labour Organization (ILO), *Towards decent work in Lebanon: issues and challenges in light of the Syrian refugee crisis*, Regional Office for Arab States, Beirut, 2015.

[15] Dibeh, G., Fakih, A. and Marrouch, W., *The Poor and Marginalized in Lebanon: Labor Market Challenges and Policy Implications*, SAHWA Policy Paper, 01, 2016.

[16] United Nations Development Programme (UNDP), Mind the gap. A labour needs assessment for Lebanon, UNDP, Beirut, 2016.

permanently work abroad[17]. The emigration and immigration of workers has had a significant impact on the labour market. Emigration has created a situation in which a relatively large number of young and well-educated people have left the country, creating a relative scarcity of skills and resulting in a need to hire foreign workers to fill the gap. Many refugee workers accept lower wages (even below the Lebanese minimum wage) and less favourable working conditions in order to gain employment. While this practice may provide a short-term solution in meeting the demand for labour, this may potentially lead to longer-term problems related to the future supply of qualified Lebanese workers and may encourage the expansion of low-productivity economic activities in the country.

3.2 Employment policy and institutional setting

Despite a clear need, Lebanon has no specific employment strategy or action plan. Its employment policy is fragmented. Various institutions are in charge, but they have limited coordination mechanisms and limited resources to fulfil their mandates. The Ministry of Labour is responsible for labour-related legislation and policies, including employment conditions, labour relations and labour inspection. However, its role is quite limited, also due to a lack of resources. Since early 2017, the ministry has been planning to upgrade its capacities with a number of new staff. This process is still ongoing.

The National Employment Office (NEO) is the main body implementing labour market policies. Training courses offered by NEO are the main form of active labour market programmes (ALMPs) provided in Lebanon. These courses are outsourced to private providers and non-governmental organisations (NGOs) and are aimed at unemployed people, with a focus on disabled people. Although NEO has a broad mandate[18], it does not have the capacity to be fully operational. It suffers from severe staff shortages, limited budget availability and very few offices throughout the country (Beirut, Tripoli and Sidon). Some positive news is that 30 new staff (20 specialists and 10 administrators) will join NEO at the end of July 2018 and will be allocated to the different offices. Moreover, NEO should soon get a loan of USD 45 million from the World Bank to relaunch the jobseekers programme. Considering this additional funding to the organisation, NEO would need comprehensive reform in order to adapt its services to the labour market, use anticipation and matching tools to link its training provision to labour market needs and ensure a proper career guidance system.

Another government institution involved in the provision of training-related ALMPs is the Vocational Training Centre, which operates under the auspices of the Ministry of Labour and the Ministry of Social Affairs. It provides short vocational training programmes in 58 of its social development centres. Most of the training programmes are supply-driven and are somewhat detached from private sector needs. Programmes are largely based on in-class training and rarely involve on-the-job training or internships.

In addition, private employment agencies are increasingly gaining ground in Lebanon, mainly offering services to migrant workers coming to work in Lebanon. Some attempts have been made to regulate these agencies, especially those dealing with domestic workers, but Lebanon has not yet ratified the ILO Convention 181 on Private Employment Agencies (1997) or the Convention 189 on Decent Work for Domestic Workers (2011).

Passive labour market and social protection policies are also underdeveloped. The current national social security system provided by the National Social Security Fund (NSSF) covers approximately only half the Lebanese labour force. The NSSF mostly provides end-of-service indemnity, sickness

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[17] See https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_633487.pdf

[18] NEO's objectives include conducting studies and research to formulate employment policies for Lebanon; improving the employability and skill level of new entrants to the labour market through accelerated vocational training; finding job opportunities for jobseekers; and increasing the employability of people with disabilities.

and maternity insurance, and family and education allowances. It has 35 offices throughout the country and inspects enterprises and work sites to verify that companies contribute to social security.

There is no labour market information system in Lebanon. Most of the existing surveys and analyses are performed with the financial support of donors and are not repeated over time. The Ministry of Labour is currently working on designing and implementing a national employer's survey aimed at better understanding the demand for workers. The survey will also identify and analyse vacancies and skills needs within companies. The relevance of the survey has been highlighted by the active involvement of the public and private stakeholders and should represent a step forward to better dialogue between the business sector and the national authorities dealing with employment and education.

No systematic school-to-work transition surveys are currently conducted. Hence, the system lacks the instruments needed to gain an understanding of the problems associated with the transition from education to work. Some progress has been made as part of the Governance for Employability in the Mediterranean (GEMM) initiative, funded by the EU and implemented by the ETF. This initiative established Guidance Employment Offices (GEOs) in six Lebanese public schools. The role of these offices is to support VET graduates in making the transition from school to work; they also focus on practice orientation and work-based learning in VET. This model is currently replicated and expanded through the 'Technical assistance for a more practice-oriented VTE in Lebanon' project, which is funded by the EU and implemented by GIZ.

The labour market integration of migrants and displaced people poses additional challenges. Initially, the Ministry of Labour formally permitted Syrian nationals in Lebanon to work in the agriculture, construction and environment sectors, where there are labour shortages[19]. In early 2015, Lebanese authorities issued new regulations and rules declaring that Syrians seeking residency in Lebanon must sign a pledge not to work. In 2016, this was replaced by a pledge to abide by Lebanese law. The pledges were intended to reduce local job competition resulting from the high influx of refugees.

The Lebanese government has underlined job creation as a key priority in stabilising the country following the Syrian conflict. The Lebanon Crisis Response Plan 2017–2020 includes activities to stimulate local economic development and market systems to create income-generating opportunities and employment. It envisages that 37 000 temporary opportunities will be created for vulnerable people through public works in 2018. Its underlying approach will be 'Making Markets Work for the Poor' (M4P), which aims at enhancing the capacity of local service providers and SMEs to increase employment opportunities and ensure inclusive and sustainable economic development. It also envisages the delivery of short-term, accelerated courses aimed at quickly addressing gaps in the labour market and increasing the employability of the most vulnerable, who are typically not able to join the formal system. This will be done in conjunction with supporting the capacity of the formal TVET system and schools in collaboration with education sector partners[20].

The Subsidised Temporary Employment Programme (STEP) was launched in 2017. The programme aims to incentivise SMEs to expand production and create new permanent jobs for predominantly low-skilled Lebanese workers and temporary jobs for Syrian refugees. STEP is expected to achieve this through the provision of finance and employment incentives, as well as a flexible package of technical assistance to facilitate access to business development services.

Despite these efforts, the capacity to develop and implement coherent economic and labour market policies and develop appropriate institutions so far appears to be limited. Defining and implementing policies could be more effective in partnership with the rather active business community in Lebanon, which is usually willing to assist these processes. Awareness of the importance of cooperation between business and education is increasing and can only improve in the coming years if the new

[19] Decree 197 of the Ministry of Labour (December 2014).
[20] See https://reliefweb.int/sites/reliefweb.int/files/resources/LCRP2018_EN_Full_180122.pdf

government rapidly becomes operational and can remedy the historical weakness of the Lebanese administration.

LEBANON: STATISTICAL ANNEX

Annex includes annual data from 2012, 2016 and 2017 or the last available year (Last update: 04/-09/2018)

	Indicator		2012	2016	2017
1	Total Population (000) (1)		4,924	6,007	6,082
2	Relative size of youth population (age group 15-24, %) (1)		29.4	28.0	27.2
3	Youth Dependency ratio (%)		34.8	34.6	33.8
4	Old Dependency ratio (%)		12.1	12.2	12.4
5	Global Competitive Index	Rank	91	101	105
		Score	3.9	3.8	3.8
6	GDP growth rate (%)		2.8	2.0	2.0
7	GDP per capita (PPP) (current international $)		15335	14309	14676
8	GDP by sector (%)	Agriculture added value	3.7	4.5	M.D.
		Industry added value	15.3	14.7	M.D.
		Services added value	73.0	88.08	M.D.
9	Poverty headcount ratio at $2 a day (PPP) (%)		M.D.	M.D.	M.D.
10	Gini index (%)		M.D.	M.D.	M.D.
11	Educational attainment of adult population (aged 25-64 or 15+) (%)	Low (2)	64.3 (2009)	66.5 (2012)	M.D.
		Medium	17.3 (2009)	15.3 (2012)	M.D.
		High	18.2 (2009)	17.9 (2012)	M.D.
12	Gross enrolment rates in secondary education (%)		71.1	60.0	M.D.
13	Share of VET students in secondary education (%)		14.6	14.1	M.D.
14	Gross enrolment rates in upper secondary education (%)		60.6	51.9	M.D.
15	Share of VET students in upper secondary education (%)		26.5	24.2	M.D.
16	Low achievement in reading, mathematics and science – PISA (%)	Reading	N.A.	70.4 (2015)	N.A.
		Mathematics	N.A.	60.2 (2015)	N.A.
		Science	N.A.	62.6 (2015)	N.A.

	Indicator		2012	2016	2017
17	Participation in training/lifelong learning (age group 25-64) by sex (%)	Total	M.D.	M.D.	M.D.
		Male	M.D.	M.D.	M.D.
		Female	M.D.	M.D.	M.D.
18	Early leavers from education and training (age group 18-24) by sex (%)	Total	M.D.	M.D.	M.D.
		Male	M.D.	M.D.	M.D.
		Female	M.D.	M.D.	M.D.
19	Activity rates by sex (aged 15+) (%)	Total	35.8 (2009)	38.7 (2012)	M.D.
		Male	53.9 (2009)	55.4 (2012)	M.D.
		Female	17.3 (2009)	23.5 (2012)	M.D.
20	Employment rates by sex (aged 15+) (%)	Total	44.6 (2009)	44.9 (2012)	M.D.
		Male	69.2 (2009)	66.9 (2012)	M.D.
		Female	20.4 (2009)	23.7 (2012)	M.D.
21	Unemployment rates by sex (aged 15- 64) (%)	Total	6.4 (2009)	9.7 (2012)	M.D.
		Male	5 (2009)	7.7 (2012)	M.D.
		Female	10.4 (2009)	13.8 (2012)	M.D.
22	Unemployment rates by educational attainment (aged 15+) (%)	Low (3)	4.6 (2009)	8.1 (2012)	M.D.
		Medium	7.7 (2009)	13.9 (2012)	M.D.
		High	8.8 (2009)	11.4 (2012)	M.D.
23	Youth unemployment rates by sex (aged 15-24) (%)	Total	16.8 (2009)	M.D.	M.D.
		Male	14.6 (2009)	M.D.	M.D.
		Female	22.3 (2009)	M.D.	M.D.
24	Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)		M.D.	M.D.	M.D.
25	Long-term unemployment rate (aged 15+) (%)		M.D.	M.D.	M.D.
26	Incidence of self-employment (%)		36.9 (2009)	28.9 (2012)	M.D.

	Indicator		2012	2016	2017
27	Share of the employed in a public sector (%)		12,3 (2009)	M.D.	M.D.
28	Employment by sector (%)	Agriculture	6.3 (2009)	4.5 (2012)	M.D.
		Industry	21,0 (2009)	19.3 (2012)	M.D.
		Services	72,7 (2009)	76.3 (2012)	M.D.
29	Employment in the informal sector		M.D.	M.D.	M.D.
30	Proportion of people aged 15–24 not in employment, education or training (NEETs), by sex (%)	Total	21.3 (2007)	M.D.	M.D.
		Male	16.0 (2007)	M.D.	M.D.
		Female	27.3 (2007)	M.D.	M.D.
31	Public expenditure on education (as % of GDP)		2.2	2.6 (2013)	M.D.
32	Public expenditure on education (as % of total public expenditure)		7.1	8.6 (2013)	M.D.
33	Skill gaps (%)		55.5 (2009)	15.3 (2013)	M.D.
34	The share of SMEs in GDP (%)		M.D.	M.D.	M.D.
35	The share of SMEs in employment (%)		M.D.	M.D.	M.D.

Sources:
Indicators 1, 2 - UNDP_WPP17, Medium Variant estimates for 2016 and 2017.
Indicators 3, 4, 6, 7, 8 – World Bank, World Development Indicators
Indicator 5 – World Economic Forum
Indicators 11, 19, 20, 21, 22, 23, 24, 25, 26, 28 – EUROSTAT
Indicators 12, 13, 14, 15, 31, 32: UIS UNESCO
Indicator 16 - OECD
Indicator 27 – National Statistical Office of Lebanon (CAS)
Indicator 30 - ILOSTAT
Indicator 33 – World Bank, Enterprise surveys

Legend:
N.A. = Not Applicable
M.D. = Missing Data

Notes:
(1) estimations taking into account Syrian migration.
(2) Includes no schooling
(3) ISCED 0-1

ANNEX: INDICATORS' DEFINITIONS

	Description	Definition
1	Total population (000)	The total population is estimated as the number of persons having their usual residence in a country on 1 January of the respective year. When information on the usually resident population is not available, legal or registered residents can be considered.
2	Relative size of youth population (age group 15-24) (%)	The ratio of the youth population (aged 15–24) to the working-age population (usually aged 15–64 or 15–74).
3	Youth Dependency ratio (%)	The ratio of younger dependants (people younger than 15) to the working-age population (those in the 15–64 age group).
4	Old Dependency ratio (%)	The ratio of older dependants (people older than 64) to the working-age population (those in the 15–64 age group).
5	Global Competitiveness Index	The Global Competitiveness Index assesses the competitiveness landscape providing inside into the drivers of countries' productivity and prosperity. It expressed as scores on a 1 to 7 scale, with 7 being the most desirable outcome.
6	GDP growth rate (%)	The annual percentage growth rate of GDP at market prices based on constant local currency.
7	GDP per capita (PPP) (current international $)	The market value of all final goods and services produced within a country in a given period of time (GDP), divided by the total population, and converted to international dollars using purchasing power parity (PPP) rates.
8	GDP by sector (%)	The share of value added from Agriculture, Industry and Services.
9	Poverty headcount ratio at $2 a day (PPP) (%)	The percentage of the population living on less than $2.00 a day at 2005 international prices.
10	Gini index (%)	Gini index measures the extent to which the distribution of income (or, in some cases, consumption expenditure) among individuals or households within an economy deviates from a perfectly equal distribution. A Gini index of 0 represents perfect equality, while an index of 100 implies perfect inequality.
11	Educational attainment of adult population (25-64 or aged 15+) (%)	Educational attainment refers to the highest educational level achieved by individuals expressed as a percentage of all persons in that age group.
12	Gross enrolment rates in secondary education (%)	Number of students enrolled in a given level of education, regardless of age, expressed as a percentage of the official school-age population corresponding to the same level of education.
13	Share of VET students in secondary (%)	The proportion of VET students in secondary education out of the total number of pupils and students in secondary education (general + VET)
14	Gross enrolment rates in upper secondary education (%)	Number of students enrolled in a given level of education, regardless of age, expressed as a percentage of the official school-age population corresponding to the same level of education.
15	Share of VET students in upper secondary education (%)	The proportion of VET students in upper secondary education out of the total number of pupils and students in upper secondary education (general education + VET)

	Description	Definition
16	Low achievement in reading, maths and science – PISA (%)	The share of 15-years-olds falling to reach level 2 in reading, mathematics and science.
17	Participation in training/lifelong learning (age group 25-64) by sex (%)	The share of persons aged 25–64 who stated that they received education or training in the four weeks preceding the (LFS) survey.
18	Early leavers from education and training (age group 18-24) by sex (%)	The percentage of the population aged 18–24 with at most lower secondary education who were not in further education or training during the four weeks preceding the (LFS) survey. Lower secondary education refers to ISCED 1997 level 0–3C short for data up to 2013 and to ISCED 2011 level 0–2 for data from 2014 onwards.
19	Activity rates by sex (aged 15+) (%)	Activity rates represent the labour force as a percentage of the population of working age.
20	Employment rates by sex (aged 15+) (%)	Employment rate represents persons in employment as a percentage of the population of working age.
21	Unemployment rates by sex (aged 15+) (%)	Unemployment rate represents unemployed persons as a percentage of the labour force.
22	Unemployment rates by educational attainment (aged 15+) (%)	Educational levels refer to the highest educational level successfully completed. Three levels are consider: Low (ISCED level 0-2), Medium (ISCED level 3-4) and High (ISCED 1997 level 5–6, and ISCED 2011 level 5–8)
23	Youth unemployment rates by sex (aged 15-24) (%)	Youth unemployment rate represents young unemployed persons aged (15-24) as a percentage of the labour force (15-24).
24	Proportion of long-term unemployed out of the total unemployed (aged 15+) (%)	Number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of unemployed persons aged 15+.
25	Long-term unemployment rate (age 15+) (%)	Number of unemployed persons aged 15+ who are long-term unemployed (12 months or more) as a percentage of the labour force aged 15+.
26	Incidence of self-employment (%)	The share of self-employed as a proportion of total employment. Self-employment includes employers, own-account workers, members of producers' cooperatives and contributing family workers.
27	Share of the employed in a public sector (%)	The share of employed in a public sector as a proportion of total employment.
28	Employment by sector (%)	The share of employed in Agriculture, Industry and Services.
29	Employment in the informal sector	Share of persons employed in the informal sector in total non-agricultural employment.
30	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	The percentage of the population of a given age group and sex who is not employed and not involved in further education or training.
31	Public expenditure on education (as % of GDP)	Public expenditure on education expressed as a percentage of GDP. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit

	Description	Definition
		organisations. Both types of transactions together are reported as total public expenditure on education.
32	Public expenditure on education (as % of total public expenditure)	Public expenditure on education expressed as a of total public expenditure. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit organisations. Both types of transactions together are reported as total public expenditure on education.
33	Skill gaps (%)	The percentage of firms identifying an inadequately educated workforce as a major constraint.
34	The share of SMEs in GDP (%)	The share of GDP contributed by small and medium businesses.
35	The share of SMEs in employment (%)	The share of persons employed in small and medium businesses.

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