4. Education Policies: Improving Skills and Employability

4.1 Education has been a priority for Tunisia since the country gained independence in 1956. During the evaluation period, that emphasis continued. Education is regarded as key to improving competitiveness, increasing employment, and to gradually positioning Tunisia as a knowledge based economy in support of the principal goals of the government (to boost employment and diversify the economy).

Background and Context

4.2 Prior to the evaluation period, Tunisia had already made significant advances in enrollment and completion rates in basic education. By 2000, Tunisia had resolved most issues related to access to primary education. In 2005, 97 percent of children aged 6 to 11 years were enrolled at school, well on track to reach relevant Millennium development objectives. Improvements in primary enrollments and in completion rates in primary education led to a rapid increase in demand for both the second cycle of basic education (“collège”) and secondary education (“lycées”). Net enrollment reached 75.5 percent for the 12 to 18 year old age group in 2004/05. In that year, completion rates were much higher for girls than for boys in both basic (62.8 versus 41.9 percent) and second level education (62.2 versus 48.2 percent).

4.3 However, the quality of the education system remained a concern. Results for Tunisian Students who participated in the Third International Mathematics and Science Study (TIMSS 2003) and in the Program for International Student Assessment (PISA 2003) show Tunisia ranked close to the bottom. For example, the results of the PISA test in mathematics indicated that less than 25 percent of Tunisian students performed above Level 2 (scale runs from lowest level 1, to highest level 6) compared with most OECD countries where at least three quarters of students perform at or above level 2.

4.4 The increase in the secondary level student population, and the opportunity to automatically gain admittance to the public university system with the baccalaureate, contributed to a tripling of the numbers at third level between 1995 and 2005. The supply side accommodated increased enrollments through: (i) an
increase in the student teacher ratio (from 11:1 to 22:1); (ii) the expansion of short, professionalized cycles, and Higher Institutes of Technology (ISETs) (from 10–23 percent of students over 1998–04); and (iii) improved flexibility in the pedagogic system with the introduction of a modular credit system that allowed students to repeat failed subjects rather than the entire academic year, as was previously the case. These reforms led to an increase in the internal efficiency of higher education; however, the system continued to rely heavily on state expenditure with negligible progress made in improving cost recovery, thereby raising questions regarding the overall sustainability of the system in the face of continued expansion of the student population. The government passed a law in 2000 in support of the development of private sector institutions, but the private sector response was tepid.

4.5 Despite the significant investment in education in Tunisia, graduates from secondary and tertiary levels faced persistent challenges on the labor market, primarily related to a mismatch between graduate skills and labor market requirements. In 2004, 46 percent of university graduates were unemployed or still searching for a job 18 months after having completed their diploma. The situation for women (25.8 percent participation rate) was far more difficult than for men (76 percent participation rate). A 2004 tracer study showed that graduates of ISETs and professional programs enjoyed greater success rates than other undergraduates in finding employment.

The Government’s and World Bank Group Objectives

4.6 The 10th National Development Plan (NDP, 2002–06) clearly defines education as a determining factor in fostering the emergence of a knowledge economy. Similarly, the 11th NDP (2007–11) lays out the goal for Tunisia to establish an information society and a knowledge-based economy with a focus on the development of human capital.

4.7 At primary and second levels, the government continued to implement the reform program launched in 2000 called “The School of Tomorrow” (Ecole de Demain). The program focused on a wide range of measures spanning, for example: new curricula, teaching and learning methods; professionalizing the teaching profession; decentralizing the education system and greater levels of parent and community involvement; making the education system more equitable and inclusive; and modernizing schools by integrating new information technologies into curricula and management.
4.8 For tertiary education, the government developed a comprehensive strategy to respond to the challenges of the system with reference to expanding access; improving the knowledge, competency and skills of graduates; and improving the institutional performance and autonomy of universities. It also developed a program for higher education reforms for the period 2006–14 (PDESAQ) Programme de Développement de l’Enseignement Supérieur et d’Appui à la Qualité, which sought to improve access, cost-efficiency, and relevance, and to enhance the employability of graduates as well as the overall financial sustainability of the system.

4.9 The development of the education sector was one of the Bank’s top priorities for Tunisia during the evaluation period. The CAS FY05–08 aimed to enhance the skills and employability of graduates towards the realization of a knowledge economy. This was to be achieved through improving the quality, relevance and financial sustainability of the education sector. The employment challenge was central to the CPS FY10–13 that aimed at increasing employability from two perspectives: (i) improving the alignment between the needs of the labor market and the supply of skilled personnel; and (ii) supporting reform of the labor market. After the January 2011 revolution, the Bank’s objectives in the ISN FY13–14 focused primarily on supporting the new government’s priorities, especially in terms of structural reforms and employment.

4.10 The following sections review the policy reforms undertaken in Tunisia to improve access, quality and efficiency in basic, secondary and tertiary education and to improve overall employability of secondary schools and university graduates.

**Improving Basic and Secondary Education**

**RESULTS**

4.11 This section reports on progress made (subject to the availability of official statistics) from 2005 to 2013: (i) broaden access and completion rates in education, (ii) foster inclusive basic education, (iii) improve the quality of education and diversify secondary education through pedagogic reforms, and (iv) improve school management.

- **Broadening access and completion rate**

4.12 Between FY05 and FY13, notable progress was made in enrolment in both basic and secondary education. Net enrolment increased for all age groups, but enrolment rates for girls are higher both in the second cycle of basic education and secondary education, with the differential increasing as children get older.
4.13 This was accompanied, on the one hand, by improvement in completion rates at primary level, and, on the other, by persistent repetition and drop-out (particularly among boys) at the second cycle of basic education, and at secondary level. While the completion rate in basic education has increased from 51.9 percent in 2004–05 to 60.7 percent in 2009–10, completion rates in secondary education have been volatile. Between 2004 and 2005 and 2009 and 2010, the completion rate at second level decreased from 54.8 percent to 53.7 percent, which was well below targeted rates, noting these rates of completion were impacted during the period by changes in the Baccalaureate examination. In the second cycle of basic education, drop-out and repetition rates from public schools remains high. The high rates of drop-out and repetition represent an acute problem and are associated with the abolition of the former access exam that regulated entry from primary to college and from college to secondary education. This development resulted in a growing heterogeneity in ability among post-primary students presenting more complex pedagogical challenges that were not addressed by appropriate supportive measures. A gender assessment of the overall evolution of the completion rate is a source of concern with boys significantly underperforming. In 2010, the completion rate for girls exceeded that for boys by 18 percentage points in basic education (69 percent versus 51 percent), and 15 percentage points (60.6 percent versus 45.3 percent) at secondary level. Drop out and repetition rates were twice as high for boys as for girls in the second cycle of basic education. As outlined in appendix L, the issue for women in Tunisia is not related to access to or benefit from education per se, but is more to do with access to employment.

✓ Fostering inclusive basic education

4.14 The government made an effort to further develop equal schooling opportunities but, without a sound monitoring and evaluation system, it is not yet possible to report on the impact of these efforts on learning outcomes. The government implemented specific programs to integrate vulnerable children into mainstream schools. It extended the priority school programs (PEPE) targeting poor children in both lower and upper basic education. Also, since 2000, the government decided to create a preparatory class for children before they enter primary school. Interventions were focused in rural or urban areas where kindergarten programs were not provided by NGOs (association) or the private sector. Through the evaluation period, the Kindergarten program was expanded with classes established in low-income areas such that 83 percent of children are now attending kindergarten. There are no studies that provide evidence regarding the impact of this program, although the program was held up as a success by some officials from the Ministry of Education. The government has started a
program in 2003-04 to progressively integrate children with disabilities into mainstream schools.

✓ IMPROVING THE QUALITY OF EDUCATION AND DIVERSIFYING SECONDARY EDUCATION

4.15 The government introduced reforms to improve the quality of primary and secondary education, and respond to the needs of the increasing diversity among students in secondary education, but failed to monitor and assess their impact.

4.16 First, the government attempted to revise education curricula to make them more relevant to the needs of the economy. A generalized competency-based learning approach, Approche par compétence (APC), was introduced at primary level in 2005-06, and teachers were trained in the new curricula and teaching methods. In practice, this new methodology triggered resistance from some teachers and school inspectors, and some of them felt they didn’t receive enough support to successfully implement the APC methodology. The implementation of these reforms (the introduction of the APC methodology and related teacher training) was never properly monitored, and no recent evaluation has been conducted to measure the impact of these new pedagogic programs on learning in primary school and to fine-tune the introduction and support to this important education reform. The introduction of APC was not generalized in the second cycle of basic education as initially envisaged, and this led to a break in the curriculum and in teaching and learning methods between the first and second cycle of basic education.

4.17 Second, the government initiated new programs to diversify secondary level curricula and develop more learning tracks with links to technical and vocational training, but these programs still have limited application.

4.18 Third, the Ministry of Education also launched the creation of “Instituts des Métiers de l’Éducation et de la Formation” (IMEF) to improve the quality of the initial education of teachers, enhance the orientation and selection process of candidates and develop in-service training programs. However, strong concern was expressed during field interviews regarding the shortening of teachers’ pre-service education (to a few months). Our interlocutors believed the current training to be inadequate in terms of providing teachers with necessary skills.

4.19 Tunisian Students continue to underachieve as measured by international tests. When the government opted for the automatic progression of students from primary to secondary education, it was decided to implement a national assessment at Grade 4 to measure the quality of student attainment. The test was eventually implemented for the first time in 2005; however, data on results was not made available at the time, and a national assessment test has not been carried out since.
Tunisia now relies exclusively on international tests to assess the relative quality of learning in basic education. Tunisia became one of the first countries in the region to participate in the “trends in International Mathematics and Science Study” (TIMSS), which is conducted every four years, and the Program for International Student Assessment (PISA), which is conducted every three years. The results of the TIMSS showed some minor improvement between 2007 and 2011, but, overall, learning outcomes are low, with fewer Tunisian students passing the low international baseline for 4th and 8th grade in mathematics and science than the international average. Similarly, PISA results (2012 compared with 2006) show some progress, especially in mathematics, although Tunisia is ranked in math in the lower segment of the 65 participating countries (57th). Until recently, the results of these tests were not broadly disseminated or discussed and were known only to a few education policy specialists in Tunisia.

**Improving School Management**

4.20 Reforms in school management to improve school performance made limited progress. The main reforms were to introduce a more decentralized decision-making and management process in schools, and to strengthen the role of parents and of the community in school activities, notably in the preparation of school-based improvement plans. But teachers unions were very reluctant to involve communities in school management. The Ministry did not monitor and enforce the establishment of schools councils (no data are available to indicate how many schools have a school council open to parents and community participation). Staff (school directors and teachers) prepared school based improvement plans often without consultation with parents and the community.

4.21 Additional evidence is provided in appendix G.

**World Bank Group Contribution to Results**

4.22 Supporting the achievement of near universal completion of primary education, improving the quality of teaching and learning and modernizing the sector were important objectives of the World Bank Group program in Tunisia. Support was provided in the form of a two phase adaptable program loan (APL) in support of the “School of Tomorrow” national education reform. The purpose of the Education Quality Improvement Program (EQUIPII) (second part of the APL) was to promote excellence in teaching and learning in an improved pedagogical and physical environment, and ensure that all children are provided with equitable and adequate opportunities to access education at all levels of the school system. The project supported policy measures to enlarge access to vulnerable children, to improve the quality of basic education and teaching methodology, diversify the
secondary curricula and improve school management. The project objectives were highly relevant to the government’s reform priorities and the Bank Group strategy.

4.23 **Available evidence suggests overall performance is disappointing.** Some progress was made in fostering enrollment as well as completion in primary schools but, as discussed below, critical constraints remain such as the need to reduce dropout rates, improve the quality of education, and diversify secondary education to improve employability of a more diverse student population.

- **Broadening access and completion rate**

4.24 Bank Group projects may have contributed to the achievement of near universal enrolment in primary education by promoting programs that ensure equal access to education, but, as noted in the ICRR, attribution is somewhat tenuous.

- **Fostering inclusive basic education**

4.25 The EQUIP project supported programs to ensure that vulnerable children in low income areas or with special needs could access education. But, the project’s M&E system failed to include relevant output and outcome indicators to measure the implementation progress of these “inclusive education” programs.

4.26 The project helped extend and strengthen the priority schools program (PEPE) in primary schools and college. This included the implementation of a pilot program to transfer funds to schools in PEPE to enable them implement their school improvement scheme. A 2007 study financed by UNICEF indicated that 16 percent of the lowest performing PEPE schools in 2000 were among the top performing schools in 2007, and 47 percent were obtaining results around the national average. Though the pilot program showed the benefit of letting schools manage additional funds on the basis of a school improvement fund, the program ended after project closure. In field interviews with government officials, several gaps were identified in program design and implementation, such as: (i) the program initially introduced by the CNIPRE as a pilot, was extended too rapidly; (ii) the study defined entry “criteria” for schools to be given priority classification but failed to define exit criteria; (iii) the principle of “positive discrimination” was not well understood, and the program was badly managed with poor coordination between the national, regional and local level, and weak partnership between the school, civil society and the family; and (iv) there was an excessive focus on infrastructure and most of the teachers who benefitted from specific training at the inception of the program left the system between 2008 and 2012. It seems that initial encouraging results were not sustained over time. The Ministry of Education is now thinking about how to design a more effective roadmap to relaunch the PEPE program in schools and colleges.
4.27 The project also supported a program to progressively integrate children with hearing, visual, motor, and mental disabilities into mainstream schools. In field interviews, government officials indicated that teachers and school heads felt neither the training nor the resources they received were adequate to allow them to meet the needs of disabled children. Other factors that limit the integration of children with disabilities include weaknesses in the orientation process, insufficient, or total absence of monitoring of learning progress, as well as behavioral resistance by some education staff and parents towards the integration of children with disabilities. Some rigidity in the design and choice of schools participating in the program was also evident.

4.28 The EQUIPII also contributed to the rehabilitation of kindergartens to address the needs of children in low income regions. Technical support included rehabilitation, training of trainers, and development of adapted programs.

✓ IMPROVING THE PHYSICAL AND PEDAGOGICAL ENVIRONMENT FOR LEARNING

4.29 The EQUIP project increased infrastructure capacity by building multipurpose classrooms in 200 primary schools, and by building and equipping new secondary schools in existing colleges.\textsuperscript{84} EQUIPII also contributed to the modernization of schools by renovating 771 primary schools and 331 colleges.

4.30 Strengthening of the quality and relevance of primary and secondary education has been a core priority of the World Bank’s support to the EQUIP project. The project aimed to provide support to develop textbooks and teaching materials that would help introduce the skills-based approach (APC) to teaching and learning in basic education, and to extend the approach to the second cycle of basic education. In parallel, the project intended to modernize the teaching of languages and sciences as well as the introduction of optional studies in the second cycle of basic education to strengthen children’s aptitude to follow more diverse secondary education programs. This was coupled with training for trainers, principals and teachers on the definition of skills, as well as the provision of equipment to facilitate teaching. The project financed a study to modernize and decentralize teacher training and design in-service training, and also made some contributions to introduce Information and Communications Technology to allow teachers and students to use new technology in their teaching and learning activities.

4.31 In fact, the application of the skills based approach in primary school faced strong resistance from teachers, as well as schools inspectors who were not sufficiently involved in the reform. Field discussions with various stakeholders noted a number of flaws in the design, sequencing and implementation of the APC reform
as well as the lack of sufficient preservice education for new teachers. As a result, though the Bank assisted in the design of some elements of the program for college-level primary education, the skills based approach was never generalized at that level. As earlier noted, the grade 4 national examination, which should have accompanied the pedagogic reform to allow decision makers to have quantifiable and informed analysis on reform implementation, was not implemented as initially envisaged.

4.32 Field interviews also underlined that the design of the reform was, in part, flawed by government unwillingness to provide more autonomy to schools and teachers. Indeed, one key factor in the potential of success of the APC reform would have been teachers’ ability to provide “remediation” for kids falling behind in their learning process. But the reform failed to systematically provide teachers with the means to provide this, and, in fact, the whole system remained rigid and centered on the role of the inspector without a national assessment system to measure the impact of the reform on learning outcome.

✓ **Diversifying Secondary Education and Strengthening Orientation Policies**

4.33 The Bank also provided technical assistance to implement new technological options in secondary schools. The diversification of the second cycle of basic education and secondary education represents an important component in efforts to ensure that education streams fit the increasingly diverse student population, and became more relevant to the needs of the labor market. However, results in this area have been disappointing as confirmed by field interviews with the private sector, unions and the National center for Pedagogic Innovation and Research in Education (CNIPRE). The private sector was not involved in the choice of the programs offered, and did not mobilize to contribute to the design of new curricula. UTICA, the employer union, noted the lack of a clear vision of a coherent and complementary structure for the education system as a whole (general, technical and vocational education). The CNIPRE noted that the new technical programs were poorly conceived and implemented. All stakeholders concur that the lack of a well-structured complementarity between general, technical and vocational education is a binding constraint in the reform process. They also noted the risk attached to effectively demoting vocational and technical education, treating them as a lower form of education taken by those who were not capable of coping with the standard secondary education stream – this is particularly noteworthy in the context of the skills mismatch referred to elsewhere in this report.

4.34 The Bank also provided technical assistance to strengthen capacity in career information and guidance. It helped set up a center (CRI) to provide information and guidance to students on career paths and education programs. Field interviews
with government officials noted that this interactive platform should have been established on an independent basis rather than located within the Ministry of Education given that the effective functioning of CRIO requires a flow of information between several Ministries (for example, higher education, employment, social affairs) and that, in Tunisia, ministries tend to work in “silos,” making it difficult for the Ministry of Education to pilot this ambitious initiative. The project also attempted to develop school’s capacity to provide career information and guidance. However, the number and capacity of orientation counselors and professors in charge of orientation within colleges remain insufficient to effectively address student needs. Furthermore, the monitoring system of the orientation service at the Ministry of Education mainly focuses on inputs (such as, number of meetings, information campaign) and lacks any tools (such as student surveys) to monitor the quality of service delivery or the impact of this orientation policy.

✔ **STRENGTHENING SCHOOL MANAGEMENT**

4.35 One objective of EQUIPPII was to extend a decentralized and modern management system for schools and institutions. It envisaged the involvement of communities and parents in school life and the set-up of schools improvement schemes that would be supported by a regional M&E system. The ICR noted the grant program for pilot schools participating in the priority school program was successful in helping communities in disadvantaged areas participate in school management. The program demonstrated the importance of parents ‘participation in the life of school and the importance of allowing schools to manage supplemental resources in line with school development plans. Despite this initial finding, the grant program stopped at project closure. Overall, the development of school autonomy lacked strong endorsement at the ministerial level. Support at that level would have been necessary to help overcome resistance from Teachers Unions. As a result, the systematic implementation of school councils, which were critical element to improvement in the quality of education, failed to be realized.

**Improving Tertiary Education**

**RESULTS**

4.36 In 2008, a new law was passed to introduce reforms aligned with the Higher Education Strategy. The new framework introduced institutional, managerial and technical reforms in the higher education system to address some of the key constraints. However, implementation has been slow – most of the important application decrees have yet to be passed or were passed only after the revolution. Some preliminary results are presented below relating to increasing capacity and
efficiency in expanding access, improving the quality of higher education, and strengthening institutional performance.

✓ Increasing Capacity and Efficiency

4.37 The government had planned to improve access by expanding or renovating higher education institutions while encouraging private sector involvement and strengthening distance learning. But, in fact, there was a slower than projected increase in the numbers of students enrolled in tertiary education, followed by an annual decrease of 2 percent in the number of students enrolled since 2009. This is primarily the result of demographic transition (fewer students), a slight decrease in the number of baccalaureate recipients, and the impact of the introduction of the LMD system - degree system (Bachelor/Masters/PhD) - with fewer years now required to obtain a diploma. The involvement of the private sector in tertiary education remains negligible as attested by the very modest increase in the private, higher education market share (from 2.4 percent to 5 percent, 2009–12) and the low level of private sector involvement in dual courses or in any governance structures of higher education institutions. The number of courses in distance learning has increased from 391 in 2008 to 538 in 2013.

4.38 The internal efficiency of the tertiary sector improved (2006–09) as the average time taken to obtain a traditional or applied degree decreased with the introduction of the new degree structure. Student/teacher ratios have improved from 19:1 in 2006 to 13.3:1 in 2013 following a decrease in the student population and an increase in the number of teachers (from less than 17,000 in 2006 to 22,400 in 2012), but this evolution masks important disparities between regional universities and disciplines.

✓ Improving the Quality of Higher Education

4.39 Tunisia has now aligned its higher education curricula within the framework of the Bologna Process, but this reform has not yet met expectations in terms of better aligning education/training with labor market requirements. The government introduced curricular modifications that gradually moved the new degree structure to a degree system equivalent of the LMD system. In order to reinforce the relevance of Licenses and Masters to the needs of the labor market, two kinds of diplomas were introduced: (i) the traditional general License and Master (License Fondamentale and Master Recherche); and (ii) the License and Masters linked to specific professional activities (Applied Bachelor and Professional Master) chosen by roughly two thirds of students. Field interviews noted that the transition process moved too rapidly and reform was rushed into application in 2006 with insufficient prior preparation or communication with stakeholders on the reform objectives.
4.40 In order to better address labor market needs, the reform had targeted the joint development of curricula with enterprises. Initially, the initiative was well received by the private sector where there was need for qualified staff; however, “fatigue” linked to a number of difficulties encountered in program implementation (due notably to weaknesses in organization and logistics within universities and the accreditation process) quickly set in among entrepreneurs. Universities lacked incentives to promote joint development of curricula, and also lacked overall flexibility to manage these types of nontraditional diploma courses. On the private sector side, there was also some discontinuity in the allocation of professional staff to the university program, with associated deficiencies in pedagogic supervision. Overall, within this difficult environment, the number of Licenses developed in partnership between the universities and the productive sectors reached about 50 bachelor’s degrees in 2012 (against a target of 80 bachelor degrees).

4.41 Universities recognize some positive aspects of the move towards the LMD system, such as facilitating the mobility of students planning to study abroad and improving transparency in selection criteria at master’s level. However, the reform was not accompanied by measures to introduce the possibility for greater student selection below the master level. The baccalaureate remains sufficient for free admission at University, other than in a few specialized fields (medicine, architecture, and engineering sciences). This situation continues to weigh on the quality or preparedness of students. A large segment of students choose fields such as humanities, social sciences which are associated with high repetition and failure rates as well as limited labor demand. Overall, the implementation of the new system focused on the implementation of the LMD degrees but with no accompanying measures (such as student evaluation, the provision of credit for past experience [validation des acquis de l’expérience], adequate in-service training, and so on) that would have enhanced the overall dynamic and coherence of this ambitious reform.

4.42 **Tunisia does not yet have an effective quality assurance system for public or private institutions or for professional disciplines and programs.** During most of the evaluation period, the higher education evaluation system was under the responsibility of the National Evaluation Committee (CNE), established in 1995. Universities have to produce an annual auto-evaluation since 2006 that should be submitted to an external evaluation every four years (World Bank PARES Aide Memoire 2012). The CNE conducted 113 external evaluations of university department/schools (“établissements”) since 2007/08 and also helped the ministry assess the “University business plans” (“projet d’établissement”) in 2008–09, prior to the elaboration of their five year “contract” with the Ministry. Unfortunately, CNE
didn’t monitor the implementation of its recommendations, and there were no incentives for institutions to follow up on these evaluations to improve quality. The National Authority for evaluation and quality promotion, l’instance Nationale d’Evaluation, d’Assurance Qualité et d’Accréditation (IEAQA), was legally established in 2008, but the government waited until 2012 to adopt the decree to make it operational. The IEAQA is now expected to be operational in early 2014.89

**STRENGTHENING INSTITUTIONAL PERFORMANCE**

4.43 Little progress was made in improving the autonomy, accountability and participation of Tunisian Universities. The Universities are among the least autonomous in the region despite the fact that greater autonomy is a top priority in improving the quality and relevance of their education services. In 2000, Universities were granted some independence in order to allow them develop curricula and programs, to pay staff and hire contractual staff and to manage procurement and contracts. However, universities complain that, in practice, the Ministry has continued to control financial management, procurement and even self-generated resources through extended a priori controls. The 2008 higher education law opens the way to grant greater autonomy to universities. But, in fact, given the complexity of eligibility criteria, none of the universities were able to seize the opportunity offered by the law to adopt a new status (“Etablissement public à caractère scientifique et technologique, EPST”) more in line with business law (“legislation commerciale”). This remains a major obstacle in moving towards greater autonomy and improved performance. Studies undertaken in 2011 and 2012 on the governance of Universities in Tunisia and in the region (Algeria, Lebanon, Egypt, Morocco and Palestine) confirm this assessment. Tunisian Universities have among the lowest levels of autonomy and accountability over both years. One noteworthy positive change is that, since 2011, the university president, vice presidents, faculty deans and institute directors are elected by academic staff for a 3 year period (that can be renewed once).

4.44 Additional evidence is provided in appendix G.

**WORLD BANK GROUP CONTRIBUTION TO RESULTS**

4.45 World Bank analytical work on higher education helped identify key bottlenecks in the education sector, but Bank Group lending did not lead to the timely implementation of the most critical recommendations that sought to improve quality and adequacy with a view to better aligning higher education with labor market needs.

4.46 In 2005, the World Bank undertook analytical work related to Tunisia’s Higher Education Strategy. Despite the government’s reluctance to approve and/or
facilitate client participation and consultation with other key stakeholders, the World Bank produced a thorough and insightful quantitative and qualitative analysis of the situation facing the higher education sector. The analysis informed the need for reforms in certain areas (notably decentralization and the role of the private sector). The report’s conclusions and recommendations provided a sound and implementable set of policy improvements, though more explicit recommendations on financial issues would have been useful. The report, including its financial simulation model, was delivered to the team in charge of preparing Tunisia’s 9th Development Plan, but there was little broader dissemination of the report and no public debate on the many sensitive issues it addressed. The ESW also helped design the second higher education reform support project.

4.47 In 2010, the Bank also financed a Development Policy Review (AAA): Towards Innovation-Driven Growth. The review analyzed different studies on the mismatch between the skills of graduates and the needs of the labor market, and made some relevant policy recommendations to address this issue, such as, giving more autonomy to universities and engineering schools so that they can more easily focus on producing the new skills needed in the economy, promoting strong private involvement in education, and reinforcing direct collaboration between University researchers and private firms.

4.48 During FY05–13, higher education reforms were addressed through the second higher education reform support project (FY06). The main objectives of the project (restructured in 2011 and extended to end 2013) were to support the implementation of the PDESAQ program that aimed to develop higher education with an emphasis on: (i) increasing capacity and efficiency in expanding access to meet growing demand; (ii) improving the quality of education; and (iii) strengthening institutional performance.

✓ INCREASING CAPACITY AND EFFICIENCY

4.49 The Bank contributed to the expansion of access to the public higher education system. Because of a more limited increase than anticipated in the number of students enrolling, the government cancelled the construction of four out of eight planned universities. Despite delays in the construction and delivery of equipment, these components are expected to be in place by end 2013. The project had also programmed support to private higher education institutions as well as the development of distance education, but little progress was achieved. The 2001 law included several financial incentives to encourage private sector involvement; however, in practice, the implementation of the law was hindered by rent-seeking behavior that was endemic under the Ben Ali regime (PARES AM May 2011). Also,
the process for accreditation of courses discourages innovation by private institutions. Field interviews noted that, in order to receive accreditation, private institutions had to replicate the curricula of public institutions.

4.50 Overall results to improve the quality of education are disappointing as the main reforms targeted in the 2008 law were not implemented. The 2008 law on higher education signaled a break in the governance model, with a move towards greater autonomy for Universities and the implementation of quality assurance mechanisms to improve the relevance and quality of education services. However, most of the relevant decrees were not implemented. As a result, the governance model didn’t evolve much in practice. It continued to be characterized by the quasi-monopoly of the state over the financing and the delivery of education services, and centralized management of resources. Nevertheless, the project supported some ad-hoc measures to improve the alignment of education programs with market needs.

4.51 The project provided some support to modernize the higher education system, notably to adapt curricula to international standards. But questions remain regarding the impact of this new system given that no independent evaluation has been undertaken and beneficiary surveys (students and employers) have been postponed. The new system includes a number of professional Bachelor level degrees. The overall involvement of the private sector remains insufficient in an overly centralized system, where universities lack the incentives and flexibility to promote nontraditional diplomas or other courses. As a result, the private sector and the education sector continue to operate largely in isolation from each other. Another concern is that professors’ pedagogic skills have not evolved in parallel with the introduction of this new cursus. In order to remedy gaps in the training of trainers/teachers, the project is also carrying out a program to train a group of professors on several thematic areas (such as entrepreneurship, acquisition of soft skills, pedagogic skills, teaching languages). The idea is these professors would then be responsible for coaching their colleagues leading, ultimately, to an increase in the employability of students (Programme intégré de formation des formateurs – PRIFF). This activity is just starting so it is too early to measure its impact.

4.52 In order to reinforce the quality and relevance of programs and diplomas at the university level, the Bank has also encouraged the creation and strengthening of Quality Units within universities (as called for by the 2008 legislation). Broadly representative committees were set up to fulfill this function but, in most instances, the committees are not adequately involved in quality management. Bank staff
noted that these committees would need to be revitalized and their mission broadened in order for them to play an effective role in the reform process.

4.53 The project also assisted the government in strengthening evaluation at national level in order to improve the quality and relevance of tertiary education. Initially, the project provided support to the former evaluation committee (CNE). However, evaluation reports were of disparate quality, delivered with significant delays and therefore of little use. As noted earlier, the national evaluation committee didn’t monitor recommendations made in these reports, and no synthesis report has yet been prepared. As a result, the process was discontinued in 2011. Bank assistance focused on accelerating the transformation of the former National Evaluation Committee into an autonomous agency in charge of evaluation, quality assurance and accreditation. But the authorities kept postponing the implementation of this autonomous agency, which was signaled in the 2008 higher education law. The decree setting up this national authority (GOJ-1 DPL trigger) was published in September, 2012 but the entity is not expected to be operational before early 2014. Therefore, it is too early to assess how effective this new institution will be in providing information on education quality to the various stakeholders (notably the students and the employers) to help inform their decisions.

✓ Strengthening Institutional Performance

4.54 The Bank Group has provided institutional support to the ministry and universities to help strengthen management capacity. The Bank attempted to help the government respond to the challenge of higher education autonomy, performance based budgeting, and better orientation policies. There has been little observable impact to date. Without the adoption of a new governance model, results are limited. For example, by end 2009, all universities had prepared, for the first time, a business plan, and had signed a four-year contract with the Ministry of Higher Education. For this highly relevant development to be successful, it requires a simultaneous move towards greater decentralization, and strengthened management capacity within the Universities. But, in practice, the ministry has not monitored contracts to assess how universities contribute to the overall higher education strategy while meeting their targeted objectives. Overall, it does not appear to be ready to shift from a controlling to oversight role and it.

4.55 Since 2009, the Bank has provided technical assistance to the Ministry of Finance and other pilot line ministries (including the Ministry of Higher Education) to help them move towards a performance based budgeting system. Since 2009, all universities (13) are preparing their budget on a programmatic basis, but this has remained a pilot exercise, as the organic law on performance budgeting is not yet
passed. Nevertheless, for the first time in 2013, the MESR is expected to present and discuss its programmatic budget during the budgetary conference (see chapter 6).

4.56 The Bank also provided some advice to the government to help better monitor student orientation and placement in order to reduce the mismatch between employment and education with a view to improving students’ employability. In 2006, the Bank financed a follow-up survey on higher education graduates’ professional integration 18 months after completing their diplomas. The survey designed a methodology to monitor graduates’ professional integration in the labor market and analyzed, in particular, the relevance and matching between skills and jobs. The study recommended that universities develop cursus in line with the labor market needs, design mechanisms to adjust the student flows in terms of the labor market needs, and provide as needed short-term active support to students in line with international good practices to help them find a job. Also, in 2008, observatories were created within universities. In theory, a key attribution of these observatories is to conduct analysis and surveys on professional insertion and make recommendations to improve matching between training and employment. The Bank has made recommendations to revitalize the role and better operationalize these observatories.

4.57 At the University level, the Bank project successfully introduced a new resource transfer mechanism directly to the investment budget of universities to improve the academic quality and institutional performance of institutions. This program is contributing to making higher education institutions more responsive and accountable for their investments, while building their capacity to operate in a more decentralized environment. Tunisia’s higher education strategy had noted concern regarding the “rigid, centralized, line-item basis from the MoHE, with little accountability for education outcomes or institutional performance.” To address this issue, the Higher Education Strategy (2004) proposed to transfer financial resources through mechanisms with incentives to improve academic quality and institutional operations. The Bank project designed an innovative program, Programme d’Appui à la Qualité (PAQ), which provides competitive block grants directly to universities to support the strongest university proposal for quality improvements in teaching and learning; and management capacity grants to each university to strengthen institutional management and help them make progress towards autonomy. This program benefited from additional resources when the project was restructured in 2011 and further included grants to: (i) support the newly created higher education institutions in the poorer regions in order to mitigate the potential weaknesses in pedagogic quality; (ii) foster the emergence of innovative curricula that will improve the employability of students; and (iii) provide research grants directly to universities’
research centers. The program includes a well-thought-out monitoring system to assess the impact of the investment made with the grant awards. Since this “quality program” was launched in 2006, 50 projects have been financed, 36 to foster quality improvement in teaching and 14 to improve university management capacity.

4.58 It is too early to assess the impact of these projects as most of them are still ongoing. Field visits by World Bank staff (2010–13) to assess implementation of some of these proposals, concluded that projects were very diverse, of good quality, well aligned with higher education priorities and in some cases already starting to generate benefits in terms of improving teaching quality, strengthening capacity (notably in terms of project management) and increasing the motivation of students and professors. Field interviews noted that the PAC project for teaching and learning led to various innovative projects and has enabled University departments to gain a firsthand experience of autonomy. However, in its June 2013 aide memoire, the Bank noted some concern about the sustainability of this initiative and emphasized that the functioning of the system can’t be sustained on a benevolent basis. An external assessment is to be launched in 2013 to measure PAQ impact on students and teachers’ satisfaction as well as on employability.

Improving the Employability of Students

RESULTS

4.59 This section briefly presents key developments on the employability of graduates of the education system and on persistent skill mismatches that are evident over that period.

![Figure 4.1. Unemployment Rate among Graduates](image-url)

Source: National Institutes of Statistics.
4.60 The above referenced trends and analysis indicate that graduate skills and competences are not aligned with those in demand by the private sector. This situation is prevalent in the MENA region where more than one third of employers (the highest in all developing regions) identify skill shortages (both technical and soft skills) as a major constraint to business operations and firm growth. A 2007 tracer survey\textsuperscript{98} and the public employment agency (ANETI) administrative data confirm that graduates of humanities and technical education programs, which constitute the large majority of all graduates, face significant difficulties in finding employment. Using the 2011 labor force survey, the 2013 DPR analyzed the occupational structure of employment creation against the skills and qualifications of the available pool of unemployed. Results indicate a shortage of unskilled and semiskilled workers and a surplus of technicians and professionals, which results in underemployment of educated workers in the private sector. In addition, those who found employment often do so under precarious working conditions such as being “underemployed,” working in a different field to the one in which they are qualified, or earning lower wages\textsuperscript{99} than their qualifications would ordinarily merit.

![Figure 4.2. Employment Outcomes by Type of Diploma](source)

4.61 A gender analysis shows that despite high unemployment rates for Tunisian women, the rate of female labor force participation (includes employed and those actively looking for work) is particularly high for tertiary-educated women, increasing from 54.6 percent in 2000 to 60.1 percent in 2010. However, the unemployment rate is twice as high for these women. This is the trend for many MENA countries maybe because, despite fewer job opportunities, women with
higher levels of education are willing to search longer for jobs hoping for a higher return on their educational investments. At the same time, labor force participation rates for women with no education or primary or secondary education decreased between 2000 and 2010.

**World Bank Group Contribution to Results**

4.62 Bank support to improve employability targeted both the supply and demand side to address the structural mismatch between an increasingly skilled labor force in a labor market/economy dominated by low-skilled, low-level productive activities.

4.63 To create a robust demand for labor, the Bank supported interventions to foster economic growth and create a more knowledge driven, high value added economy. One critical obstacle to this was the poor business environment in Tunisia. Chapter 3 reviewed Bank Group activities to improve the business environment and concluded the Bank was unsuccessful in its efforts to tackle the main hurdles linked to the overburdened regulatory environment, the on/off shore dichotomy, and government interference. Efforts to address these issues since 2011 have stalled in the political stalemate, and have been further postponed to 2014.

4.64 On the supply side, the Bank supported efforts to improve the quality of education to empower the work force to meet the demands for high quality labor in an increasingly knowledge-driven economy. As discussed above, the Bank attempted to improve the quality of the education system and to engage the private sector in the design of education programs; but results have been disappointing. The failure to provide more autonomy to schools and universities has weighed down on the relevance and quality of education programs. The education system remained overly centralized and the automatic enrolment in university after the baccalauréate in fields where there is little demand from the labor market continues to fuel the mismatch between labor and supply.

4.65 The Bank is also supporting policies to address distortions in the labor market and improve employment services provided by the employment labor agency ANETI. These interventions, discussed in chapter 5 have not been successful so far.

**Conclusions**

4.66 Bank objectives were aligned with those of the government, and consistent with government strategies in basic, secondary and higher education. Over the evaluation period, there was considerable continuity in Bank assistance reflecting its
relevance to addressing key challenges at the forefront of the government agenda, such as: achieving the MDGs; and improving quality in education and strengthening qualification levels in the labor force to match the transformation of the Tunisian economy towards a knowledge-based economy. Critically, Bank objectives also sought to bolster financial sustainability as Tunisia faced a rapid increase in the number of students in secondary and higher education, adding to the very high level of public spending on education (7 percent of GDP in 2005).

4.67 Overall, results are disappointing given the very significant levels of public resources that Tunisia has invested in the education sector (one of the highest in the world). The performance of Tunisian students continues to rank at the lower end in international test (for example recent 2012 PISA), and an increasing number of highly educated young people have limited prospects for finding employment.

4.68 Successful education reform requires implementation of a package of measures that includes careful engineering (for example, infrastructure, pedagogy/teaching capacity, financial resources and management), adequate incentive structures for both the public and private sectors (ranging from rewards for performance to equitable access), and public accountability (taking the “voices” of multiple stakeholders into account)\textsuperscript{100}. The World Bank’s analytical work in basic, secondary, and higher education, took these various factors into account, providing a rich analysis to guide the reform process and improve the overall governance system in education. However, Bank Group lending, in responding to client specific demand, was clearly unbalanced along these three dimensions. Too much focus was put on the engineering dimension (notably infrastructure and pedagogic reforms) at the expense of policy measures to improve the education governance framework (notably the incentives framework and M&E).

4.69 Bank lending attempted to include measures to foster parent and community participation as well as University autonomy, but government ownership of these reforms was lacking. The lack of implementation of this critical leg of the reform package (“the institutional dimension”) may explain why most of the other policy measures supported by Bank Group projects failed to deliver expected results. Prior analysis of the political economy could have helped to better anticipate resistance to change such as that met with regard to greater autonomy for universities and a more participatory approach in schools. Such analysis could have provided guidance on how best to design policies/reform/projects to induce buy-in from government and lead to more tangible results. Furthermore, as mentioned by all stakeholders, the lack of an adequate M&E framework proved to be an obstacle to monitoring results,
fine tuning policies, and measuring the sustainability of the reforms introduced in the education sector.

4.70 Tunisia is at the earliest stages of coordinating general secondary education with TVET, and this axis will be increasingly important in order to better align labor force skills (supply) with employer needs (demand). Although the Bank recognized the relevance of technical vocational education and training as a critical input to enhancing alignment with skills needed on the labor market, it did not provide support in this area other than to review the government strategy in TVET, and to undertake an impact evaluation of TVET on employment (2007)\textsuperscript{101}. Those said, other donors (especially European Union and AFD) were strongly involved in supporting technical vocational education and training (TVET).

4.71 In higher education, Bank analytical work helped identify key bottlenecks, but the reforms supported by the Bank to instill more autonomy in the system, and better align education training with labor market requirements, have yet to produce results on the ground. The government has been lagging in the implementation of the most important provisions of the 2008 law with particular reference to the provision of more autonomy to universities and the setting up of a National Evaluation Agency. The Bank project supported a new resource transfer mechanism that led to various innovative projects to give University Departments a first experience of autonomy, but there is some concern on the sustainability of this model at project closure.

Rating For Bank’s Contribution: Moderately unsatisfactory