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**ANNEX II**

to the Commission Implementing Decision on the annual action plan in favour of Egypt for 2023

**Action Document for EU Support to Youth Employability and Skills in Egypt (EU4YES)**

**ANNUAL ACTION PLAN**

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plan in the sense of Article 23(2) of NDICI-Global Europe Regulation.

**1. SYNOPSIS**

**1.1. Action Summary Table**

<b>1. Title OPSYS Basic Act</b>	EU Support to Youth Employability and Skills (EU4YES) Annual action plan in favour of Egypt for 2023 OPSYS business reference: ACT-61735 ABAC Commitment level 1 number: JAD.1274277 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe).
<b>2. Economic and Investment Plan (EIP)</b>	Thematic priority vi: Human Development (inc. human capital and youth)
<b>EIP Flagship</b>	Flagship 1.
<b>3. Team Europe Initiative</b>	Regional TEI on Jobs through trade and investment, pillar 2 on vocational education and training and skills
<b>4. Beneficiar(y)/(ies) of the action</b>	The action shall be carried out in the Arab Republic of Egypt.
<b>5. Programming document</b>	Multiannual Indicative Programme for European Union support to Egypt for the period 2021-2027 <sup>1</sup> (MIP)
<b>6. Link with relevant MIP(s) objectives/expected results</b>	SO2.3 To improve people’s quality of life, providing them with opportunities for human development. a) Improved skills for green jobs and circular economy through supporting quality education/ TVET oriented towards market demands, including digital skills with specific emphasis on youth and persons from less advantaged groups

<sup>1</sup> C(2022)4049 of 16/06/2022 Commission implementing Decision adopting a multiannual indicative programme for Egypt for the period 2021-2027

	c) Enhanced skills and livelihood opportunities allow residents of informal settlements or less advantaged to improve their income and labour market participation			
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>				
<b>7. Priority Area(s), sectors</b>	Priority 2: Human development, economic resilience and prosperity building through green and digital transition Technical and Vocational Education and Training TVET (DAC: 113)			
<b>8. Sustainable Development Goals (SDGs)</b>	Main SDG: SDG 4 - Quality Education Other significant SDGs : SDG1: No Poverty SDG5: Gender Equality SDG8: Decent Work and Economic Growth SDG10: Reduced inequalities			
<b>9. DAC code(s)</b>	Main DAC Code : 11330 – Vocational Training			
<b>10. Main Delivery Channel</b>	Channels: Other public entities in donor country – 11004			
<b>11. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Human Rights, Democracy and Governance			
<b>12. Markers (from DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>13. Internal markers and Tags</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	EIP	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	EIP Flagship	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	
	Tags	YES	NO	
	transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	environment, climate resilience	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	economic development (incl. private sector, trade and macroeconomic support)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	human development (incl. human capital and youth)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	health resilience	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	migration and mobility	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	agriculture, food security and rural development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	rule of law, governance and public administration reform	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	other	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Tags	YES	NO	
	digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital entrepreneurship	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
digital skills/literacy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
digital services	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
Connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Tags	YES	NO		
digital connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>		
health	<input type="checkbox"/>	<input type="checkbox"/>		
education and research	<input checked="" type="checkbox"/>	<input type="checkbox"/>		

	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>14. Amounts concerned</b>	Budget line(s) (article, item): 14.020110 Southern Neighbourhood Total estimated cost: EUR 25 000 000 Total amount of EU budget contribution: EUR 25 000 000 The commitment of the EU's contribution to this Action may be complemented by other contributions from implementing partners. It is subject to the formal confirmation of each respective partners' meaningful contribution as early as possible. In the event that the Team Europe Initiatives (TEI) and/or these contributions do not materialise, the EU action may continue outside a TEI framework.			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>15. Implementation modalities (management mode and delivery methods)</b>	<b>Direct management</b> through Procurement <b>Indirect management</b> with the entity(ies) to be selected in accordance with the criteria set out in section 4.3.2			

## 1.2. Summary of the Action

The Action directly responds to the EU-Egypt Partnership Priorities 2021–2027<sup>2</sup>, namely Priority 1 on Egypt's Sustainable Modern Economy and Social Development with a strong commitment to support a '*modern quality education, also with a view to ensuring connection to labour market demands, enhancing digital skills and literacy of the population, technical and vocational training*'.

The Action contributes to the stream of reforms for the modernisation of the Egyptian technical education as part of Education 2.0, the radical overhaul of the entire educational system driven by high political support under the leadership of the Ministry of Education and Technical Education (MoETE). The Technical Education 2.0 Reform Strategy (TE 2.0) aims to increase the attractiveness and relevance of technical and vocational education and training (TVET), by ensuring its quality, converting curricula to competency-based education, building the capacity of its teachers, review the governance model and establish new models of public-private partnerships leading to a demand-led TVET system. The strategy is in line with the strategic directions outlined in 'Egypt's 2030 Vision' and SDG 4 for education to ensure that learners acquire the 21<sup>st</sup> century skills and competencies to create a society that learns, thinks, innovates, is environmentally aware, and embraces the global digital transformation. The action will contribute as well to the Egyptian National Youth Strategy, specifically to pillar 4 targeting youth, life and future skills and technology.

Key challenges to be addressed by TE 2.0 are the expansion of the offer (teachers, classrooms, content) which have lagged behind the labour and economic transformation requirements. A number of milestones were already reached with the transition to competence based curricula, the establishment of the institutions responsible for quality assurance and involvement of diverse stakeholders in the skills delivery process (sector skills councils), the maturation of the new model of applied technological schools (ATSS), the piloting of sectoral lighthouse schools (centers of competence – CoCs) both in partnership with the private sector, the further integration of the dual system that all address quantitative and qualitative challenges.

<sup>2</sup> <https://data.consilium.europa.eu/doc/document/ST-2803-2022-ADD-1/en/pdf>.

The overall objective of this Action is to ‘support youth and adults to have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship’. The Action will contribute to the SDG 4.4 target by supporting the performance and delivery of the Egyptian TVET system for a labour market oriented technical education within the framework of the TE 2.0.

The Specific objectives (outcomes) of this Action are to:

1. Improve the provision of quality driven technical education and training programme to be widely available in line with identified labour market needs and the future of work including the green and digital transitions.
2. Support the establishment and the implementation of mechanisms that identify needs, recognize competence and match them with demand for technical education qualifications.

It is expected that facilitating priority investment in multiplication and public-private partnership models (CoCs, ATS) in key sectors of the economy, ensuring their accreditation by a credible quality assurance system, supporting capacity development of teachers and schools management (component 1), and establishing mechanisms that identify/forecast needs and new challenges including the environmental and climate change risks, recognize competence, match them with demand including labour skills recognition, mobility schemes and labour market information systems as well as involving private sector from occupational standard identification to skills assessment (component 2), will translate in adequate qualifications of skilled youth/workers to compete in the current and future labour market nationally and abroad.

The Action builds on the successful contributions of the past EU funded programmes (TVET and TVET II). It complements the current programmes implemented by key actors in the sector, especially through the Team Europe approach. The sector is well coordinated under the leadership of the MoETE and the Action will therefore synchronize and cooperate closely with the overall education and training reform process.

### **1.3. Beneficiary of the action**

The beneficiary of the Action is the Arab Republic of Egypt.

## **2. RATIONALE**

### **2.1. Context**

The Partnership Priorities aim to address common challenges facing the EU and Egypt, to promote joint interests and to guarantee long-term stability and sustainable development on both sides of the Mediterranean, as part of the revised European Neighbourhood Policy, the New Agenda for the Mediterranean, and its Economic and Investment Plan for the Southern Neighbours. The latter includes human development as a primary objective, comprising access to skills development in a lifelong learning perspective, not only for young people but also for adults, improving availability and quality of up-skilling and re-skilling opportunities.

In line with this partnership agenda, the EU and Egypt cooperation priorities focus on human capital development and in particular the priority area 2 on “Human development, economic resilience, and prosperity building through green and digital transition” and specific objective 3 on “improving people’s quality of life, providing them with opportunities for human development”, where the EU supports, through specific interventions, young women and men to increase their opportunities for quality employment and entrepreneurship through, among others, effective policies for education and training.

The EU and Egypt have long historic ties and shared interests in the region and beyond. Although the political situation in the country has remained stable in the last years, Egypt faces growing economic and social challenges related to its bold infrastructure led and high public debt development model and inherent vulnerability to external shocks including those related to the climate change and other environmental issues. The gains of the successful macro-economic stabilization of 2016 and following economic growth have been eroded by the disruptions of the COVID19 pandemic and the Russia's war of aggression against Ukraine that have required the use of important foreign currency reserves and have pushed the economic fabric into contraction for more than 27 consecutive months<sup>3</sup>. As a result, the country is implementing a new wave of macro-economic stabilization efforts with the support of the IMF under a new programme agreed in December 2022, while it also has to address increased needs of a fast-growing population and structural barriers to a more private sector-led economic development, investment and job-creating growth.

Among a number of hindering factors like the significant presence of the state in economic activities and weak commercial justice, human capital and especially the lack of appropriate skills in the labor force is a widely reported constraint for businesses competitiveness and especially for them to realize the full benefits of digital efforts<sup>4</sup>. Egypt ranks 133rd out of 141 countries for the skill sets of graduates and 0.49 on the human capital index in 2021. While it has reached quasi-universal access in primary and preparatory schools, there is still a clear issue of the quality of learning outcomes. The lack of market information further adversely affects the private sector's ability to find employees with the relevant technical and life-skills.

Responses to climate change and environmental degradation will drive profound changes in the structure of the economy, production and consumption habits. Digital transformation is well advanced in terms of regulatory framework, infrastructure, skills and services. They are slowly changing the nature of work. New technologies have emerged to respond to these challenges and undergo rapid developments. Many firms know that adopting such technologies is fundamental to their long-term survival and that most of today's jobs will disappear in the future, which points to the need for workers to have the skills and knowledge to handle these technologies and also new situations. However, environmental and climate change issues in particular are not yet fully integrated in the general education curricula and industries and investors' demand for green qualifications and skills is so far limited and very specific. It is satisfied in an ad-hoc manner through private training providers, civil society organisations or even sometime public institutions outside of the MoETE remit.

Egypt has a population of over 105 million and an annual population growth of 1.9% resulting in a significant pressure on the education system and the labor market. It is both a major exporter of labor and a major destination for thousands of Arab and African immigrants. Primary and secondary education is compulsory and free and while Egypt is very successful for primary school enrolment, there is still a share of children (18%) which does not enroll in secondary education because of little expected returns compared to work. The secondary education system is composed of the general secondary schools but 55% of secondary students are actually enrolled in technical secondary schools (TSSs)<sup>5</sup>, which makes technical education a key target for any transformational efforts.

The MoETE's TSSs serves app. 2.3 m students, employs app. 150,000 teachers and provides the labour market with app. 750,000 technical education graduates every year. They represent a formal educational route to graduates of preparatory education, delivered through 3 and 5 year programmes, including in a small percentage of schools implementing the dual system and the recently introduced applied technological schools (ATS), all leading to a technical diploma for technicians or an advanced technical diploma for senior

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<sup>3</sup> <https://www.pmi.spglobal.com/Public/Home/PressRelease/b964b116cadf4d22ab7935896e399475>

<sup>4</sup> Country private sector diagnostic – creating markets in Egypt, World Bank Group, December 2020

<sup>5</sup> [https://openspace.etf.europa.eu/sites/default/files/2020-04/TRPreport\\_2020\\_Egypt\\_EN.pdf](https://openspace.etf.europa.eu/sites/default/files/2020-04/TRPreport_2020_Egypt_EN.pdf)

technicians in particular specialisations (industrial – 1329 TSSs, agricultural - 289, commercial - 969, hospitality – 116, dual system schools -355, ATS - 52). While most of TSSs are administered by the MoETE, there are a number of other formal technical and vocational education and training (TVET) institutions administered by other ministries and entities, as well as the provision of non-formal continuous vocational training by other stakeholders, most of which are focused on qualifying young Egyptian for jobs within their relevant sectors. MoETE is also administering a competence recognition system (labour system) representing 16% of active students, where drop-outs in employment are enrolled in technical education and can take the adequate exams and acquire the relevant diploma.

There is a fair amount of fragmentation like in most technical education systems but the Egyptian system has undergone important institutional and operational transformation in the past decade. In September 2018 in particular, MoETE rolled out a comprehensive series of reforms under the banner of Education 2.0 (EDU 2.0), which consists of changes in curriculum, teaching and pedagogy, assessment, and digital transformation, among others, and aims no less than to transform schooling and learning and put a new educational vision into motion. In particular, a component of EDU 2.0 is to ‘Make technical secondary education a viable path for employment through the increased relevance of programmes and greater engagement with employers’. As a result, the Technical Education 2.0 Reform Strategy (TE 2.0) has been developed and launched end of 2018. The strategy aims to increase the attractiveness and relevance of TVET, ensure its quality, update its curricula, capacity building for teachers, review the governance and financing models and establish new models of public-private partnerships.

Considerable progress have already been achieved: more than 80% of the curricula were transformed in competence based curricula (CBC), are rolled out in almost 900 schools, training of app. 80,000 teachers and staff on CBCs, establishment of a teacher training academy (TVTA), of TVET quality assurance and accreditation institutions (ETQAAN and CEQAT), of more than 50 applied technology schools (ATS) and their curricula in partnership with the private sector, enrolment of app. 70,000 apprentices in the dual system and work based learning in 2022 (up from 42,000 in 2017), development of a concept of sector Center of Competence (CoCs) which should be state of the art lighthouse schools that drive a network of TSSs and allow focus investment, establishment of 2 sector skills councils to institutionalise the participation of the private sector and finally a marked improvement in the perception and demand for technical education. Another important initiative is the completion of a comprehensive EBRD funded labour market study on the needs of some European and other countries. The study looked at the jobs, the skills, the qualifications, the work conditions, the regulations and the potential of Egypt to supply them within a framework of legal migration.

Such achievements are the results of the high political commitment and the strong leadership of MoETE which was successful in coordinating the support provided by key international development partners behind the unified vision of T.E 2.0. Key partners include the European Union, EBRD, GIZ, KfW, AICS, USAID, UNESCO, JICA and China. There is some division of labour in a Team Europe approach (German focus on CoCs with work based learning, quality assurance mechanisms, labour migration and mobility schemes like THAMM for GIZ and the construction of CoCs, connectivity of TSSs, renewable energy/energy efficiency for KfW, vocational training centers for migration-affected areas and ATS for the AICS, and for the EU: renewable energy/energy efficiency, quality of learning outcomes/ employability, public-private partnerships and multiplication models for the TSSs, Capacity building of TVET institutions through Erasmus + and mobility schemes like THAMM) and a growing interest from new member states in the sector, the French and the Dutch. The European Training Foundation (ETF) has established itself for a number of years as a key technical cooperation support (regular Torino Process, specific studies) and has provided support to the EU Delegation for the identification of this Action. The MoETE has managed and continues to mainstream the contributions of donors towards the implementation of its TE 2.0 strategy. The coordination is organized through taskforce working groups each of them covering thematic priorities formulated in the key pillars of TE 2.0.

## 2.2. Problem Analysis

### Short problem analysis

The MoETE submitted a number of proposals for the EU's attention in the summer 2022. They include the support to TVETA and the upskilling and training of teachers, the accreditation of schools and programmes, the development of new ATS and support to the operationalization of CoCs, the reform of the competence recognition system (*labour system*), and the transformation of commercial TSSs into hospitality TSS. They have been reviewed and intensively discussed with the government and the ETF. Development partners were also consulted on their individual plans especially member states. At this stage, there are two main challenges that need to be further addressed: the actual improvement in the learning outcomes of graduates for technical education and the responsiveness of the system to the labour needs.

**Rolling out of the new competence based curricula and quality assurance system to the entire TVET system.** At national level and in spite of significant progress on the curricula and establishment of new quality assurance institutions, the methods of learning and teaching are still in a transition phase from being content-driven to being competence-driven and the TVET sector still suffers from poor quality of both the learning environment and the capacity of teachers. Central elements of the reform need to be further established and operationalized like the credibility of the qualifications framework and its deployment, the school quality assurance system including teacher training, school management as institutional and programme accreditation.

Also the number of schools that have actually received new investment is limited and there is not enough fiscal space nor donor support to cover the necessary investment. This points to the difficulty of rolling out the new curricula throughout the entire TVET sector and the necessity to focus on entry points and modalities that will drive the necessary disruptions for a transformation of the whole system as well as support a new financing strategy. A promising avenue supported by government is the model of sectoral Centers of Competence (CoCs) which should become lighthouses in their sector as well as geographical areas for a network of satellite TSSs and should durably improve for a number of schools the management of the institution, content of the curricula, teaching modalities (a branch of TVETA are planned in each CoC) and quality of educational outputs. This should be achieved within a strong partnership framework with the private sector. There are only 5 such schools under establishment and a further 3 in the pipeline at this stage. The investment they represent is considerable but the dissemination potential they have makes this model potentially the most viable solution so far to address the issue of expansion in the quality of the learning outcome, quantity of students and focused investment. The target of the government is to establish 27 CoCs by 2030, which is partially supported by the German cooperation.

This vision is already partially implemented through a less costly and a more mature model of applied technological schools (ATS), which are TSS with internationally recognised qualifications and require the drive of a private sector partner who shares in the management and operational cost of the school. It is currently getting record enrolment and employment results. There are above 50 such ATS since 2018, including 10 supported by USAID and the government target is 100 by 2030. Both models, CoC and ATS, are based on public-private partnerships, investment and involvement from the private sector and can generate revenues to be invested back in the school. As embedded in the national technical education quality assurance system and potentially supporting a new model of financing, they represent both a priority opportunity for further support. The Action will support the establishment of new ATSs and of already planned CoCs and their network of TSSs. It will support the schools in the development of their programmes and their accreditation processes. It will build capacity of the teachers including in terms of digital skills and the school management.



**Responsiveness of the system to the labour needs.** The dual system is not yet a mainstreamed solution to serve the development of all the competencies required in the workplace. It serves around 70,000 students (3% of the TVET students) and is limited by the readiness of small and medium sized private sector companies to engage with this intensive learning process that alternates apprenticeship between the company and the technical school and requires a teaching capacity in the workplace. The system is actively supported by GIZ and the government aims at reaching 10% of students by 2030. The dual system requires further integration in the newly established quality assurance system.

As for the dual system, the ATs and future CoCs, the private sector is recognised as an integral component and a key actor of the TE 2.0 to adapt the TVET system to the needs of the economy. At this stage, it has mainly been involved in the definition of occupational standards for a majority of existing curricula, in the assessment of exams and in the governance and co-management of the schools. Its increased involvement needs to be more systematic throughout the competence identification and delivery cycle and in policy making. The further operationalisation of sector skills councils is one of the key avenue to institutionalise the role of the private sector.

There is also an issue of the overall governance of the system with the anticipation of needs through labour market watch, the transfer of schools to new occupations according to demand and the facilitation of labour mobility schemes. There is finally a need to reform the competence recognition system (*labour system*), which has lost its credibility. The Action will support these main mechanisms to improve the adjustment of the offer to the labour needs.

**In terms of sectors**, the Egyptian economy is marked by a growth led model based on low qualified job in infrastructure and manufacturing and a contraction of the non-oil sector for more than 28 months. The required structural shift of the economy and apathy of labour demand are being addressed to a certain extent but it is difficult to anticipate the needs in the medium term because of uncertainties and in the absence of an efficient labour watch system. The demand for green jobs for instance (sustainable agriculture, waste and water management, renewable energy) is developing slower than anticipated and it is unsure whether more classes will be needed than those already planned including under the 3 EU-KfW funded CoCs. However, there is a clear need to mainstream green competence and especially resource efficiency and responsiveness to the climate change and environmental degradation in curricula as well as to improve the provision of qualifications in hospitality especially with the current sector rebound. Weaknesses of the current provision in this sector are both in terms of quantity and quality especially poor language proficiency. The final choice of sectors will be based on EU interest and relevance to the local economy at the time of contracting.

### Main stakeholders

The main stakeholders in the sector are young students, adult learners, graduates, employers and enterprises; they will be the final beneficiaries of the Action. **Young and adult learners** need access to schools that provide them with skills and competence in demand in the economy as well as credible and recognised diplomas and certificates that lead to decent employment and livelihood prospects. The Action will support improved educational outputs of the TSSs in line with labour needs through the support to new schools and programmes, public-private partnerships, improvement of teacher training and school management, accreditation of schools and curricula and recognition of competences.

**Employers and enterprises** need information on qualifications available and their corresponding level of competence. They need skills that support the uptake of new technologies for improved competitiveness. They need involvement in the skills identification and delivery cycle including for some through partnerships with specific schools. The Action will ensure the active and formal links and participation of the private sector representatives, through the joint work with the Federations and the newly established sector skills councils,

business associations and key employers in the selected sectors. The Action will support the establishment of partnerships with several private sector companies, actively involving them in the activities. The selected companies will allow the students to complete their practical training in one of the partner firms. Moreover, the companies will benefit from a preferred track for hiring the school graduates once they obtain their diploma. Private sector companies also contribute financially both as an initial investment (infrastructure and equipment) and through the operating costs of the selected schools (ATS or CoCs).

At central level, the **MoETE** is the principal duty bearer as holder of the largest segment of students in technical education and main player in the delivery of education and training (TSS, ATS, CoCs). Public allocation to technical education is not known but overall education expenditures stand at an average of 10% of total public expenditure and primary education will be the focus of the coming years as student teacher and student classrooms ratios are at the highest. The limited fiscal space that MoETE is experiencing to finance TE 2.0 requires smart strategies in terms of investment, the focus on multiplication models (CoCs) and on public-private partnerships (CoCs, ATS). MoETE also require further efforts on quality assurance especially the institutions under its remit (TVETA, CEQAT) and recognition of competence for employed youth without diploma (*labour system*) which concerns a significant share of the students. Finally, the ministry needs to improve the overall governance of the technical education system regarding transfer of schools, adaptation of programmes according to the needs including the mainstreaming of environmental and sustainable topics in the curricula as well as the overall allocation of funding and revenues. The Action will support MoETE in these areas. TSS will be prioritized together with MoETE for focused primary or further investment either through an ATS or a CoC models which allow respectively quick impact in terms of learning outcomes/employability and increased number of schools with improved curricula, teacher and school performances.

Other bodies within the skills development sector and qualifications are key players and will benefit from the Action, through capacity building and exposure to international good practice. These include the Technical and Vocational Education Teachers' Academy (TVETA), the Central Agency for Public Mobilisation and Statistics (CAPMAS), the National Authority for Quality Assurance and Accreditation of Education (NAQAAE), and the new TVET quality assurance and accreditation authority (ETQAAN). NAQAAE in particular will have a central role in linking up the outcomes and activities of this action with the developments of the Egyptian National Qualifications Framework (NQF), It is an independent public authority reporting to the Prime Minister. This Action will facilitate and accelerate the implementation of the NQF, the accreditation of the targeted TSSs according to ETQAAN standards.

Other key ministries involved in TVET governance include the Ministry of Planning and Economic Development (**MoPED**), which plays an important coordination and consistency role as well as leadership in infrastructure development planning. It is coordinating the drafting and issuing of the legal framework for establishing the sector skills councils and is also coordinating the development of a labour market information system. Other sector ministries might benefit from the Action including the Ministry of Environment for the mainstreaming of mainstream environmental including climate change topics in technical education curricula.

The participation of the **civil society** as well as the social partners (including youth and student organisations and the newly created trade unions and employers' associations) will be an important innovation of the Action and it will foster their inclusion in any new institutional mechanism that may be set up to improve the governance of the TVET system in Egypt. The Action foresees the cooperation with CSOs and NGOs (such as Sawiris Foundation Misr El Khair and others) on the one hand and the MoETE and the Private sector on the other. The above duty bearers, regulators, teachers, principals and management staff of concerned schools as well as the representative entities will be the target groups of the Action.

### 2.3. Lessons Learned

The recently completed EU funded TVET II achieved important results on which this new Action can build a solid basis. One key element of success was the backing up of the technical education strategy and related legal framework developments which created trust. The programme was however very ambitious and covered many different priority thematic areas. This meant dealing with many stakeholders with a high number of experts and progress was therefore not always synchronized and coherent, including time wise. Interlinking the different reform areas is of key importance in order to obtain coherent and comprehensive deliverables and this was not always possible in such a complex programme. To respond to this challenge, it is important that this Action is much more focused, can rely on the leadership of a committed institution, addresses the needs of a limited number of stakeholders and can better integrate contextual developments.

In 2022, EU started funding a blending operation with KfW for the establishment of 3 new CoCs in the field of renewable energy and energy efficiency and the rehabilitation of 20 technical schools (flagship 1 of the EIP). This intervention is experiencing considerable delays like other blending operations but also due to the construction of the CoCs which are new buildings and for which no conceptual blueprint exists. The current investment on the technical specifications of the CoCs will be used for future CoCs. KfW has committed to further support MoETE's target for 27 CoCs and 3 additional CoCs are now being planned. The Action will complement focus on the softer aspects of the current CoCs being built as well as on rehabilitating their network of TSSs. For ATS, it will prioritise the transformation of existing schools to avoid important delays.

The German government signed in 2018 a letter of intent to commit for a ten years period to support the reform and GIZ started in 2021 a first "Technical support for the Comprehensive Technical Education Initiative" (TCTI) that supports the current institutional development and the promotion of the dual system. The Italian Agency for Cooperation and Development (AICS) is implementing the "Applied Technology Schools and Teachers' Enhancement Project" and the "New Vocational Secondary School (VSS) pathway at the Italian-Egyptian Integrated Technical Education Cluster in Demo" (technical education clusters allow pursuing technical education at tertiary level). USAID Workforce Egypt provides support to MoETE in establishing 10 ATS as well as support to a variety of public and private sector stakeholders to meet the changing needs of a growing job market especially through capacity building for teachers and administrators in technical schools, employment centers, private companies; business associations and non-governmental organizations.

The combined efforts of the EU, GIZ, KfW, USAID, AICS have been successful in the past but only a fraction of the technical education system received direct support (with the exception of rolling out CBE curricula and teacher training with impacts on most schools). The fiscal space is limited to roll out all elements of the reform everywhere and to recruit the new generation of teachers. The identified models of dissemination and connection with the private sector needs (CoCs, ATS, dual system) need to be further pursued within the existing TSSs and need to be aligned with the new system of quality assurance. The relevance of the standards and effectiveness of school accreditation are central elements that will ensure the delivery of the required skills in the labour market and will establish the credibility of the national qualification framework locally and abroad to improve the mobility of graduates. The piloting of THAMM is also uncovering a significant demand for wider mobility schemes. The effective matching of demand finally requires a functioning labour market information system and the integration of the private sector throughout the curricula and delivery process. The leadership of the government is key in the current coordination of the system and with the arrival of new member states in the sector, the Team Europe initiative can improve focus.

### 3. DESCRIPTION OF THE ACTION

#### 3.1. Objectives and Expected Outputs

The Overall Objective of this Action is to ‘support youth and adults to have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship’.

The Action will contribute to the SDG 4.4 target by supporting the performance and delivery of the Egyptian TVET system for a labour market oriented technical education within the framework of the TE 2.0.

The Specific Objectives (outcomes) of this Action are to:

1. Improve the provision of quality driven technical education and training programme to be widely available in line with identified labour market needs and the future of work including the green and digital transitions.
2. Support the establishment and the implementation of mechanisms that identify needs, recognize competence and match them with demand for technical education qualifications.

The Outputs to be delivered by this action contributing to the corresponding Specific Objective 1 (Outcomes) are:

- 1.1. The capacity of the system of centers of competence and their network of schools and applied technology schools is increased
- 1.2. Capacity of selected schools to meet the new quality standards of accreditation is enhanced
- 1.3. Capacities of the schools, teachers and management staff are enhanced for a modern technical education delivery
- 1.4. Sustainable financing mechanism of the T.E. 2.0 is developed

The Outputs to be delivered by this action contributing to the corresponding Specific Objective 2 (Outcomes) are:

- 2.1. The capacity of private sector organisations is enhanced to play a role in the competence identification and delivery system
- 2.2. Capacity is put in place that facilitates the process of school transfer and the adaptation of the programme offer according to labour market needs
- 2.3. The competence recognition system (labour system) is revised and reformed according to TE 2.0 and quality and transparency requirements

Schools and sectors will be prioritised at the time of contracting with MoETE and due consideration to the EU interest, the demand from the labour market, and the readiness of the existing facilities at the time of contracting.

The objectives of the Action contribute to the general objectives of the regional TEI on Jobs through trade and investment pillar 2 on vocational education and training and skills as well as the EIP thematic priority vi on Human development.

### 3.2. Indicative Activities

Activities related to Output 1.1: The capacity of the system of centers of competence and their network of schools and applied technology schools is increased

- Identify sectors and governorates according to government and EU interest, labour market needs and readiness of existing facilities at the time of contracting
- Improve the infrastructures and equipment of the selected centres of competence's network of schools and the applied technology schools
- Support the development of new competence based curricula in line with the qualification framework as well as the mainstreaming of environmental including climate change topics

Activities related to Output 1.2: Capacity of selected schools to meet the new quality standards of accreditation is enhanced

- Carry out capacity building activities for teaching and non-teaching staff on quality process and systems
- Support the Center for the Enhancement of Quality Assurance of Technical Education (CEQAT) for the preparation of schools for institutional and programme accreditation according to the Egyptian TVET Quality Assurance and Accreditation National Authority (ETQAAN) standards and towards international standards
- Support the Technical Vocational Education Teachers Academy (TVETA) in providing continuing training for teachers institutional and programme.
- Support national and international accreditation

Activities related to Output 1.3: Capacities of the schools, teachers and management staff are enhanced for a modern technical education delivery

- Support continuing training of teachers especially on pedagogical content, new topics and foreign language skills
- Support connectivity and the use of information and communication technologies as well as innovative teaching methods
- Support school partnerships with the private sector and governance
- Organise peer learning activities with successful practices
- Support the Technical Vocational Education Teachers Academy (TVETA)

Activities related to Output 1.4: Sustainable financing mechanism of the T.E. 2.0 is developed

- Agree with relevant institutional stakeholders on the methods used for an analysis of the TVET finance
- Design a finance monitoring system and set up a formal working group
- Develop the regulatory support to evidence-based policy making
- Install a qualitative monitoring reporting (cost-benefit) and link to other reporting of the MOETE

Activities related to Output 2.1: The capacity of private sector organisations is enhanced to play a role in the competence identification and delivery system

- Support the adoption and the implementation of the regulatory framework for the sector skills councils
- Carry out capacity building activities for the sector skill councils on delivering occupation standards and translation labour market information and new challenges including those related to the climate change and environmental degradation towards qualifications, skills and education content with due consideration to new skills and jobs at the national and international levels
- Support the involvement of the private sector in the targeted schools

Activities related to Output 2.2: Capacity is put in place that facilitates the process of school transfer and the adaptation of the programme offer according to labour market needs

- Support MoPED for the operationalisation of the labour market information system
- Facilitate the transfer of a number of existing schools in sectors with low potential for employment and labour market needs to sectors with high demand in the labour market
- Facilitate mobility schemes for the active preparation of graduates to regular migration

Activities related to Output 2.3: The competence recognition system (labour system) is revised and reformed according to TE 2.0 and quality and transparency requirements

- Review data and processes of the labour system
- Develop and discuss an improved concept with stakeholders especially the integration in the assessment and certification processes
- Develop the regulatory framework, pilot and evaluate implementation
- Raise awareness on changes especially towards parents and students

The commitment of the EU's contribution to the Team Europe Initiative to which this action refers, will be complemented by other contributions. It is subject to the formal confirmation of each respective member's meaningful contribution as early as possible. In the event that the Team Europe Initiatives (TEI) and/or these contributions do not materialise, the EU action may continue outside a TEI framework.

### **3.3. Mainstreaming**

#### **Environmental Protection, Climate Change and Biodiversity**

Outcomes of the Strategic Environmental Assessment (SEA) screening (relevant for budget support and strategic level interventions)

An SEA is not required but key environment and climate-related aspects will be mainstreamed in the school selection process, curricula development, school management and other key activity design at the time of contracting.

Outcomes of the Environmental Impact Assessment (EIA) screening (relevant for projects and/or specific interventions within a project).

The EIA (Environment Impact Assessment) screening classified the action as Category C (no need for further assessment).

Outcome of the Climate Risk Assessment (CRA) screening (relevant for projects and/or specific interventions within a project).

The CRA screening concluded that this action is at no or low risk (no need for further assessment).

#### **Gender equality and empowerment of women and girls**

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This Action contributes to the Gender Action Plan (GAP) III 2021-25 Country Level Implementation Plan for Egypt and particularly the thematic area of engagement: Promoting gender equality in education.

Education is a major determinant of employment, and in Egypt, women's unemployment remains threefold that of men because of barriers related to equal access to education and decent work. Despite noticeable progress in narrowing gender gaps in women and girls' educational attainment, more effort is needed to address the low enrolment ratios at secondary levels and in particular in technical education where the school facilities are not always adapted to women. Also, a shift is needed to move beyond gender parity in numbers, and focus on how the education system can advance gender equality.

The Action will mainstream gender at all stages, in the selection of schools and sectors, in the development and adaptation of curricula, in the management of schools, in the handling of labour and qualification data. In particular, the Action will raise awareness on gender bias and stereotyping in technical education programmes. It will support partnerships between the government, civil society and the private sector to increase women and girls' access to quality and inclusive technical education, lifelong learning and skills development.

The Action will use gender-sensitive indicators and report sex-disaggregated data and to better assess the impact on gender equality.

### **Human Rights**

The Action approach is in line with SDG commitments and puts a particular emphasis on social rights, women's rights, and child's rights. Education rights and lifelong learning will be promoted and will increase awareness among the communities through structured actions in partnership with the local stakeholders and the private sector.

### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0. This implies that the Action will indirectly contribute to improving the inclusion of people with disabilities through improvements in their access to quality education and technical education, vocational training and, skills and jobs. No specific activity is foreseen to target specific people with disabilities. Nevertheless, during all phases of this programme, particular attention will be devoted to the principal of equality of treatment and opportunity of both men and women and of non-discrimination of the handicapped.

### **Democracy**

The Action will support and upgrade the established mechanism for ensuring a systemic and official engagement of the private sector and civil society organizations at all levels to improve the governance structures of the TVET system in Egypt. The Action foresees that the co-management of the MoETE schools (ATS/CoCs) will include the private sector, local CSOs and national NGOs that will directly benefit from increased capacity in managing schools and TVET programmes.

### **Conflict sensitivity, peace and resilience**

The Action contributes to resilience and social cohesion, addressing inequalities, improving the quality of life and promoting social and economic inclusion of the less advantaged groups.

### **Disaster Risk Reduction**

Not applicable.

## **3.4. Risks and Assumptions**

<b>Category</b>	<b>Risks</b>	<b>Likelihood (High/ Medium/</b>	<b>Impact (High/ Medium/</b>	<b>Mitigating measures</b>

		Low)	Low)	
1-External environment	The continued difficult economic situation could discourage the private sector to financially support CoCs and ATS	Medium	High	Selection of the schools and sectors will also take into consideration location and demand from the private sector; multiple partnerships will be encouraged to avoid school dependence on specific companies
1-External environment	The building of CoCs by KfW is delayed	Medium	High	The Action will closely coordinate with KfW and adapt activities according to the status of construction at time of contracting; the activities can focus on the preparedness of the network of schools in case the CoC is not built before the end of the Action
2-Planning, processes and systems	Long time frame for the needed legislations and decree	Low	Medium	The Action focus on activities for which the regulatory framework is in place (quality assurance system) and considerable momentum has been gained and the institutional leadership clarified (sector skills council)
3-People and organization	Lack of interest from teachers and management staff for the capacity building activities	Medium	Medium	Selection of the schools will also take into consideration whether the staff and management can be motivated by the expected transformation of the functioning of the school either by the improved working conditions or the access to revenue generation activities and upskilling

## External Assumptions

The Action assumes that Egypt will continue to enjoy relative stability despite the geopolitical and global contexts and that MoETE will continue to be committed to the implementation of Technical Education 2.0 Reform Strategy. It also assumes that there will be clear economic development plans so as to facilitate the identification of labour needs and the investment by the private sector. As implementation will require several approvals by the national authorities, the Action assumes that the Egyptian administration will process requests smoothly so that the projects can keep the pace of work plans and objectives.

### 3.5. Intervention Logic

The underlying intervention logic for this action is that **IF** we strengthen sector governance, facilitate priority investment in multiplication and public-private partnership models (CoCs, ATS), build the capacity of teachers and schools management and ensure school accreditation by a credible quality assurance system (component 1), and **IF** we establish good labour market information systems, the involvement of the private



sector from occupational standard identification to skills assessment and reform the competence recognition system (component 2), and **IF** Egypt will continue to enjoy relative stability despite the geopolitical and global contexts and that MoETE will continue to be committed to the implementation of Technical Education 2.0 Reform Strategy (assumptions), **THEN** we will have the adequate qualifications of skilled youth/workers to compete in the current and future labour market nationally and abroad.

### **3.6. Indicative Logical Framework Matrix**

Results	Results chain: Main expected results [maximum 10]	Indicators [it least one indicator per expected result]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
<b>Impact</b>	Employability of Youth and Adults is enhanced	Employment rate of TVET graduates	Baseline 2021[most recent data]	Target [increase]	National Statistics Office (CAPMAS)	<b>Not applicable</b>
<b>Outcome 1</b>	1. The provision of improved quality driven and technical education and training programme is widely available in line with identified labour market needs and the future of work including the green and digital transitions	1.1 Number of newly accredited VET programmes (dis: all areas/green sectors)	0	5 (tbd)	1.1 Min of Education	Egypt will continue to enjoy relative stability despite the geopolitical and global contexts
		1.2 Progression rate for the qualified students from the schools that received EU support [students 1-year post qualification] [dis: to: employment, further education/training, internships]	tbd (Inception Report)	Baseline + % tbd	1.2 IP M&R (poss collected from schools)	
		1.3 Employer satisfaction relative to employed students/graduates (cfr Ind 1.2)	tbd (Inception Report)	Baseline + % tbd	1.3 IP M&R (poss collected from schools)	
<b>Outcome 2</b>	2. Mechanisms that identify needs, recognize competence and match them with demand for technical education qualifications are established and implemented	2.1 Status of adoption of the legal framework is developed and implemented (dis: type of mechanism; [no legal framework; LF under development, LF developed, LF implemented]	tbd (Inception Period)	Implemented	1.4 IP M&R	
		2.2 Status of adoption of regulatory framework for the competence recognition system [no regulatory framework; RF under development, RF developed, LF implemented]	No regulatory framework (tbc)	Established and operational	IP M&R	

		2.3 Number of schools transferred (dis: according to specialisation)	0	8		
		2.4 Number of candidates prepared under mobility schemes				
<b>Output 1.1</b>	1.1 The capacity of the system of centers of competence and their network of schools and applied technology schools is increased	1.1.1 Number of new /upgraded schools in technical education sector with increased capacity with EU support [dis: new/upgraded; type of school]	0	23	IP M&R	MoETE will continue to be committed to the implementation of Technical Education 2.0 Reform Strategy
		1.1.2 Number of new/upgraded curricula (disaggregated acc to sector and by theme (e.g green and digital etc)	0	tbd (Inception Report)	IP M&R	
<b>Output 1.2</b>	1.2 Capacity of selected schools to meet the new quality standards of accreditation is enhanced	2.1 Number of supported selected schools that apply for accreditation (national/international)	0	15	IP M&R	
<b>Output 1.3</b>	1.3 Capacities of the schools, teachers and management staff are enhanced for a modern technical education delivery	3.1 Number of new teacher training packages produced (disaggregated by theme (e.g green and digital etc)	0	tbd (Inception Report)	IP M&R	
		3.2 Number of TVET teachers who who successfully complete teacher training with EU support (cfr 1.3.1)	0	tbd (Inception Report)		

<b>Output 1.4</b>	1.4 Sustainable financing mechanism of the T.E. 2.0 is developed	1.4.1 Status of development of sustainable financing mechanism [ not developed/ developed/ approved]	Not developed (tbc)	Approved	IP M&R	
<b>Output 2.1</b>	2.1 The capacity of private sector organisations is enhanced to play a role in the competence identification and delivery system	1.1.1 Number of PSOs with enhanced capacity 1.1.2 Number of partnerships with private sector entities whose establishment is supported	0	10	IP M&R	
<b>Output 2.2</b>	2.2 Capacity is put in place that facilitates the process of school transfer and the adaptation of the programme offer according to labour market needs and new challenges including the climate change and environmental degradation	2.2.1 Status of development and implementation of labour market information system for technical education [under conceptual design, under development, in place and operational] 2.2.2 Number of MoETE staff with enhanced capacity 2.2.3 Number of schools supported for the transformation process 2.2.4 Number of mobility schemes supported with EU support	Under conceptual design (tbc) 0 0 1	In place and operational tbd (Inception Report) tbd (Inception Report) tbd (Inception Report)	Project progress reports Government/ MoETE official report	Clear economic development plans will facilitate the identification of labour needs and the investment by the private sector
<b>Output 2.3</b>	2.3 The competence recognition system (labour system) is revised and reformed according to TE 2.0 and quality and transparency	2.3.1 Competence recognition system revised and operationalized 2.3.2 Number of students that benefited from the revised	System exists imperfectly	Revised system operationalised	IP M&R	

	requirements	<p>competence recognition system (labour system)</p> <p>2.3.3 Status of the competence recognition system [Systems exists imperfectly; System under revision, revised Improvements introduced/ revised system implemented]</p>		10000 students graduated within the revised system		
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## **4. IMPLEMENTATION ARRANGEMENTS**

### **4.1. Financing Agreement**

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country.

### **4.2. Indicative Implementation Period**

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 84 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

### **4.3. Implementation Modalities**

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

#### **4.3.1. Direct Management (Procurement)**

The procurement will partially contribute to the specific objectives 1 and 2 of the action according to the Terms of Reference (TOR) agreed with the Government of Egypt and the Ministry of Education and Technical Education (MoETE).

#### **4.3.2. Indirect Management with pillar-assessed entities**

A part of this action may be implemented in indirect management with one or several pillar assessed entities, which will be selected by the Commission's services using the following criteria:

- adequate operational and financial capacities,
- presence in the country
- solid experience in the sector

The implementation by this entity entails the implementation parts of objectives 1 and 2 .

### **4.4. Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

#### 4.5. Indicative Budget

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>
<b>Implementation modalities</b> – cf. section 4.3	<b>EUR 24 800 000</b>
Procurement (direct management) – cf. section 4.3.1	EUR 4 000 000
Indirect management with pillar assessed entities – cf. section 4.3.2	EUR 20 800 000
<b>Evaluation</b> – cf. section 5.2 <b>Audit</b> – cf. section 5.3	<b>EUR 200 000</b>
<b>Strategic communication and Public diplomacy</b> – cf. section 6	will be covered by another Decision
<b>Totals</b>	<b>EUR 25 000 000</b>

#### 4.6. Organisational Set-up and Responsibilities

A Steering Committee (SC) will be set up in the first six month of operation of the Action to oversee and guide the overall direction and policy of the action. It shall meet twice a year. It could also be convened whenever the project implementation requires strategic decisions. The SC shall be chaired by the Ministry of International Cooperation (MoIC) on behalf of the GoE and will be composed of representatives of the Ministry of Foreign Affairs (MoFA), the Ministry of Education and Technical Education (MoETE), and other relevant ministries and Government entities, representatives of the implementing partners, a representative of the EU Delegation. The SC has the right to invite other stakeholders whenever deemed appropriate, including representatives of the federations, private sector and SCOs.

A Technical Committee will be set up for each component of the Action and shall meet at least twice a year and whenever needed.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.



## **5. PERFORMANCE MEASUREMENT**

### **5.1. Monitoring and Reporting**

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Arrangements for monitoring and reporting, including roles and responsibilities for data collection, analysis and monitoring: Data will be sex disaggregated and, when possible, include data on persons with disabilities involved in the Action.

### **5.2. Evaluation**

Having regard to the nature of the action, a mid-term and a final/ex-post evaluation will be carried out for this action or its components via independent consultants contracted by the Commission. A mid-term evaluation will be carried out for problem-solving, learning purposes, in particular concerning the level of engagement and cooperation between the different private and public sector stakeholders involved and the assessment of achievement of the Egyptian and EU priorities. A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the implementation modalities and involvement of several kinds of stakeholders.

The Commission shall form a Reference Group (RG) composed of representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partner at least three months in advance of the dates envisaged for the evaluation exercise and missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted (under a framework contract).

### 5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## 6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the 2022 guidance document [\*Communicating and raising EU visibility: Guidance for external actions\*](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and the EU Delegation fully informed of the planning and implementation of specific visibility and communication activities before the implementation. Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees.

For communication on Team Europe Initiatives, the EU and its Member States can rely on the specific guidance on the Team Europe visual identity.