



PALESTINIAN NATIONAL AUTHORITY

Ministry of Education, Ministry of Labor, Ministry of Higher Education

Vocational and Technical Education and Training
Strategy in Palestine
Implementation Plan

Palestine 1999



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Dedication

The Palestinian National Authority, represented by the Ministry of Education, the Ministry of Labor and the Ministry of Higher Education, dedicates this National Strategy Implementation Plan for Vocational & Technical Education & Training to the Palestinian community which is personified by the leader of the procession, His Eminence, President Yasser Arafat, may God protect him. This plan is considered the keystone for the development of education in Palestine, and producing it became next in order after the endorsement of the Palestinian curriculum plan. The three ministries had to work jointly on designing the appropriate outlines to improve the structure of the Vocational & Technical Education & Training. They showed readiness to provide all sorts of cooperation and assistance to ensure the success of this plan.

The three Ministries acknowledge with deep gratitude the various international organizations, the friendly countries, and the national organizations for providing technical and financial support to accomplish this plan. The three ministries also wish to extend their gratitude to all those who contributed to or participated in accomplishing this work and bringing it to light.

Ministry of Labor

Ministry of Education

Ministry of Higher Education

July 1999

Introduction

The moment the Palestinian National Authority received command of the territories, it showed great interest in the development of the vocational and technical education and training system (VTET). It gave it precedence in the process of development and progress in Palestine.

In application of this interest, the Ministries of Labor, Education and Higher Education took the initiative of involving all concerned private and public bodies in a debate on the best means for the development of the VTET sector in Palestine. This debate resulted in the formulation of a proposed national strategy for this sector. In addition to the Authority's interested ministries, representatives of employers, workers, public and private training institutions, a number of experts also participated in the formulation of this strategy.

After formulating the proposed VTET national strategy the Ministries of Education, Labor and Higher Education adopted it and formed a joint steering committee to direct the process of VTET development in Palestine. This steering committee, during its meeting on 17/2/1997, assigned a sub-committee consisting of the following members:

- 1- Mr. Hisham Kuheil – Deputy Minister of Higher Education.
- 2- Mr. Ziad Jweiles - General Director of Technical Education at the Ministry of Higher Education.
- 3- Mr. Mazen Hashweh - Expert Team at the Ministry of Labor.
- 4- Mr. Muhannad Al-Tul - Expert Team at the Ministry of Labor.
- 5- Dr. Salah Yaseen - General Director of Curricula at the Ministry of Education.

The task of this sub-committee was to formulate a national plan for the implementation of this strategy, in order to present it to the executive and legislative bodies of the PNA, and to carry out all the necessary administrative and legislative procedures. This sub-committee worked for several months to produce this plan that includes a description of the following items:

- Objectives of the proposed VTET system.
- Current status of VTET institutions.
- The proposed VTET system.
- Mechanism of implementing the VTET national plan.
- Estimated budget required for the implementation of the plan

Chapter one of the plan deals with the objectives of the proposed system, while Chapter two deals with the current VTET status regarding entrance requirements, education and training opportunities, outputs, the available vocational specializations and other relevant statistics.

Chapter three deals with comprehensive analysis of the structure of the proposed system as regards to curricula, modular system, system management, financing, as well as highlight the main characteristics of the system.

Chapter four presents the implementation mechanism of the national VTET plan in all its phases.

And finally, Chapter five presents the estimated budget required for the implementation of the VTET plan in Palestine.

Chapter One

Objectives of the Proposed VTET System

The VTET system aims at achieving a number of objectives at the community level as well as at the level of the individuals enrolled in the programs of this system. These objectives are:

At the community level:

- Providing the community with the skilled labor force and qualified technicians capable of participating in the development and maintenance of the infra structure as well as the industry, agriculture, services sectors and others.
- Keeping up with modern scientific and technological progress, monitoring its effect on the various economic sectors and coping with its impact on the labor market.
- Confronting the changes in the labor market that arise from economic fluctuations and technological variations, through the special training courses and the continuing education programs that increase the individual's opportunities to attain permanent jobs.
- Increasing the productivity of the labor force, hence participating in the increase of the national income, and in encouraging investment in the country, through:
 - ❖ Continuous upgrading of the performance level and qualifications of the labor force in order to conform to scientific and technological developments as well as the labor market needs.
 - ❖ Introducing new skills and technologies to the various economic sectors.

At the individual level:

- Equipping individuals with the knowledge and skills required by their occupation according to standards acceptable to the labor market and in a manner that guarantees the individual with the maximum mobility required to survive in a continuously changing labor market.
- Qualifying individuals to live in a democratic community, to be able to think in a logical and abstract fashion, to be self-dependent, and to be proud in their affiliation to the Palestinian community and to their vocational community.
- Equipping individuals with the required work attitudes, belief, and values including: work proficiency, honesty, satisfaction, care for production quality, ability to adjust, capability to work in a team, and to be able to express oneself in a clear fashion.
- Enabling individuals to deal with modern technologies, and to be able to continuously learn and develop

- Qualifying individuals to become aware of the situation of the labor market and the changes occurring in it, as well as to nature and conditions of the various occupations, and to their prospects of development within this market.

Undoubtedly, the VTET in Palestine need a comprehensive development process to enable it to attain the above-mentioned objectives and to train Palestinian qualified personnel who will advance the development process.

To achieve this, the national VTET plan was designed to introduce a Palestinian VTET system that is efficient, effective, flexible, relevant to the labor market needs, accessible to all target groups, equitable, self-sustainable, and capable of meeting its general obligations towards the Palestinian community.

In order that the plan achieves its objectives, it has to effect the following changes on the VTET system:

- Ameliorating the readiness of the VTET system and improving its efficiency to enable it to respond to the labor market needs.
- Developing multi purpose and multi level VTET programs to meet the labor market need for skills.
- Upgrading the proficiency of the trainers already working in the system and establishing training programs for upgrading them, as well as qualifying the new instructors. It is proposed that the above be carried out through a national institute for training of trainers.
- Developing the available buildings and adding new ones to meet the expansion objectives.
- Developing the equipment and providing all the necessary physical resources.
- Developing a flexible financing system, based on diversifying the financing resources in order to secure the system's sustainability.
- Developing the teaching and training curricula to attain the maximum flexibility, effectiveness and relevance to the needs of the labor market.
- Developing the relations with the local labor market in order to achieve the maximum interlinkage between the training system and the labor market, and to secure maximum participation in planning, management and implementation.
- Developing the rules and regulations framework to secure the success of the project.

Chapter Two

Status of VTET Institutions

2.1. Current status of the VTET:

The VTET structure in Palestine - despite its small size - is considered a fragmented structure with regards to the types of institutions, their objectives, supervisory and responsible parties as well as in the historical background of their establishment.

In the West Bank and Gaza Strip there are hundreds of training institutions that provide short and long-term training programs. These institutions consist of vocational secondary schools, vocational training centers, private cultural centers, charitable associations and developmental institutions. Moreover, there are 23 community colleges offering different educational programs for Tawjihi graduates.

The above mentioned institutions are supervised by several bodies, consisting of the Ministry of Education, Ministry of Labor, Ministry of Higher Education, Ministry of Social Affairs, UNRWA, charitable and religious associations, international non-governmental organizations, developmental organizations and private sector institutions.

At the formal level there are two kinds of institutions: The vocational secondary schools, and the Palestine technical colleges and community colleges.

At the non-formal level there are the Ministry of Labor training centers and others that are related to UNRWA, some charitable and private associations, and several NGOs.

Hereunder is a detailed description of each:

2.1.1. Formal VTET:

2.1.1.1. Vocational secondary schools:

Objectives: The vocational secondary schools aim at double qualification of their students: On one side they aim at qualifying them for work, and on the other for enrollment in higher education.

The students spend the first half of the educational period in studying general subjects and the 2nd half in studying theoretical subjects and in practical training related to the relevant occupation.

Entrance requirements: To be accepted at these schools, the students should have successfully completed the 10th grade.

Duration of study: 2 years.

Outputs: At the end of the learning period the students sit for the vocational stream Tawjihi exam. If they succeed, they receive the Tawjihi certificate in the vocational stream qualifying them to enroll in the community colleges or universities.

Curricula: The vocational secondary schools use the Jordanian vocational secondary school curricula.

Number of vocational schools:

- Industrial secondary schools: 10
- Agricultural secondary schools: 2
- Commercial secondary schools: 8

Numbers of students: During the year 1997/1998, the number of students enrolled at the vocational secondary schools reached 2,220 male and female students, of which only 513 were females. This is due to the fact that the programs available for females are limited to the commercial stream. The number of male and female students in the vocational 1st secondary class was 1,269, and in the 2nd secondary 951 students. There are 325 male and female teachers working at these schools.

Hereunder is a breakdown of the students according to streams:

Agricultural stream	231
Commercial stream	555
Industrial stream	1434

Responsibility and supervision: The Ministry of Education supervises the education in all these schools. It finances and manages 13 of them, while other private bodies shoulder the responsibility of financing and managing the rest.

In the industrial secondary schools a number of specializations are available as shown in table No. 1

1.	Metal	Turnery and finishing Blacksmithery and welding Sanitation and central heating
2.	Electricity & electronics	Electrical wiring and installation Radio and television repair Computer maintenance Maintenance of office equipment Electricity of motor vehicles
3.	Mechanics	Car mechanics Air conditioning and refrigeration
4.	Wood	Carpentry Upholstery and decoration
5.	Construction	Construction and land survey
6.	Agriculture	
7.	Commerce	

Table No. (1): Specializations presently offered at the vocational secondary schools

2.1.1.2. Community colleges:

Objectives: The community colleges aim at preparing the mid-level labor force, which forms the link between the specialized and the skilled workers.

Entrance requirements: To be accepted at these colleges, the students should have passed the Tawjihi exam successfully, with an average over 60%. This acceptance is subject to competition.

Duration of study: Two years.

Outputs: At the end of the learning period, the students sit for the community colleges comprehensive exam, each according to his specialization. They can also enroll at the universities for further studies upon special regulations.

Curricula: The Jordanian curricula are used in these community colleges.

These colleges can be divided into three kinds according to the specializations they provide:

- Technical community colleges
- Academic community colleges
- Community colleges covering both vocational and academic specializations.

The said colleges offer 44 specializations within 10 major areas.

Number of students: Hereunder is a breakdown of 1996/1997 students in the different fields:

Program	Academic	Educational	Engineering	Medical ass.	Admin. & finance	Computer	Arts	Social work	Hotel man.	Vocational
No. of students	484	287	566	358	1,673	680	257	70	46	142

Table No. (2): Distribution of students in community colleges and the technical colleges according to their specialization for the year 1996/1997

The total number of male and female students in these colleges for that same year reached 4,599, of whom half are females. In the community colleges there are 254 full time teachers and 78 part timers.

Responsibility and supervision: In Palestine there are 16 community colleges: 14 in the West Bank and Jerusalem and 2 in Gaza Strip. 5 of these colleges are governmental (under the name of Palestinian technical colleges) and 3 belong to UNRWA. The rest are private and non-governmental colleges.

The Ministry of Higher Education supervises the education in these colleges, and it acknowledges their certificates. The Ministry is also responsible for the financing, management and administrative supervision of the Palestinian technical colleges. The other colleges are partially financed by the government.

2.1.2. Non-formal vocational training:

2.1.2.1. The training centers of UNRWA and other charitable associations:

Objectives: These centers aim at producing skilled labor. At these centers, the trainees spend 75% of their time in practical training and the rest in studying general theoretical subjects relevant to the vocation under training.

Entrance requirements: Students accepted in these centers should have passed the 10th grade successfully.

Duration of study: 2 Years.

Outputs: After the completion of their training, students are given a diploma certificate in the vocation subject of training.

Curricula: Basically these centers use UNRWA's vocational training curricula, and some of them use other curricula.

In the West Bank and Gaza governorates there are 7 such centers: 2 in Gaza and 5 in the West Bank. 1,500 male and female students study in these centers, most of them at UNRWA's. At all these centers only one program is available to females in Gaza and a few others in the West Bank. The specializations available at these centers are similar to those available in the industry stream of the vocational secondary education.

Supervision & responsibility: UNRWA supervises and finances 3 centers while charitable associations supervise the other four centers. These centers usually depend on foreign donors for their financing.

2.1.2.2. The Ministry of Labor vocational training centers:

Objectives: These centers aim at preparing semi-skilled labor in different fields. In these centers students spend most of their time in practical training in workshops.

Entrance requirements: Entrance requirements vary according to the course and its contents.

Duration of the courses: The duration of these courses varies from 5 to 14 months according to the type of the course.

Outputs: Upon the completion of the course students are provided with a course certificate from the Ministry of Labor.

Curricula: Curricula of these courses are specified by the trainers and based on various references.

In the West Bank and Gaza Strip there are 13 centers that belong to the Ministry of Labor of which 4 are in Gaza and the rest in the West Bank. These centers offer different specializations.

Responsibility and supervision: The Ministry of Labor controls these centers financially and administratively. They are completely financed by the ministry's budget.

Specializations: During the year 1996, around 5,000 trainees graduated from these centers. Almost half of them graduated from driving courses. The female graduates constitute 12.5% of the centers overall graduates.

The following table shows the specializations offered at these centers.

1.	Metals	Blacksmithery Lathing & machining Aluminum work
2.	Electricity & electronics	Electrical installation Radio & television Car electricity
3.	Wood	Carpentry Scaffolding
4.	Services	Hairdressing Secretariat Driving of vehicles
5.	Clothes' manufacturing	Sewing

Table No. (3): Specializations offered at the vocational training centers

2.1.2.3. Private & public cultural centers:

There are hundreds of private & public cultural centers that provide non-formal training courses in many areas. A number of developmental organizations as well as continuing education organizations that are affiliated to the universities and colleges provide different training courses.

2.2. Problems facing the VTET in Palestine:

The VTET in Palestine faces many difficulties, of which the most important are:

1. Fragmentation: This system is marked by fragmentation and absence of coordination between its components as a system and the local community, in addition to duplication in the supervisory bodies.
2. Multi management and supervision bodies. As previously mentioned there are more than 400 training institutions in the West Bank and Gaza that provide short and long term training courses. They extend from the level of vocational secondary schools up to vocational centers and community colleges. A number of

- ministries, public and religious bodies and international organizations supervise and finance these programs.
3. Limitation of resources: The training centers suffer from a deficiency in modern equipment and machinery, and the applied curricula are not up-to-date, and do not tally with the technological developments. They also lack the educational and pragmatic proficiencies that could implement the programs.
 4. Weakness in the relation between the VTET path and the academic education paths lead to the decline in the training quality level.
 5. The high cost of VTET and the limited number of enrolled students, leading to an increase in the vocational graduate cost.

2.3. Areas of change:

Any VTET development project should effect changes at the following levels.

1) Physical structure:

- Developing the existing colleges, schools and centers in the following areas: condition of the building, designated areas, electrical and sanitary installations, provision of health and occupational safety necessities, as well as provision of facilities for dealing with disabled in addition to other facilities such as cafeterias, playgrounds and libraries.
- Developing and updating the equipment and machinery in the various specializations.
- Constructing additional training institutions in different locations.

2) Human resources:

- Providing pedagogical training to all current trainers.
- Providing technical training to a number of trainers in areas to be specified.
- Training directors and management staff in the field of educational administration.
- Training educational planners and policy makers in educational planning.

2) Coordination & complementarily:

- Achieving a VTET unified body that is legally endorsed and accredited.

4) Equity:

- Encouraging females to join all areas of VTET programs.
- Securing funds for needy students.
- Encouraging and facilitating the possibility for the enrollment of those with special needs in VTET programs.

5) Image of the educational and training system:

- Ameliorating the social look to VTET through upgrading the training quality and promoting its relevance to the needs of the labor market.
- Working on increasing the number of students applying to join the new system through vocational guidance and counseling programs.

- Encouraging students from all levels to join the VTET programs.

6) Impact on the individual:

- Increasing the job opportunities of the trainees graduating from the system in comparison to the untrained.
- Securing better job opportunities with better salaries to the system's graduates.

Chapter Three

Proposed VTET System

3.1. General structure:

The proposed system aims at meeting the labor market need for qualified human resources in all vocational and technical fields through providing training in the fields of: Industry, trade, food production, commerce, management, health and services.

Figure No. 1 shows that the proposed VTET system will organize formal as well as non- formal training courses, to serve a wide target group. The proposed system will offer the formal training in two stages: The first starts upon the students' graduation from the 10th class and lasts for two years and the 2nd starts upon their graduation from the 1st stage or the Tawjihi and lasts for the duration specified by the nature of the program that they enroll in. Hereunder is a detailed description of the objectives of each stage and its nature:

3.1.1. Formal VTET paths:

3.1.1.1. VTET (first stage):

Objectives: At this stage the VTET system aims at qualifying "skilled workers". Special emphasis will be given to both the theoretical and the practical aspects, in different proportions according to the nature of the vocation under training.

Entrance requirements: To be accepted at this stage students should have successfully completed the 10th grade and should meet other requirements specified by the program and the vocation under training. In addition the trainees' health and cognitive status and aptitude are also taken into consideration.

Duration of study: At this stage the study period lasts for two years, at the end of which the trainee will be given the 1st diploma certificate, provided he / she passes the general exam that takes place at the end of the learning period. In certain programs, the training exceeds two years by a period no more than half a scholastic year, depending on the nature of the program.

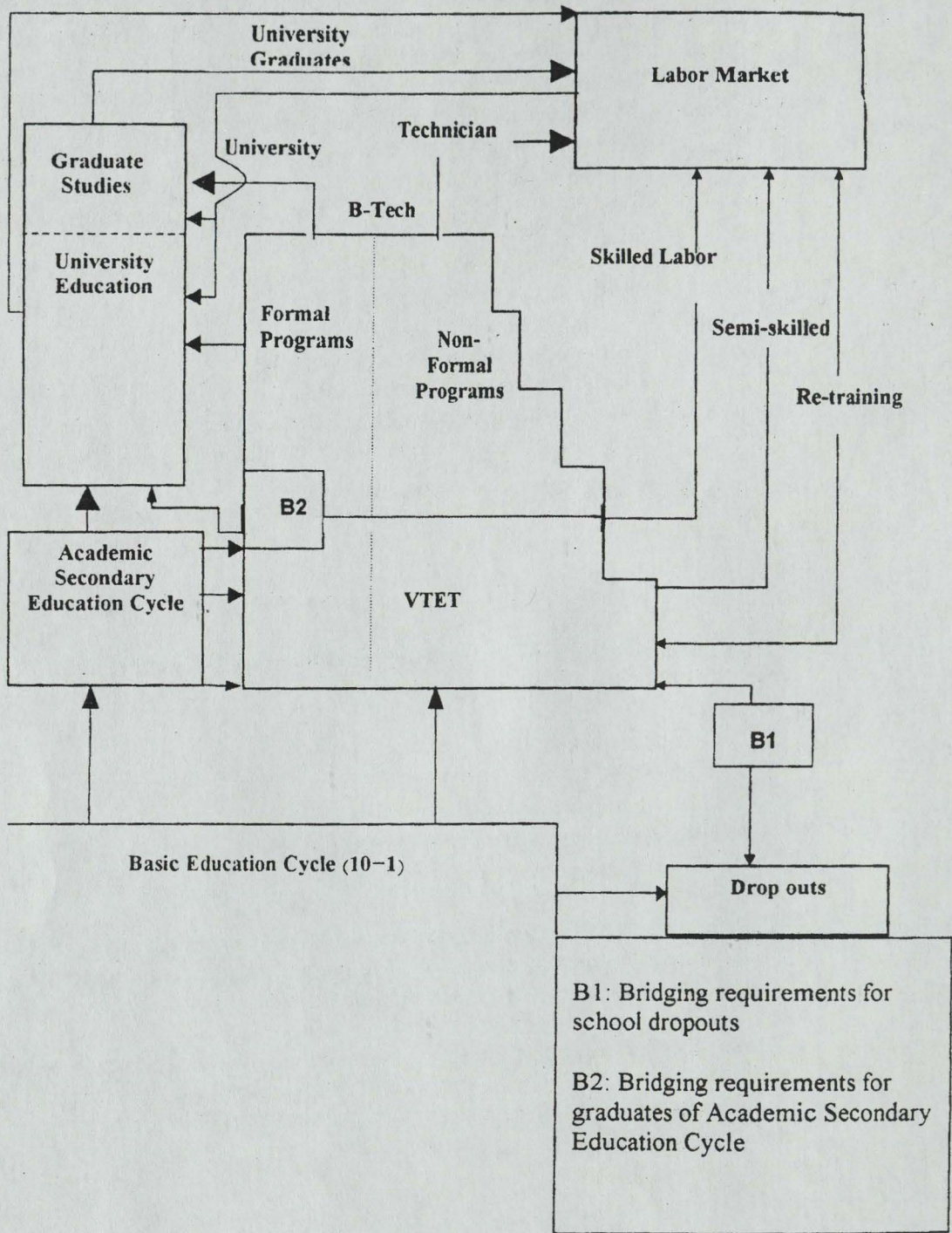


Figure No. (1): Proposed structure of VTET system

Outputs: Upon graduating from this stage, the trainees will be qualified to work in the vocation they were trained in at the level of "skilled workers". They will also be qualified to join the technical training programs of the 2nd stage of the system, provided they meet the entrance requirements of these programs. In certain programs - where training consists of a considerable amount of theoretical knowledge, according to the occupation subject of the training - students will be qualified to join the higher education university programs in a specialization similar to the one they were trained in provided they pass the general exam. Thus, there are two kinds of programs:

1. Limited or closed programs: These are the programs that qualify their graduates - after passing the general exam - to join only the short term programs of VTET colleges, and do not qualify any of them to enroll at the higher education university programs.
2. Open programs: These are the programs that qualify their graduates, after passing the general exam, to be enrolled at all the programs of the VTET colleges as well as the higher education university programs.

Curricula: In the first stage, the Curricula will be modular. The module is defined as follows:

Curricular modules are learning unit offering employable skills

The curricular module is, to a large extent, a self-contained unit. There are certain qualifications to enroll and accomplish it with a certain degree of proficiency. Its contents are:

- Teaching/learning subjects.
- Teaching/learning methods.
- Teaching/learning objectives.
- Necessary material and equipment.
- Evaluation methods and criteria.

The training modules will cover skills related to a specific job as well as the general skills needed to perform this job. The general subjects are kept to the minimum and their contents are integrated in the modules as much as possible.

Some training modules dealing with certain vocational skills might need pre-requisites from the general modules. As an example a pre-requisite for a training module in advanced electronics, is a training module in mathematics. Figure No. 2 elicits this modular training system.

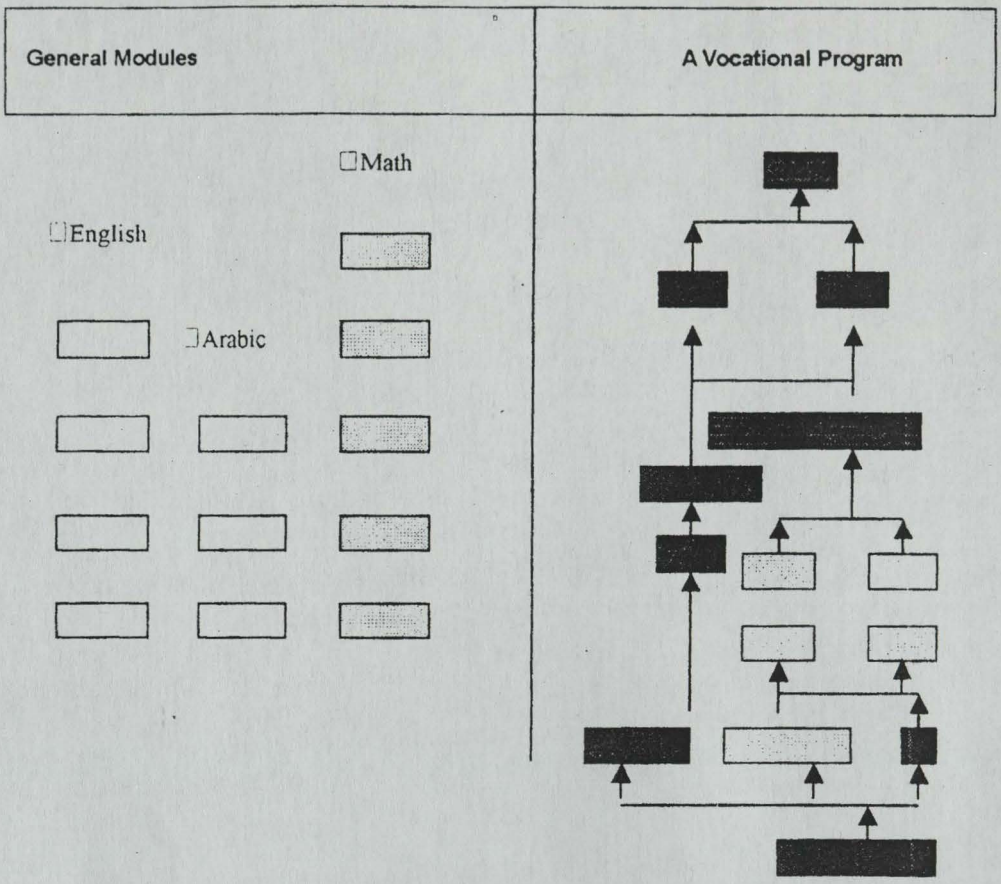


Figure No. (2): Modular system

This means that the modules of each program will be defined according to the competencies required in the vocation to be trained at. The curricula development process will start by a job analysis and a specification of the worker's required skills level, to be followed by preparing a job profile describing these skills upon which the contents, number & sequence of the modules will be based. The modules' size can be estimated as follows: one vocational field might involve 20-40 skills requiring 3-4 weeks of full training for each module for a period of two years.

Evaluation: During the training period, students' performance appraisal will be based on the performance standards, its criteria and the specific regulations for each curricula module with emphasis on skills. After completing the training program requirements, students will sit for a general exam supervised by the VTET responsible body. This exam will aim at evaluating the trainee's skills and practical performance. It will also be a test to evaluate the extent of their comprehension of the theoretical knowledge pertaining to the vocation subject of their training, as well as to the general theoretical knowledge acquired during their training. Based on the result of this exam, students will be given a diploma certificate that will provide them with many

opportunities as previously mentioned. This exam will also offer many advantages, of which the most important are:

- Increasing the possibilities of linking the training system to the labor market needs. It will also activate the social partnership in the field of vocational training through the involvement of chambers and unions in setting the exam's outline, its evaluation, objectives and even its implementation.
- The result of this exam will be the basis for providing licenses for vocational practice.
- The exam aims at ensuring that the information and skills acquired by the trainees in each module, add up together to form a holistic bulk.

3.1.1.2. VTET (2nd stage):

Objectives: At this stage the VTET aims at qualifying "technicians" or "skilled workers" in specialized fields. Concentration will be on the theoretical and practical sides of the contents in different proportions, depending on the nature of the vocation subject of training.

Entrance requirements: In order to be accepted at this stage, students should successfully pass the Tawjihi exam or the 1st stage of vocational training. There are also other requirements specified according to the nature of the training program and vocation under training with consideration to the trainees' health and cognitive status as well as their aptitude.

Duration of training: At this stage the training period depends on the nature and objective of the program as well as on the nature of the vocation subject of training. Following is an identification of three training paths:

- A) 6-12 months programs: These programs aim at preparing a "specialized skilled workforce" and basically aim at the 1st stage graduates who are interested in acquiring specialized experience in a certain area of their field of work. Graduates from this stage cannot -after completing this stage- join higher level programs or the higher education university programs. Upon completing this stage students will be given the intermediate diploma certificate.
- B) Two years programs: These programs aim at qualifying "technicians". Students who have completed the 1st stage of vocational training or the Tawjihi are accepted. After graduating from this stage, students can enroll at higher level programs or at higher education university programs according to the requirements specified by the universities. After completing this stage, students will receive the high diploma certificate.
- C) Four years programs: These programs aim at qualifying "technical specialists". Students who have completed the 1st stage of vocational training or Tawjihi are accepted. Upon their graduation, they obtain the Technical Bachelor certificate (B-Tech.) which is equivalent to the 1st university degree

Outputs: Upon their graduation from this stage, the trainees will be qualified to work in the vocation they were trained for at the level of "specialized skilled workers" or at the level of "technicians" or "specialists" depending on the nature of the program they were enrolled in. The graduates' possibility of joining higher level training programs or higher education programs depends on the nature of the program they completed - as previously mentioned.

Curricula: The 2nd stage curricula will be based on modules, as previously mentioned- with consideration to the variance of the 1st and 2nd stage program objectives which is basically reflected in the extent of interest in theoretical knowledge.

Evaluation: Students performance appraisal during the training stage will be based on the extent of commitment to performance guidelines, the criteria and the specific regulations of each module. This evaluation will be an evaluation of skills and will be performed at the college where the students were trained.

3.1.2. Non-formal VTET paths:

Objectives: The non-formal VTET structure aims at providing a "semi skilled" labor force in the different working fields and at providing adult training whether for the workers' upgrading and modern technology training or for the retraining of unemployed in order to increase their employment opportunities. Hence the non-formal training structure serves wide sectors, which makes it essential that it should acquire the same importance as the formal training structure.

Entrance requirements: Entrance requirements of each program are defined according to the program's nature. Usually the needs of each trainer are defined individually in order to attain the objectives - above mentioned - with the utmost efficiency and effectiveness, whereby short term courses are provided to bridge the gap between the program's entrance requirements and the trainees' qualifications.

Duration of training: The training period for each program depends on its nature, and on the trainees' qualifications and the need to bridge the gap between their qualifications and the enrollment requirements of the program.

Curricula: In the first stage, similar to the formal training, the curricula will be built on modules. There will be no need to develop additional curricula except in what concerns bridging the gap. For this purpose, some of the sections from the general education system curricula can be used, as shown in Figure No.3 below:

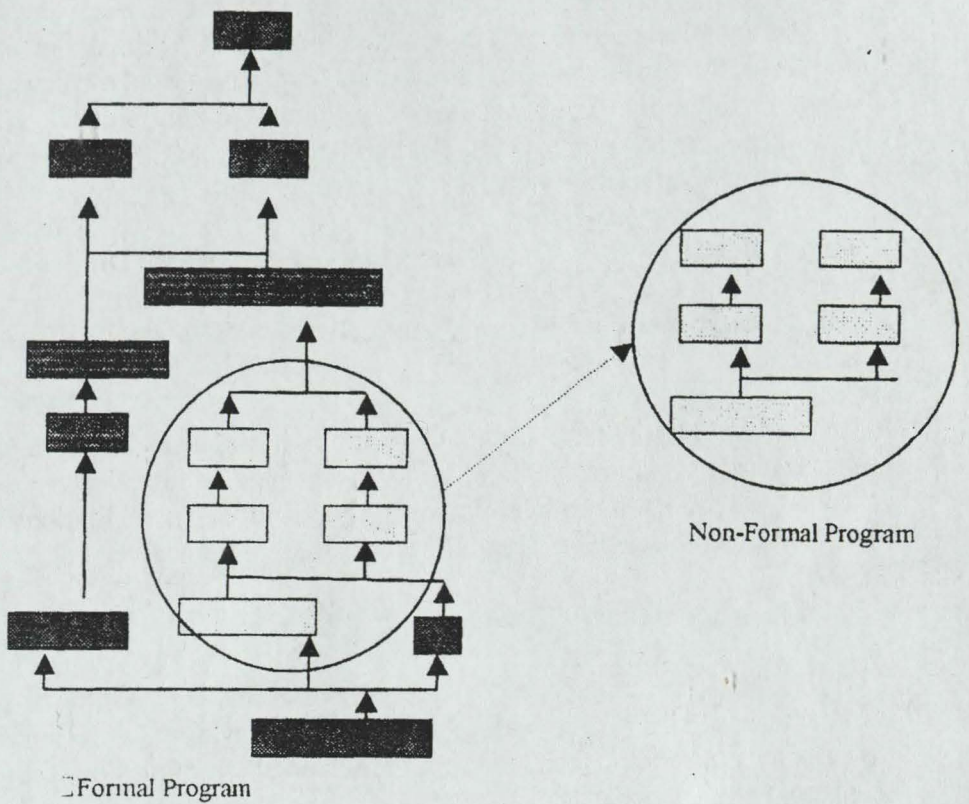


Figure No. (3): Possibilities of benefiting from formal path programs curricula in non-formal ones

Outputs: The outputs differ according to the nature of the program. Some of the programs will graduate "semi-skilled" labor in certain fields and the trainees will be given a certificate confirming that they accomplished the program's defined training units. As for the upgrading training programs, the trainees will be given a certificate confirming that they accomplished one or all of the program's defined units. These units will be accredited to those students wishing to have further training in the formal system, provided that they meet the entrance requirements of the formal training program. After completing the formal training programs, students are given an official certificate, as previously mentioned.

Evaluation: During their training, the students' performance appraisal will be based on the extent of commitment to performance guidelines, criteria and specific regulations in each module. This evaluation will be an evaluation of skills and will be performed at the college where the students were trained.

It is worth mentioning that - in order to achieve maximum efficiency - all kinds of non-formal training will be available through the institutions concerned in providing formal training and through the use of the same workshops, equipment and laboratories - whenever possible.

3.2. Management of VTET system:

In order to have a joint and unified VTET body, a Higher Council for VTET will be formed, having as its members the Ministers of Education, Higher Education and Labor, in addition to representatives of all interested official and public sectors. This Council will be headed by one of the three Ministers whereby Council presidency will be alternated periodically between them. This Council will lay down the national VTET policies and link the training system with its social partners. The Council will meet twice annually.

For the management of the VTET system, a steering committee will emerge from this Council. The committee will include Deputy Ministers of Labor, Education and Higher Education and will be responsible for forming and directing the VTET directorates in the three ministries.

In order to assist the steering committee in its work, the Expert Team on Vocational Training will be restructured to act as a technical support or arm to the steering committee. This team will be responsible for studying and planning all developmental and research projects related to VTET, and for providing the steering Committee with the appropriate technical recommendation regarding these projects. In addition to that, the team will be responsible for providing the steering committee with all the information regarding the performance of the system which is necessary for the process of decision making.

In order to secure the constant close association between the VTET system and the rest of the community sectors, the system's unified management will form ad-hoc advisory committees to serve its different working fields.

The government will also establish a national fund for training that will raise funds for the VTET system and spend them according to the resolutions of the VTET Steering Committee.

Figure No.4 elicits the unified system management structure.

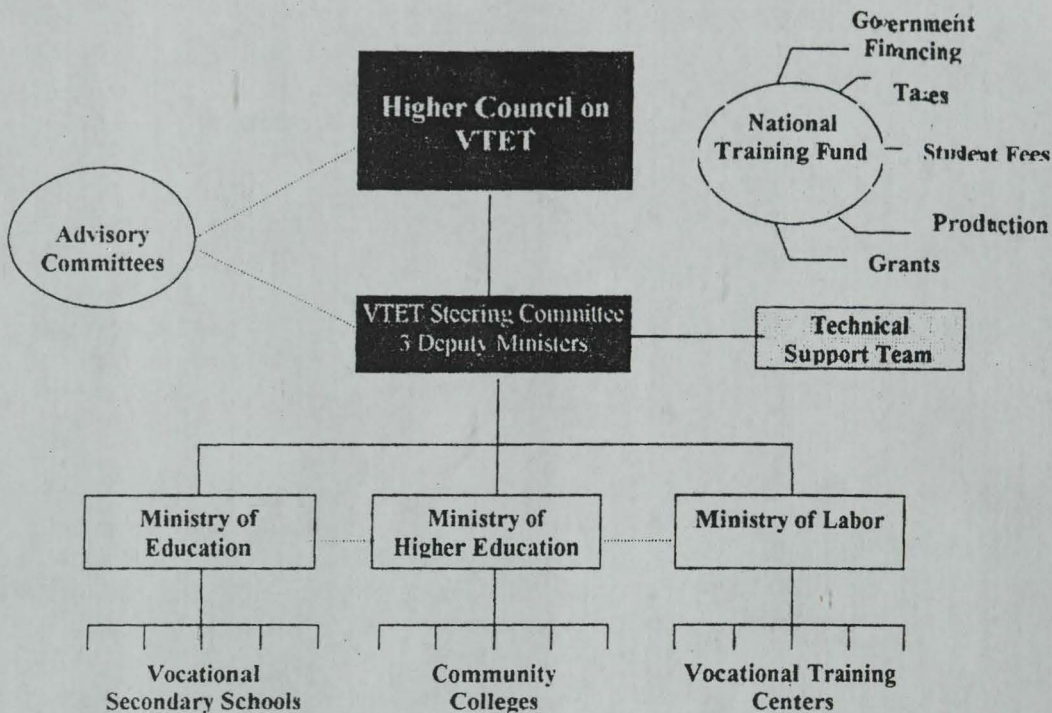


Figure No. (4): VTET unified system management

3.3. Financing the VTET:

Securing continuous financial resources for the VTET system is extremely important. In the coming years the required amount of finances will increase tremendously when the system's intake capacity will double several times and the current system will undergo an overall development process in all its areas. There will be five sources for financing the VTET system:

I. Government contribution:

This matter is mainly connected to the training quality. The government has a definite interest in providing the labor market with trained professionals who can meet this market's needs quantitatively and qualitatively. Hence, the Government has to financially contribute to the VTET sector from its annual budget, and to secure additional financial resources such as a tax deducted from employers and from students' fees.

This issue of having a continuous funding for the VTET sector from the State's budget relied on a number of assumptions, mainly:

- The prosperity of this sector will encourage economic growth and industrial development and consequently increase employment opportunities.
- This sector will provide supplementary education opportunities for dropouts.

2. Employer's contribution:

A system for a training tax will be established whereby all revenues from the employers' tax will be transferred to the national training fund. This tax will be based on profit or on staff salaries. Employers who provide training opportunities in their institutions will be given special reductions as incentive.

The contribution of employers in financing the VTET system is considered to be very important as it emphasizes the responsibility of the industrial sector towards the training system and its interest in its development. Thus it strengthens the relation between the labor sector and the training system.

3. Beneficiaries contribution:

Nominal fees will be imposed on the training courses. Government assistance in form of reclaimable loans or grants will be granted to those unable to pay the fees. As for the rural training programs, the local communities will be asked, whenever possible, to contribute in the building of training institutions through donating construction material or providing the labor force.

Fees will be imposed on the upgrading as well as the adult re-training programs. These fees will cover all the program's expenses in addition to a margin of profit that will be used in financing the training system. The upgrading topics covered by the training programs will also be expanded to include relatively high technical courses such as ABS breaking systems and vehicles fuel injection systems. The new equipment financed from the fees collected from these courses could be used in the basic training courses that collect nominal fees.

4. Production and income-generating activities:

The training institutions need to adopt production and income-generating activities in order to decrease the government expenditure earmarked for the VTET system. When implementing the production and income-generating activities by the training institutions the following should be taken into consideration:

- The production activities should not overtake the training objectives of the training institutions or the specific training courses.
- The production activities of the training centers should not present an unfair competition to the labor sector, locally or nationally.
- The production activities should not generate an income exceeding 50% of the overall expenses of any training course or 20% of the total running expenses of the training institution concerned.

The training institutions can deal directly with the consumer or have an internal agreement with other producers. This will contribute to the efforts exerted to direct the training towards the self - employment concept.

In order to reduce the possibility of the production activities overtaking the institution's training objective, the training institutions can be separated to two sections: A training section and a producing section. Students spend the 1st. part of

their training in the training section, where qualified trainers and instructors will provide them with the required experiences and skills through exercises and training activities. The 2nd part of their training is spent in the productive section where they receive polyvalent training by professional craftsmen, the aim of which is profit realization. The producing section - besides its contribution in covering the training institute's expenditures - aims at teaching the students precision, commitment, importance of the quality of work as well as the capability to cooperate with others, hence accomplishing the work in the fastest and most efficient way.

5. Contributions and grants from local and international sources.

Despite the availability of the aforementioned four financial resources, covering the operational expenses of the VTET and the cost of developing it are expected to be hard to meet. Therefore, the government appreciates any local or international contributions or grants that could be directed to any training institute whether governmental or private, depending on the donor's wish, provided that they be spent in areas of national priority in the training sector.

These contributions and grants could also be donated to the Training National Fund to be used in the operation and development of the training system

3.4. Main features of the proposed system:

Based on the aforementioned, the VTET system enjoys several advantages that enable it to meet its requirements. These advantages are:

1) Relevance to the market needs:

The training system should be demand driven, meaning that it should be related to the labor market needs. The demand for labor market skills will be the driving force of the training system, necessitating the establishment of a monitoring system for the labor market needs based on tracer studies of graduates and surveys that identify the employer's needs, as well as other internationally recognized monitoring procedures.

Although the proposed system will be demand driven, yet it can also have an catalyst role through providing a small surplus of skills in certain vital areas.

This decision was based on a number of considerations:

- Although training, in itself, does not create jobs, yet the availability of a surplus of skills in the labor market will encourage investment in the country, thus increasing the number of available employment opportunities.
- The trained individuals will have a bigger chance of finding a job than those untrained, and since the Palestinians have a long history of working in the neighboring countries, the training will also help those seeking employment outside Palestine.

2) Flexibility:

In order to attain a training system that will actually participate in the development process and that is governed by the skills demand factors in the labor market, this system should be flexible and should be based on principles that secure maximum participation in the decision making process. This is true for two reasons:

- Predicting the kind and volume of the demand for skills in the labor market is extremely difficult due to the rapid technological changes that cause skills obsolescence.
- The great instability in the Palestinian political situation makes the employment possibility of Palestinians in the neighboring labor markets doubtful and unreliable. Thus flexibility in the training system is of great importance to enable it to quickly adjust to the fluctuating needs of the labor market in order to maintain its association to this markets' needs. This flexibility will be attained through the modular system especially since its main training modules would be small and could easily be changed, cancelled or developed according to need.

3) Efficiency and effectiveness:

Efficiency and effectiveness are of great importance. The effectiveness of the training system and the extent of the conformity of its output with the set objectives will be secured through the continuous and comprehensive training of trainers, the continuous curricula review and development and through the adoption of a polyvalent training system.

As for the system's efficiency "input/output relation", it will be developed through the best use of the available training institutions, the integration between the vocational educational institutions run by the Ministry of Education and the vocational training institutions run by the Ministry of Labor. It will also be achieved through strengthening the cooperation between the VTET institutions and the community colleges.

The above mentioned steps will help in unifying the current training system, hence contribute to its upgrading.

4) Sustainability:

Any training system that is relevant to the labor market needs and enjoys a high degree of flexibility, efficiency and effectiveness will be a sustainable system as long as the required financial resources for its management are available. The VTET system will be financed through 5 main sources: Governmental financing, employers' taxes, trainees' fees, training institutions productive activities, contributions and grants.

5) Accessibility and equity:

Since the VTET system will be driven by the demand for skills in the labor market, it will carry out its responsibilities towards this disadvantaged sector of the community. Hence, a "quota system" will be founded to offer proportional priority of acceptance to these groups.

6) Ability to meet general commitments towards the Palestinian community:

The VTET system, similar to the general and higher education systems, is responsible for preparing students for a democratic community whereby they will be able to participate in the comprehensive operation of this community. To achieve this aim, a number of values will be implanted in the students, such as independent analytical thinking, self-dependence and pride in their affiliation to the Palestinian community and in the vocational skills they acquired through training. Enhancing the students' work attitudes such as accuracy, honesty, truthfulness and care for the product quality will also be considered.

To summarize, the main characteristics of the VTET system are as follows:

- A unified national VTET system.
- A training system driven by the demand for skills in the labor market, yet providing a small surplus of skills in vital areas to encourage investments.
- A training system based on continuous monitoring of development in the labor market.
- A training system that particularly secures the widest participation of the social partners (government, employers and workers).
- A training system that concentrates amply on practical training.
- A training system that qualifies interested and able students, who fulfill the requirements, to complete their education at the level of community colleges or even universities.
- The VTET target groups are:
 - Compulsory education graduates.
 - Dropouts from the various general education levels.
 - Adult workers needing further training or re - training.
 - Unemployed individuals needing further or re - training.
- The training system will focus on the needs of the Palestinian labor market, without neglecting the needs of the labor markets in the neighboring countries.
- The VTET system will be based on modular systems.
- The system will provide modules that concentrate on the skills required by a specific vocation as well as other general modules as required.
- The VTET system will be financed through:
 - Government funds
 - Employers' taxes
 - Students' fees
 - Income-generating productive activities of the training institutes.
 - Local and international grants and donations.

3.5. The role of non-governmental and private sector training providers:

The PNA recognizes the role of non-governmental organizations, UNRWA and private sector institutions in providing training to the Palestinian people during the past three decades. Furthermore, the PNA encourages these institutions to continue, update and expand their programs according to the needs of the labour market. It is clear that the size of demand in the labour market exceeds the capacity of all institutions; governmental, non-governmental and private and it is going to require the coordination of all efforts to fulfill this demand.

The VTET system will be open to all institutions governmental or otherwise. Any institution that wishes to join the system can apply to the VTET management body for accreditation of its programs. The latter will test the conformity of these programs with the set specifications in terms of curricular content, physical and human requirements before accrediting these programs. This process is important to ensure that all training provided leads to qualifications that are recognized nationally, in order to ensure a transparent training system.

In return, the management of the VTET system will give all training institutions, governmental or otherwise all the required support in terms of curricula development, training of trainers and other aspects of the training process.

Chapter Four

Implementation Mechanism of the VTET National Plan

This strategy will be implemented in three primary stages. Advancement from one phase to the other will be governed by a number of factors, the most important of which are:

- The political and economical changes affecting the volume of need for the system's graduates.
- The availability of the financial resources needed to develop the system.

4.1. First phase: Establishment of the unified VTET system (1999)

4.1.1. Formation of the VTET Higher Council:

This Council includes the Ministers of Labor, Education and Higher Education as well as representatives of the interested government and public sectors. It will be presided by one of the three ministers. According to this plan the Council will be formed by a resolution from the Ministerial Cabinet and the three ministries will jointly present this plan to the Palestinian National Authority.

The Council will be entrusted with the following responsibilities

- Planning the VTET policies taking into consideration the technical, economic and societal needs.
- Exchanging experiences, coordinating and linking the training system to its social partners.

4.1.2. Formulation of the VTET Steering Committee and the Technical Support Team:

The Steering Committee will be composed of the deputy ministers of labor, education, and higher education. The committee will be fully responsible for whole executive duties of the system, and will work in the first phase on:

1. Formally adopting and restructuring the Technical Support Team (Expert Team):

This team will act as a technical arm for the Steering Committee, and will be responsible for:

- Assisting in the drafting of VTET laws and regulations.
- Assisting in the preparation of annual VTET report, which the steering committee will have to submit to the Higher Council on VTET and the Palestinian Cabinet.
- Assisting the preparation of VTET statistics.
- Studying and planning projects for setting up and developing VTET institutions in a fashion that guarantees that the nature, number, capacity, and location of these institutions will offer sufficient supply of training places quantitatively and qualitatively, and is in line with the current and projected future demand. In

addition, the planning should guarantee optimal coordination and minimal contradiction and duplication among the activities of the various VTET directorates. These projects will have to be referred to the steering committee for final decision.

- Identifying standards and general frameworks for VTET curricula, and providing technical support and training for the various VTET directorates and institutions in order for them to continuously develop and upgrade their training programs and learning/teaching material.
- Providing technical support to the steering committee and the various directorates in the areas of curriculum, system, human and physical resources development.
- Promoting pilot experiments supported by scientific studies.
- Participating in international cooperation in the field of VTET.
- Executing research in the VTET area and promoting technology education in fields identified by the Steering Committee and the Higher Council on VTET, and publishing the main results.
- Keeping register and publishing of recognized VTET occupations.

2. Coordinating the work of the VTET directorates: through appointing a full time employee of every directorate in the three ministries to work with the Technical Support Team (Expert Team) ensure the full coordination of technical issues relating to the implementation of VTET strategy.

3. Preparing a new draft law to organize the VTET and presenting it to the parties concerned.

4. Creating a detailed plan for the implementation of the second phase that deals with raising the readiness of the VTET system.

5. Securing the required funds to set up and operate the new VTET system.

4.2. Second phase: Raising readiness of VTET system (2000-2004):

During this phase, four interrelated areas will be covered:

- Systems development
- Curricula development
- Human resource development
- Physical resource development

Hereunder is a brief description of the nature of activities that will be carried out in each of the above areas, taking into consideration that preparation of the detailed plan will be the responsibility of the unified system management.

4.2.1. Systems development:

The following systems will be developed:

A. Labor market-monitoring system: It includes field studies of labor market aiming at:

- Identifying the different levels of vocational specializations and their scope that should be available in the VTET system.
- Identifying the required capacity of the VTET system at its various levels and at its formal and non-formal branches.
- Identifying the geographical distribution of the various offered specializations, according to the needs of each geographical area.
- Establishing a tracing and follow-up system for graduates.
- Establishing a graduates employment system through direct contact with different economic establishments.
- In cooperation with all parties concerned, compiling data on all the above mentioned activities, updating and developing them annually as well as circulating them in order to facilitate decision making.

B. Vocational guidance & counseling system: It includes the following activities:

- Completing the development of the vocational guidance and counseling tools including the aptitude tests that are relevant to the Palestinian situation, as well as completing the Palestinian vocational dictionary that includes a detailed description of all vocations available in the local market, their training possibilities and development scopes. And finally obtaining accurate information on the available VTET institutions and categorizing them according to the new system.
- Implementing the vocational guidance and counseling operations through the counselors working in schools and labor offices, in cooperation with the Ministries of Education and Labor.
- Updating and developing the vocational guidance and counseling tools either annually, or as needed.

C. Management system of the unified VTET system: The required activities will include the development of the various systems used in the various VTET directorates and institutions, in a fashion that guarantees the unification of concepts and procedures among these various institutions. This entails:

- Developing the organizational structure of the management of the unified system and its centers.
- Developing the financial systems.
- Developing the administrative systems.
- Developing the supervision and quality control systems.
- Developing the information system.

D. VTET financial system: This includes the following activities:

- Preparing a proposal for the special law of founding a national fund for training and following it up with those concerned.
- Preparing proposals for the VTET financing laws and regulations and following them up. This includes any legislation systemizing the proposed taxes, and the procedures needed for collecting the fees from beneficiaries as well as the proper use of donations, grants and profits resulting from the productive activities of the training institutes.
- Establishing the National Fund for Training.

E. Certification and accreditation: The required activities are:

- Identifying the vocational levels.
- Developing systems of providing certificates and registering trainees' progress.
- Developing a system of accrediting the certificates or the acquired experiences in accordance with the new system.
- Endeavoring to effect changes in the civil service laws and regulations in support of the VTET.

4.2.2. Curricula development:

Based on the occupational classification that will be identified through the field research and study of the labor market, curricula development of the various specializations will be embarked upon.

This procedure requires the following activities:

- Performing job analysis for all targeted vocations.
- Identifying the employees' levels in each vocation.
- Forming national teams to develop the curricula of all vocations.
- Identifying the training contents of each vocation according to the required levels of the graduates.
- Dividing the specializations' training contents into modules.
- Developing the teaching/learning material.
- Testing and reviewing the curricula.
- Developing systems for the periodical review and amendment of the curricula.

Since the scope of specializations expected to be offered by the VTET system covers around 60 vocations distributed in 12 occupational families in the sectors of industry, trade, agriculture, commerce, health and services (Figure No.4), and since the number of training modules required for each vocation is around 20 modules, then the number of the modules that need to be developed will be around 1000 training modules, including the common modules. Development of these units will be carried out during a period of 5 years, covering 200 units each year.

Economic sector	Vocational group	Vocation
Industry / Crafts	Metals	Sheet metal work, profiles assembly, welding Lathing & machining Foundry Plumbing and sanitation
	Mechanics	Car mechanics Agricultural and heavy machinery Car body repair and painting Fine machinery mechanics Air conditioning and refrigeration Production machinery mechanics & maintenance
	Electricity and electronics	Electrical installations Electrical and control equipment Industrial electronics, Industrial automation Consumer's electronics Computer technology Communication technology Home maintenance appliances
	Constructions	Building construction / Roads construction Finishing Metals Surveying Stone cutting & shaping Architectural drawing Drivers and in heavy equipment operators Building maintenance
	Textiles and leather	Clothes' manufacture Leather and shoes manufacture Textiles manufacture Fashion design Shoes' design
	Wood / Printing / Paper	Carpentry & wood painting Upholstery Decoration Paper manufacturing Printing
Agriculture/ Food	Agriculture	Agriculture and plant productions Animal production Gardening
	Food	Plant food production Animal food production Others

Trade and administration	Trade	Sales Accounting & bookkeeping Business administration / marketing Banking / Insurance Tourism / Hotel management Tourism / Food & beverages management Tourism / Tourist office management Programming & system analysis
	Administration	Secretariat & office management Libraries
Services and health	Services	Beauty care & hairdressing Food preparation Food & beverages services Home economics Interior design Drivers
	Health	Nursing / First aid Physiotherapy Laboratories Pharmacy Dental labs

Table No. (4): Specializations to be provided by the new system according to economic sector

4.2.3. Human resource development:

The staff available at present in the training centers, vocational secondary schools and community colleges totals almost 900 people, with extremely varying qualifications and abilities. The human resource development plan includes the following activities:

A. Identifying the system's need for new employees from all categories, including:

- Trainers & teachers.
- Educational administration and directors.
- Educational and vocational supervisors.
- Follow-up and communication employees.
- Educational planners.
- Curricula developers.
- VTET management staff.

B. Identifying the standard qualifications for each post in the VTET system.

C. Establishing upgrading programs for the present staff (depending on the progress in the curricula development and other processes), in order to secure the proximity of their qualifications to the required standards.

D. Designing pre-employment training programs for the new staff to secure their possession of the standard qualifications.

E. Designing in-service training programs for the other employees to sustain and develop their qualifications' level.

4.2.4. Physical resource development:

This is the most difficult and expensive aspect of the plan. Its proceedings will be slowly carried out in comparison to other aspects. In this preparatory stage of the physical resource development - the following activities need to be accomplished:

- A. Identifying the standard equipment lists for each specialization based on the range of specializations that will be specified as a result of the field survey and the labor market studies and which is expected to be similar to what is clarified under table no. 4.
- B. Identifying the required specializations in each of the Palestinian Governorates and the intake capacity of each of them based on the results of the field survey and the labor market studies.
- C. Comparing what is available to what is required in each governorate, with consideration to all existing training centers, secondary vocational schools and technical colleges as well as private training institutions that are willing to be part of the new system.
- D. Identifying one main institution in each governorate, depending on the suitability of its buildings and its equipment, wherein other institutions will be incorporated. A plan will be prepared for its development in order to become a multi-purpose training institution. The choice of the central institution will depend on the condition of its buildings and equipment regardless of whether it was previously a center, school or college.
- E. Embarking on implementing the development plan in each city.
- F. Since implementing the above takes a comparatively long time and since there is a need to have at least one model workshop for each specialization during the first stage in correspondence with the above-mentioned, one workshop will be chosen for each specialization and its equipment will be developed. It will be used as a training of trainers' workshop for that specialization until the development of the various institutions is finalized. These workshops will be chosen on the basis of their suitability regardless of whether they belong at the time being to a center, school, college, or the general or public sectors. These workshops will be used for training of trainers and for curricula development.

4.3. Third phase: Expansion in the VTET system (2004-2006):

After raising the readiness of the VTET system, expansion within this system needs to be thoroughly considered and a decision on the extent of this development should be taken then. This will be based on the following considerations:

- The VTET system basically aims at providing qualified workers needed by the labor market.
- The expansion in providing VTET should be accompanied by political and economic conditions leading to the increase in demand for skilled workers and

technicians and this decision should be based on thorough studies of the labor market needs.

- Expansion in the provision of VTET should not affect its quality. Thus, the availability of the necessary expansion funds should be thoroughly studied, so that the investment of the earmarked expansion fund does not affect the quality.

Chapter Five

Estimated Budget

As mentioned in Chapter IV, implementing the VTET National Strategy, which will be carried out during a period of five years, includes the following steps:

5.1. Forming the VTET Higher Council & establishing the unified system's management:

The cost of this process is estimated by around 250,000\$ covering the following items:

- Cost of forming the Higher Council and restructuring the various VTET directorates.
- Cost of the Council and directorates equipment.

This estimated cost was calculated as follows:

Office equipment and furniture (including resource center equipment)	75,000 \$
Structural modifications of the building	25,000 \$
Management equipment including:	
Office equipment	50,000 \$
Modules production unit equipment	50,000 \$
Training and meeting halls equipment	25,000 \$
Communications equipment	25,000 \$

5.2. Systems development:

This process includes developing five basic systems with an estimated cost of 150,000\$ for each system. This cost includes salaries of experts and field researchers, developing programs, typing, training of employees to deal with these systems, preparation of the required rules and regulations, and community awareness activities to explain the details of these systems and their requirements. The overall estimated cost for the systems development is:

5 systems x 150,000\$ = 750,000\$ over a period of five year.

5.3. Curricula development:

The overall cost of the curricula development process is estimated at approximately 12 million \$ distributed as follows:

- Cost of job analysis of each profession 1,000\$ x 60 professions = 60,000\$
- Salaries of curricula development teams to prepare curricula general framework 4,000\$ x 60 professions = 240,000\$
- Cost of preparing and producing curricular including editing 1,200\$ x 1,000 units = 1,200,000\$
- Cost of typing the training modules & distributing them = 500,000\$

Thus the overall cost for the development of 1,000 training units is estimated to be 2,000,000\$ over a period of five years.

5.4. Human resource development:

The estimated cost of training of trainers and employees in the VTET system is approximately 2,000\$ for each trainee. This estimate includes:

- Identifying the standard qualifications for each post in the VTET system.
- Establishing upgrading programs for the present staff (depending on the progress in the process of curricula development and others) in order to secure the proximity of their qualifications to the required standards.
- Designing pre-employment training programs for the new staff to secure their possession of the standard qualifications.
- Designing in-service training programs for the other employees to sustain and develop their qualifications level.

Since the number of workers in the VTET system will reach 1,000 employees, the overall estimated cost of the human resource development will be:

$$1,000 \text{ workers} \times 2,000\$/\text{worker} = 2,000,000\$$$

5.5. Physical resource development:

This process includes:

- 1st stage: Development of 60 model workshops in the available educational and training institutions, with an estimated cost of \$ 150,000 for each workshop. Thus the overall cost to develop the pilot workshops will be 9 million dollars.
- 2nd stage: Establishment of multi-purpose training institutions in each main city. The number of these institutions will be 12 with a development cost of 3 million dollars each. Hence, the overall cost is estimated to be 36 million dollars.

Thus, the estimated overall cost of physical resource development will be

1. Development of the model workshops:

$$60 \text{ workshops} \times 150,000\$ = 9 \$ \text{ million}$$

2. Establishment of new institutions:

$$12 \text{ institutions} \times 3,000,000\$ = 36 \$ \text{ million}$$

$$\text{Overall cost for physical resource development} = 45 \$ \text{ million}$$

5.6. VTET system operational cost:

Specifying the operational costs of the VTET system is not an easy task.

The primary expenditure in the system is that of the staff salaries. Since the total number of staff members is expected to be 1,000 employees and assuming that the monthly average salary and benefits is 800\$ per staff member monthly, then the overall salaries will be:

$$\text{Overall annual salary: } 1,000 \text{ employees} \times 800\$/\text{m} \times 12 \text{ months} = 9.6\$ \text{ million}$$

Since the wages and salaries represent 70% of the system's expenditure and depending on the current local and international experience, the expected operational cost of the system will be:

Wages & salaries	9.6\$ million
Other operational costs (Rent, services, training, material and others)	4.0\$ million
<hr/>	
Total operational cost	13.6\$ million

5.7. Overall expenditures of the unified VTET system:

Table no. 5 gives a resume of the overall required expenditures for the establishment and development of the unified system. It also shows the necessary operational expenses over the coming five years:

No.	Item	5 years cost (\$)
1.	Formation of the Higher Council on VTET and developing its directorates	250,000
2.	System development	750,000
3.	Curricula development	2,000,000
4.	Human resource development	2,000,000
5.	Physical resource development	45,000,000
6.	Operational expenses of the VTET (5 yr. x 13.6\$ m/y)	68,000,000
	Total	118,000,000

Table No. (5): Establishment and operational costs of the VTET system during a period of five years

5.8. Income of the unified VTET system :

The proposed VTET system will enjoy a financial system that is flexible and multi-resourceful. It will depend in its financing on:

- Contribution of the private sector through taxation systems or other adequate ones.
- State contribution.
- Trainees' contribution through the collected fees.
- Income generating activities executed by the various training centers.
- Local and international grants and donations.

Thus the aforementioned expenses will not all be covered by the State's treasury and the system will earn a certain amount of income that will increase systematically with the development of the system's abilities and capabilities.

Although it is premature to precisely identify the financial resources, yet some possible scenarios can be displayed:

5.8.1. Contribution of the private sector:

The private sector can contribute in the finances of the VTET system in Palestine through different means, one of which is provision of part of the training and linking it to reductions in taxation. Another is the contribution of the private sector through specific taxes to be paid to the VTET fund. Knowing that there are 64,000 economic establishments in Palestine, there is no exaggeration in saying that these firms through a donation not beyond \$ 50 annually could cover around 1/3 of the operational costs of this proposed system, which primarily serves these firms.

This means that the expected annual income from the contribution of the industry and labor sector will be minimum = 3 million \$.

5.8.2. State contribution:

The State is presently contributing 18% of its budget to the entire education and training system in Palestine, which is quite satisfactory according to international standards. The Palestinian technical colleges, the government vocational secondary schools and the vocational training centers receive 10 million US \$ from the overall government financial contribution to the entire education and training system.

It is logical and imperative that the government continues to support the new unified VTET system from its budget. The government is also expected to maintain its financial support to the elements of this system at the same present rate, which is around \$ 10 million annually.

* The ideas and figures here are preliminary, and should not be seen binding to any party.

5.8.3. Contribution of the students and trainees:

The present intake capacity of the VTET system in Palestine amounts to 11,800 students and trainees. 60% of them are at the 1st training level - (vocational centers and schools) and 40% at the 2nd training level (community colleges).

Assuming that the number will increase by 50% as a result of the development process, the intake capacity will be around 18,000 students.

Let us assume that the students or trainees' annual fees for the 1st level will be kept to the minimum, and means to ascertain equality and justice such as students loans and other funds are made available. Let us also assume that the fees for the 2nd level students are kept at the same level of the community colleges and the Palestinian technical colleges' fees. Hence, the fees to be collected from the students will be around \$50 annually per student in the 1st level and \$ 500 annually per trainee in the 2nd level.

The expected income from the fees of the different formal levels will be:

Income from formal education and training =	
18,000 (60% x 50\$ + 40% x 500\$)	= 4,140,000\$
Income from adult non-formal education and training	
2,000 trainee x 500\$	= 1,000,000\$
<hr/>	
Estimated income from students' fees	5,140,000\$

5.8.4. Contribution of income generating activities:

The international and local experiences proved that 20-25% of the operational expenses of the VTET system could be covered through production.

Even if we were extremely cautious of this procedure and the income it generates, the minimum income expected from the production process will be:

$$\text{Production process expected income} = 5\% \times 10,000,000 = 500,000\$$$

5.8.5. Contribution of the local and international communities:

Contribution of the local community plays a major role in the support and development of the VTET system in Palestine. This was lately manifested in the designation of two plots of land in Beitunia and Gaza, for the establishment of the multi-purpose training institutions.

Contribution of the international community during the coming five years is also of great importance. Depending on the previous years' experience, the donations from the Donor countries to this system will be:

Donations from Donor Countries: 5\$ million annually x 5 years = 25\$ million for a period of 5 years.

This amount will be spent on the development of the curricula, systems, human and physical resources.

5.8.6. Total income:

Based on the above, the expected annual income of the VTET system in Palestine will be as shown in table no. 6

No.	Source of income	Annual income \$
1.	Private sector contribution	3,000,000
2.	State contribution	10,000,000
3.	Students and trainees contribution	5,140,000
4.	Income-generating activities contribution	500,000
5.	Donor countries contribution	5,000,000
	Total	23,640,000

Table No. (6): VTET system expected annual income

It is worth mentioning that the system will attain this level of income only upon the finalization of its development. Therefore the above mentioned income will only be attained during the fifth year. As for the 1st four years, the income will be much less and will increase gradually to meet the above-mentioned expected income. The annual average income during the five years is expected to be \$ 18 million. Hence the total income expected during the five years could reach \$ 18 million x 5 = \$ 90 million.

By comparing this income to the previously mentioned expected expenditures it becomes clear that it is possible to implement this important national project.

5.9. Sustainability of the system:

As previously clarified, the system's operational expenses will be around \$ 10 million, while the income from the fees, contribution of the labor sector and income generating activities will be around \$ 11 million annually.

This means that in the long run, this system will be sustainable even if not subsidized by the government.