

COUNTRY STRATEGY PAPER 2020 UPDATE: SERBIA

A BRIEF SUMMARY OF KEY DEVELOPMENTS IN VET AND SKILLS AND EU AND DONOR COOPERATION DURING 2018–19

The European Commission's Strategy for the Western Balkans sets out the steps to complete EU accession by 2025 and talks with Serbia are now under way. Education, employment, social policies, governance, the digital agenda and youth are the focus of reform. The government's Economic Reform Programme is centred on ensuring economic and financial stability, halting further debt accumulation, and creating an environment for economic recovery and growth to foster employment and raise living standards. Medium-term growth projections critically depend on the pace of structural reforms and progress towards EU accession. Notwithstanding all the progress, unemployment remains high among young people. Improving education in terms of more practical and up-to-date curricula in higher education and VET-type training that adapts to the changes in the Serbian economy might help overcome the issue of over- and under-educated young people. Serbia continues to suffer from occupational mismatch.

In its Economic Reform Programme 2018–20, Serbia committed to education and training reforms with a view to joining the EU. In particular, it committed to: developing digital skills, lifelong learning and qualifications in line with labour market needs; improving school-to-work transitions through work-based learning (WBL); and improving skills information. The implementation of most of the reforms announced in the area of education and training is supported by the EU in the form of EU bilateral and international programmes or projects. Serbia became a member of the European Agency for Special Needs and Inclusive Education as of 1 January 2018 and it became an ERASMUS+ Programme country as of February 2019.

The education, employment and social policy sectors receive large EU, bilateral and international donor assistance. Donors include the UN agencies, World Bank, International Labour Organization (ILO), Swiss Agency for Development and Cooperation, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Austrian Development Agency and Swiss Agency for Development and Cooperation. The European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB) and other financial institutions support education and training within their institutional remit. The ETF cooperates closely on education and labour market reforms with the EU Delegation to Serbia and with donors to increase WBL; provide skills for priority sectors; boost education through a National Qualifications Framework (NQF); strengthen key competences, including entrepreneurial learning and digital skills; and foster continuing professional development (CPD) for teachers and trainers.

AN ASSESSMENT OF MID-TERM PROGRESS TOWARDS THE ETF'S 2020 OBJECTIVES

Serbia has launched an ambitious skills agenda, looking at future skills and how to prepare the education system, businesses and workers. As a candidate country, Serbia's vocational education and training cooperation with EU Member States and other candidates is framed by the Copenhagen Process and the 2015 Riga Conclusions. Reform has focused on modernising general and VET secondary and higher education, digitalisation, entrepreneurship and the coverage and quality of pre-school education. Adult participation in lifelong learning lags significantly behind EU and national targets, and a comprehensive approach is yet to be devised.

The Ministry of Education, Science and Technological Development has expanded its capacities to meet national priorities, establishing a Dual Education and Entrepreneurship department and a Digitalisation in Education and Science department. New legislation established the National Council for Higher Education and the National Accreditation Body to reinforce quality assurance in higher education. The Institute for Improvement of Education and the Institute for Evaluation of the Quality of Education will soon introduce final exams in secondary education.

Over the course of 2018 and 2019, Serbia piloted and extended dual education – a model for the rollout of vocational education within the formal secondary vocational education system. Entrepreneurship is defined as a key competence. The Dual Law supports the establishment of an institutional structure to implement lifelong entrepreneurial learning. Given the national model of dual and entrepreneurship education, the Ministry of Education, Science and Technological Development launched an institutional network involving local governments, employers and VET schools. The ministry requested the ETF to review the quality of WBL in initial VET. In 2018 and 2019, the ministry launched nationwide training in outcome-oriented teaching. For 2020, CPD for education professionals is focused on digital skills and competences, inclusive education, outcome-oriented teaching and anti-discrimination. In-service teacher training addresses entrepreneurship and active learning methods.

The NQF legislation of 2017 set out an institutional agenda aimed at building a knowledge-based society with more relevant qualifications and competences within a context of lifelong learning. The agenda gained momentum in late 2018 and throughout 2019 and now focuses on creating an efficient institutional setting (NQF Council, NQF Agency and sector skills councils). A validation system for non-formal and informal learning is still to be developed.

In the education policy area, EU/IPA assistance has been focused on strengthening institutional capacities and support for VET reforms and NQF development; designing and implementing quality assurance systems in primary and secondary education (and VET); supporting early inclusion of vulnerable children in education; and establishing a 'second chance' system – formal functional elementary education for adults. This intervention complements the IPA 2014 project – Towards Lifelong Learning – by supporting the Qualifications Agency, sector skills assessments and their translation into qualification standards and the establishment of a system of formal recognition of learning outcomes and validation of non-formal and informal learning. European partners contribute to the implementation of the current Education Development Strategy through the Sector Reform Performance Contract. The proposed intervention will build on the results achieved under the SRPC by: developing the national qualifications system as an enabling environment for functional non-formal adult education; developing social partnership linking education and the labour market as a means to achieve educational relevance and alignment with labour market needs; and creating the legislative and institutional framework (the Qualifications Agency) for the implementation of the NQF system.

ACTIONS PLANNED FOR 2020

According to the ETF's 2019 Torino Process assessment, the three greatest challenges facing human capital development in Serbia are: demographic trends (demographic changes, an ageing population and (im)migration); the transformation of the economy; and socio-economic and territorial disparities. These challenges continue to have a major impact on the supply of skilled labour, the diversity of labour, the structure of jobs and the severity of skills shortages. VET provision has a big role to play. An analysis of skills development strategies in Serbia will also need to consider migration and integration policies. Regular monitoring of education system outcomes is crucial to improving the relevance of skills to labour market needs. Research is crucial in the whole process of evidence-based policymaking and monitoring and assessment. The Ministry of Education, Science and Technological Development, the Serbian Statistical Office and all the partners have begun to consolidate the Serbian unified educational information system.

The key country-driven policies and actions, including those identified in Serbia's 2019 Torino Process assessment, pave the way for the ETF's work in Serbia in 2020. It has been agreed with the Serbian authorities, the EU delegation and all the EU and international partners in Serbia that the ETF will provide thematic input for the Serbian government's drafting of the 2030 Education Strategy. The ETF will prioritise support in a number of areas, including: the implementation of a youth skills policy for employability and socio-economic inclusion with a focus on the implementation of the Serbian NQF; sector councils; the governance structure of selected sector councils through the development of the Serbian NQF; WBL; standardisation in the area of internship and financial models; CPD for teachers; monitoring of labour market developments; and evidence of skills relevance.

In 2020, the Serbian authorities will be supported by the EU Sector Reform Performance Contract (SRPC) technical assistance team in developing Serbia's 2030 Education Strategy. The ETF has been requested by the EU Delegation and Serbian authorities to provide support in reviewing the sections of the strategy that have been developed and to advise and provide feedback on the areas in which the ETF has expertise. Other international institutions have been asked for the same type of support for other levels in the education system (e.g. EU, UNICEF, EBRD, World Bank, EIB).

The ETF and EBRD have signed an agreement to jointly support their Serbian counterparts. The EBRD will conduct a study of two sectors to support the Serbian Qualifications Agency with sector councils. In addition to financing, the EBRD plays a crucial role in engaging key employers for discussions on skills anticipation, qualifications and standards. The two institutions' responses are in line with the strategic programmes that they have launched.

ETF support has been requested for the implementation of the IPA Sector Budget Support, including thematic support for the ongoing EU-funded projects and programmes: 1) the IPA 2015 project on the introduction of final examinations in secondary education in Serbia started in January 2019; 2) the 2016 IPA NQF project focusing on developing NQFs, ensuring the full functioning of the newly established NQF Agency and 12 sector skills councils; 3) Social Inclusion of Youth; 4) IPA SBS Capacity Building focusing on the development of the 2030 Education Strategy as well as interinstitutional cooperation in education.

In 2020, the ETF's work will focus on the following objectives:

Specific objective 1: Support EU external assistance

The ETF will monitor progress in VET, employment and social inclusion, and support sector policy dialogue and donor coordination. It will help the EU delegation to monitor annual Sector Reform Contract performance indicators for the employment and skills sector and plan follow-up IPA II actions to support education, training and employment among vulnerable groups and/or disadvantaged regions.

At the request of the European Commission or EU Delegation, the ETF will provide support for the EU-Serbia bilateral policy dialogue in the following areas:

- inputs and progress reporting at bilateral subcommittee meetings
- an annual assessment of Serbia's Economic Reform Programme
- inputs into relevant sections of the Commission's progress report
- a response to the request by the Directorate-General for Neighbourhood and Enlargement Negotiations to assess the relevance, credibility and progress of relevant sector strategies
- expert input into European platforms organised or hosted by Serbia (e.g. Youth Guarantee, entrepreneurship schemes, European Alliance for Apprenticeships, European Pact for Youth, Erasmus+)

Specific objective 2: Support Serbian-driven processes supported by IPA funding

- Provision of IPA sector budget support for capacity building focused on developing the 2030 Education Strategy and interinstitutional cooperation in education.
- Provision of ETF thematic expertise (within ETF's thematic and strategic remit) through desk and country work and in the form of analysis, reports and/or thematic expertise. ETF support has been requested for the implementation of IPA sector budget support. Thematic support has also been requested for ongoing EU-funded projects and programmes: 1) the IPA 15 project on the introduction of final examinations in secondary education in Serbia, which started in January 2019; 2) the 2016 IPA NQF project, which focuses on developing a NQF and on the full functioning of the newly established NQF Agency and 12 sector skills councils; 3) Social Inclusion of Youth.
- Participation in workshops, events, policy and/or practice platforms organised by the EU or Serbia. Provision of thematic expertise and participation in policy, operational and/or expert platforms, including European platforms organised or hosted by Serbia (e.g. Youth Guarantee, entrepreneurship schemes, European Alliance for Apprenticeships, European Pact for Youth, Erasmus+), prioritised and selected according to the ETF's Serbian team's allocated time, mission and funds.

Specific objective 3: Support processes driven and led by Serbia

Action 1 – Serbian 2030 Education Strategy, TVET part.

Action 2 – Serbian NQF, support for sector councils, governance structure of selected sector councils through the development of the Serbian NQF.

Action 3 – Evidence-based policymaking and monitoring and assessment. The Ministry of Education, Science and Technological Development, Serbian Statistical Office and all the partners have begun to consolidate the Serbian unified educational information system.

Action 4 – Serbian youth study.

The ETF will provide expertise and collaborate closely with public and private institutions to assess the future of skills for Serbian young people who are to be integrated into education and training and the labour market. The ETF will support and work with three key Serbian and EU structures:

- **a high-level policy dialogue reform structure**, featuring public and private institutional representatives steered by ministers or secretaries on the Serbian side and the EU delegation's Head of Cooperation on the European Commission side;
- **operationally strategic national coordination structures**, engaging with the Directorate-General for VET/Advisory Committee for VET; Ministry of Education, Science and Technological Development; National Education Council and VET Council; Ministry of Finance; Ministry of Labour, Employment, Veteran and Social Policy; Ministry of European Integration; Institute for Standardisation of Serbia; Serbian National Qualifications Agency; Pedagogical Council of Vojvodina, and many others. The EU delegation coordinates and manages the action plan of the National Education Development Strategy and the Sector Reform Performance Contract;
- **technical working groups**, supported by the EU-funded projects and programmes; representatives from sector councils, employers, education and training providers, researchers, civil society, academia, EU delegation and other new stakeholders based on the merging policy and implementation skills issues.