

AZERBAIJAN

ETF country information note 2010

1. Background

In 2004 the European Neighbourhood Policy was launched to spread the benefits of enlargement for political and economic stability in the neighbouring countries including Azerbaijan. Over the last few years Azerbaijan has seen enormous economic growth increases due to oil revenues. Azerbaijan was also better prepared to cope with the global financial crisis as it is less dependent on foreign capital. But the benefits of this growth in terms of employment and economic development outside the energy sector are not yet visible. Massive government investment in the social sector is starting to make an impact, but the country still suffers from uneven regional development, unemployment and underemployment¹; there is a problem of equity and access, in particular for young people, to social benefits, including employment.

Shifts in education choices have led to a decrease in the availability of middle level technical competencies, which is a challenge for the human capital agenda. Most young people leave the education system with nothing more than a general secondary education diploma. Participation in vocational schools, vocational lyceums and higher vocational education (colleges) is increasing in spite of an overall decrease in the numbers of people in education, but is still very low, with around 10% of the school population in VET². Higher education has mainly been a gateway to the public sector and access has recently been restricted. The career perspectives of school and university graduates are largely determined by their original choice of education as there are very few opportunities for lifelong learning beyond the original learning path, and the subsectors of the education system are highly segregated. The inadequately educated workforce is among the most problematic factors for the country's competitiveness.³

The quality, equity and relevance of education are the subject of intense debate in Azerbaijan. The country is experiencing a growing problem linked to the inadequacy of the skills for labour market requirements, particularly of young entrants. There is an imbalance in the skills mix of the young labour force, with graduates of tertiary and secondary general education predominating, while the proportion of young skilled workers and technicians (VET system) is still insignificant. This situation is difficult to correct as vocational education has not yet been modernised. In order to make the VET offer more relevant there is a need for better links with the world of work and systematic labour market information and analysis at sectoral and regional levels which could generate trend data and disclose skill gaps and skill shortages.

The position of VET graduates as related to their employability and employment paths, gives clear signals for policy that VET reform cannot be separated from reforms in other relevant sectors, or from relevant national policies; the value and credibility of formal education needs to be restored, and this depends on the credibility of reform measures and proper interaction with civil society and employers⁴. Cooperation with the private sector has recently started but is still limited to a small number of companies.

¹ Resident Coordinator's Annual Report 2007; <http://www.un-az.org/doc/rcreport2007.pdf>

² State Statistics Committee <http://www.azstat.org/publications/azfigures/2009/en/007.shtml>

³ Global Competitiveness Index

⁴ Study on employment and further paths of graduated youth from Vocational and Technical schools in Azerbaijan http://www.etf.europa.eu/Web.nsf/opennews/311BDC1A3190063FC12570670031AC88_EN?OpenDocument

There are only very limited vocational education and training opportunities outside the existing VET system (primary and secondary). The Ministry of Labour has started to deliver modular training programmes, but these are limited in access and scope. There is a strategic problem - that of a serious gap in capacity to foster the development of flexible and relevant youth skills.

2. Key policies issues and strategies in human capital development

Since 1996 the government has taken steps to modernise the VET system. A legislative framework, several strategies and development programmes with a direct or indirect impact on education have been produced.

In 2009 a new framework law on education was adopted that is currently being followed up by new legislative initiatives for higher education, vocational education and general education.

Both the poverty reduction (2003) and the employment (2005) strategies consider the modernisation of the education system a priority.

Azerbaijan joined the Bologna process in 2005. According to the principles of Bologna process curricula are reviewed in all universities. A credit system is being piloted in some universities to gain experience in that respect. A unified diploma supplement has been developed by a Working Group, which also included EU and UNESCO experts, and a Permanent Commission was established by the government to facilitate the procedure of recognising international university diplomas in Azerbaijan. There is a selective national entrance exam to enter university. According to the State Admission Commission 75.19% of those who took part in the entrance exam in 2009 failed to enter universities. From this year universities will have to monitor the employment rate of their graduates.

The State Programme on the Implementation of the Employment Strategy of the Republic of Azerbaijan (2007-10) includes some relevant reform areas: inter-sector co-ordination to monitor education policy; skills needs forecast methodology; system of vocational standards and qualifications; continuing training; new forms of education financing.

The programme on VET development (2007-12) looks into the optimisation of the network of VET institutions and infrastructure; a new model of economic relationship; the content of vocational training; (vocational school) staff development policy; management in the field of VET.

Other challenges to be addressed are: institutional capacity ("professional ministries"); accreditation; structural adaptation to a lifelong learning framework; open pathways.

Some first positive steps towards these are being made. In 2009 a Centre for the Development of Vocational Education was established in the Institute of Educational Problems, but it is difficult to see how such institutions can become very effective if they are based mainly on existing senior staff resources, working with a limited mandate.

One of the major obstacles to effective education reforms has been insufficient coordination and cooperation among critically relevant state institutions, with other relevant sectors or with social partners in general. Education policy remains closed within its institutional boundaries, and is not sufficiently linked to national development policies. A shift towards a more integrated and coherent strategy, with a lifelong learning perspective, is a challenge to address. A series of round tables initiated by the Ministry of Education have started recently to address these issues. Moreover, the National Qualifications Framework is likely to play a pivotal role in addressing these issues in the coming years.

3. EU and other donor interventions

The education sector has received comparatively little support from international donors.

The UNESCO funded project 'Revitalizing Vocational Education in Azerbaijan' aims to contribute to aligning VET with market requirements, through the modernisation of curricula and the establishment of a TVET Staff Development and Learning Resource Centre.

The joint Azerbaijan-Korean project aims at improving vocational education, through the establishment of a High Vocational Education Centre and improving equipment, as well as the content part of training (curriculum, learning materials, and teacher training).

The German organisation *dvv international* is active in the area of adult education; it was involved in the Eurasia supported policy analysis and production of an analytical report on VET in the region.

The World Bank's Second Education Sector Development Project (APL 2) aims at: (i) more effective teaching and improved learning results in general secondary schools, and (ii) improved efficiency of spending in education. VET can draw lessons from some project components: general education curriculum and new learning materials; in-service teacher training systems and practices; new evaluation and assessment culture and practices; and education policy development and management. The World Bank is also supporting reform in the sector of higher education with a special emphasis on improved governance and funding, quality assurance, including the establishment of an independent Evaluation and Accreditation Agency, enhanced transparency of access policies and of the learning outcomes of students, as well as the introduction of ECTS and other Bologna related reforms across the whole system. As part of its support to employment policies, the World Bank has launched a loan project for the development of improved occupational standards in 2010.

The British Council has just completed its Skills at Work project in Azerbaijan supporting the internationalisation of VET across 18 countries.

The EU support framework

Human capital development is a strategic area for the EU in these countries as an "essential component to reach objectives such as increased competitiveness, social inclusion and active citizenship"⁵. The EU-Azerbaijan Action Plan mentions education and training among specific actions in Priority area 6, within broader tasks of "balanced and sustained economic development, with a particular focus on diversification of economic activities, development of rural areas, poverty reduction and social/territorial cohesion..."⁶. The Action Plan mentions important areas for education reform, such as continued access for all to high quality education, sufficient funding, legislative base for education, integration of gender issues, transparency and accountability of the sector, lifelong learning in particular through the implementation of a national education reform strategy. The tasks for education include improving the accreditation system; strengthening local capacity for policy development and implementation; enhancing the quality and capacity of institutions and organisations involved in developing and implementing the quality assurance in the field of education and training; strengthening the adaptation of higher and vocational education to demands of the labour market and the economy by inter alia increasing the involvement of social partners and stakeholders from civil society; continuing and enhancing a policy dialogue with the EU in the field of education, training and youth.

Azerbaijan has participated in the EU funded Tempus programme since 1995. At present preference is given to projects involving universities from different regions of Azerbaijan. In higher education the Bologna process and the need to develop new study courses and specialisations for the labour market are priorities. Closer cooperation has been established with employers in order to better link educational outputs to the needs of the labour market and student mobility programmes are now going to be used to enhance the desirability of students in the labour market.

The EU-Azerbaijan European Neighbourhood Policy (ENP) Action Plan priorities encompass far-reaching reforms in the education and training sector, including VET. The 3-year EU funded project on VET within the TACIS Action Programme of 2006, pursues two objectives: implementation of a pilot operational partnership between a vocational training institute and an economic sector; and support for the definition of a new national strategy for vocational training in accordance with the adopted national employment strategy. In the framework of the Eastern Partnership, a Comprehensive Institutional Capacity Building programme will support Azerbaijan's preparation for the negotiation and implementation of future agreements with the EU. The EU will support the capacity development of

⁵ European Neighbourhood Strategy paper. P. 19; http://ec.europa.eu/world/enp/pdf/strategy/strategy_paper_en.pdf

⁶ Idem ; P. 4

government institutions in the justice sector, in trade matters and in public administration in general. The education sector is not a direct focus.

The ETF contributes to the Neighbourhood process by providing support to the European Commission in its aid delivery in the framework of the European Neighbourhood Policy in the area of human capital development, by supporting the reform of vocational education and training systems “within the framework of Azerbaijan’s reform programme”⁷. Its activities are designed so as to promote appropriate responses to the identified challenges in the context of the country’s overall development.

4. ETF’s intervention strategy in the mid-term 2010-13

The period 2010-13 is likely to see a series of national initiatives for education and training reform. In 2010 ETF actions in Azerbaijan will continue to be linked to the EU external policies. The ETF will provide its support to EC services in Azerbaijan in complementarity with the ongoing Tacis VET project; in particular the ETF will provide support related to the European context for the development of a national concept for a qualifications frameworks. The ETF will pursue its on-going dialogue with the EU Delegation and national stakeholders to identify the relevant inputs required to complement the support provided by the EU project.

The ETF will also continue to provide support to the reform of VET and employment policies through further analysis and awareness raising activities, namely (i) the Torino process aimed at collecting and disseminating information related to progress in VET (ii) the business education survey aimed at collecting information on relationships between the world of work and the world of education, (iii) the Black Sea Employment Review completion focusing on analysing specific labour markets issues in a comparative perspective

The inputs in analysis will be complemented by a number of awareness raising and information/experience sharing activities for key policy makers.

⁷ EU / Azerbaijan Action Plan, P. 39; http://www.delaze.ec.europa.eu/pdfs/enp/EU_Azerbaijan_AP.pdf

5. ETF intervention strategy in 2010

Continuing support to the reform of VET and employment policies through further analysis and awareness raising activities

	Title of the ETF intervention	Themes code	Expected results	Activities undertaken	Project outputs	Timetable for activities
1.1	<p>The Torino Process.</p> <p>The ETF will launch in 2010 a cycle of reviews of VET policies and systems to be carried out every two years in all its partner countries and territories.</p> <p>This exercise, aims to strengthen the capacities within the country to analyse the situation of the VET system, to assess its contribution to sustainable economic and social development and to identify priorities for future ETF actions and support.</p>	ENP East 1.3	<p>Staff in the relevant institutions of the partner countries are involved in the process, become fully familiar with it and presenting it in the appropriate occasions and writing about it in related articles/documents:/reports</p> <p>The exercise becomes institutional and staff has the ownership of it.</p>	<p>Meetings/round tables/visits to relevant institutions/desk and field researches:</p> <p><i>January-February: starting consultation process with the country</i></p> <p><i>March-April: collecting evidence, information and evidence and first draft of report</i></p> <p><i>June-July discussion seminar on first draft in country</i></p> <p><i>August-September: final results report which inputs to cross-country reports</i></p>	<p>Good quality reviews, carried out in close cooperation with the relevant institutions within the partner countries. The reviews are considered as an important instrument for capacity development with the aim of becoming a valuable source for the monitoring of VET reform and informing both public and other institutions on the progress of VET reform.</p>	January-September
1.2.	<p>Black Sea Labour Market reviews</p> <p>These reviews represent a follow up to the project, which is aimed at improving understanding of the selected labour market issues at country and regional level, with a special emphasis on how outputs from the educational systems are used in the labour markets.</p>	ENP East 2-4	<p>Better understanding of the selected labour market issues both at the country and regional level, with a special emphasis on how outputs from the educational systems are used in the labour markets.</p> <p>Enhanced awareness and knowledge of the key stakeholders on the themes of the labour market analysis in six countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine).</p> <p>Identified policy intervention areas for national stakeholders, European Commission services and ETF management to be used in future actions.</p>	<p>Organisation of one regional conference for the dissemination of project findings: in Odessa (Ukraine), one-and-half day meeting, five people per country plus international experts, around 60-70 participants, (late November 2010).</p>	<p>Finalisation of the regional study in two languages (English version in September and Russian version in November), Validation conference in November</p>	April – December 2010

2. Continued support to EC services in Azerbaijan in complementarity with the ongoing Tacis VET project;

	Title of the ETF intervention	Themes code	Expected results	Activities undertaken	Project outputs	Timetable for activities
2.1	Complementary support to Tacis VET reform project ETF will provide its support to EC services in Azerbaijan in complementarity with the ongoing Tacis VET project	ENP East	National VET reforms are placed in a relevant international and European context The vision for VET and Lifelong learning is made more explicit The NQF concept includes clear links to the Bologna process and the EQF and is linked to wider education reforms in Azerbaijan Intra-ministerial cooperation for the development of a NQF is strengthened The outputs of the Tacis project are integrated in national policy developments	Review of Tacis project outputs Briefings for EU DEL, MoNE and Tacis project team Presentations to national stakeholders and in particular the MoNE staff on European and international developments	Good quality briefing documents MoNE staff is able to link NQF to wider reforms and European developments National Concept for NQF approved Tacis project outputs are integrated into national policy developments MoNE statement on the role and purpose of VET and lifelong learning	January-December 2010

3. Adaptability of enterprises and education-economy partnerships

	Title of the ETF intervention	Themes code	Expected results	Activities undertaken	Project outputs	Timetable for activities
3.1	Business and education The Torino process will include an in-depth survey into cooperation between the education and business sectors within the partner countries. It derives from the importance of cooperation between the world of education and the world of work for addressing partners' development plans and related needs in terms of qualified labour force.	ENP-East 1.3	The outcome of the study will constitute an inventory of practice, experience, constraints and challenges as well as recommendations drawn from a set of country, regional and cross-country reports.	Country focus groups and workshops, field research, interviews based on and analytical framework provided by the ETF. The outcomes of this survey will be presented and discussed with the relevant partners in the country.	A survey into cooperation between the education and business sectors within the partner countries is available. A 3-5 page report	January – September 2010