



Torino Process 2012

Kosovo*

December 2012

This Torino Process self-assessment review is based on the work of the Kosovo Pedagogical Institute research team, led by the GIZ Kosovo VET researcher, who was the lead writer of this report. ETF Kosovo Team has coordinated and supported the reviewing and drafting of the report, including the writing of the executive summary.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence – hereinafter “Kosovo”.

This report was prepared in the framework of the ETF Torino Process.

Its contents are the sole responsibility of the authors
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List of abbreviations

ALMP	Active Labour Market Programmes
AVET	Agency of Vocational Education and Training
CVET	Council for VET
DANIDA	Danish International Development Assistance
EC	European Commission
ECLO	European Commission Liaison Office
ECTS	European Credit Transfer System
EMIS	Education Management Information System
EPAP	European Partnership Action Plan
EQF	European Qualifications Framework
ETF	European Training Foundation
EU	European Union
FDI	Foreign direct investment
GoK	Government of Kosovo
GDP	Gross domestic product
GIZ	German International Cooperation
GTZ	German Agency for Technical Cooperation
IDEP	Institutional Development in Education Project (World Bank)
IPA	Instrument for Pre-Accession to European Union
ICT	Information and communications technology
JAR	Joint Annual Review
KAS	Kosovo Agency of Statistics
KCC	Kosovo Chamber of Commerce
KOSVET	Kosovo Vocational Education and Training Project (EU)
LFS	Labour Force Survey
MAFRD	Ministry of Agriculture, Forestry and Rural Development and Food
MED	Municipal Education Directors
MEF	Medium Expenditure Framework
MEST	Ministry of Education Science and Technology
MF	Ministry of Finance
MLSW	Ministry of Labour and Social Welfare
MTI	Ministry of Trade and Industry
NGO	Non-governmental organisation
NQA	National Qualifications Authority
NQF	National Qualifications Framework
PWD	Persons with Disabilities
RAE	Roma, Ashkali and Egyptian
SOK	Statistical Office of Kosovo
SIDA	Swedish International Development Agency
SME	Small and medium-sized enterprise
TTU	Teacher Training Unit
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNKT	United Nations Kosovo Team
UNMIK	United Nations Interim Administration Mission in Kosovo
USAID	United States Agency for International Development
VTC	Vocational Training Centre
VET	Vocational education and training
WB	World Bank

Introduction

In 2010 the European Training Foundation (ETF) launched the first round of the Torino Process, in which Kosovo participated. The Torino Process is a participatory review of progress in vocational education and training (VET) policy carried out every two years by all ETF partner countries with the support of the ETF. The analytical framework (see annex 2) lists the thematic areas for review and, for each of them, raises the main policy questions to be documented in order to assess the VET system and policy progress. It encompasses the various main dimensions of VET (e.g. underpinning political vision and priorities, external efficiency, internal efficiency, governance and financing).

'Vocational education and training (VET)' is understood in the broad sense, covering education and training which aims to equip both young people and adults with knowledge, know-how, skills and competences required in particular occupations or, more broadly, on the labor market.¹ VET is provided at different levels (including secondary, post-secondary and tertiary). It can take place in formal, non-formal or informal settings, in institutions, companies or other places, and at different stages of people's lives.

In November 2011, the Kosovo Ministry of Education, Science and Technology (MEST) confirmed to ETF that in 2012 they would opt for the "self-assessment" reviewing under the guidance of the ETF Kosovo team. The ETF-developed Analytical Framework for Vocational Education and Training System Review (the Torino Process VET review) has been adapted by the Kosovo Government as the VET sub-sector reporting for the Education Sector Joint Annual Review (JAR) conducted by Kosovo MEST with its development partners. The 2012 Kosovo Torino Process Review will be part of the 2013 JAR Review.

To ensure full ownership by the local stakeholders of the VET system, the key responsibility for the review lay with the research team of the Kosovo Pedagogical Institute lead by the GIZ Kosovo VET researcher, who drafted the report. The report was commented on, and guided by the ETF Kosovo Team, which coordinated the process and developed the analytical framework. Valuable inputs were provided by different Kosovo institutions/stakeholders and representatives of the development partners active in the VET sector. The report also benefited considerably from the advice and support of the Division of Vocational Education in the Kosovo Ministry of Education, Science and Technology.

This report seeks to present the main preliminary findings of VET system developments, policy and practice implications in Kosovo based on the data and evidences collected in the course of the period November 2011-September 2012. This biannual review builds around the existing data, information from different research reports and other evidence available at the time when the review was carried out. No new quantitative or qualitative research was undertaken for this purpose, apart from a number of interviews, focus groups, public hearings with relevant stakeholders and a number of consultation workshops. Therefore, the review seeks to report and interpret the challenges and gaps in finding data and accurate information for assessing the VET system and the impacts that certain new programmes and reforms have had on it. Implications for future steps make also a very important feature of this review.

Torino Process Reporting at glance (Annex 3)

The following main activities were launched prior to the kick-off of the Torino Process Reporting:

- Launching of the Torino Process Review 2012 – November, 2011. Results from the four working groups from the consultation workshop proceedings.
- ETF capacity development, mentoring and coaching for the research team, including participation of the Kosovo institutional representatives in a number of ETF-organized regional and local workshops. Representatives from MEST, MLSW, KAS, NQA, GIZ, and KPI

¹ Cedefop, *Terminology of European education and training policy – A selection of 100 key terms*, Office for Official Publications of the European Communities, Luxembourg, 2008.

participated in these workshops throughout 2011 and 2012. Regular meetings and consultation process between the GIZ researcher and KPI research team

- Regular workshops (GIZ – KPI research team) with the aim of tracking continuously the new findings, data missing and gaps that need to be filled.
- Further support has been continuously provided – Kosovo coordinator to liaise with ETF Kosovo manager → ETF Statistics Team.

Indicators – ETF Manual and others

The report has made reference to the following international guides, tools and classifications available

- A practical guide on how to use indicators in a national policy-making context was consulted as the main source for guiding the process from the beginning an indicator and a prerequisite for a successful information system
- Examples from the EU to the global level of indicators on education for all and governance
- International classifications for international comparisons (for e.g. PISA)
- Focus on TP analytical framework for analysing VET systems.

Statistical data

Statistical data was gathered using the following procedure:

- (Internationally) available indicators gathered centrally by ETF Statistics Team
- Kosovo research team (KPI and GIZ, with the support of MEST, MLSW and KAS) complemented these with its own national data (see *Annex 2 - Data and information sources for VET developments*).
- Desired data specified in the Analytical Framework, plus Guidelines on Quantitative Indicators (definitions, sources).

Gathering data and evidence

Other data were gathered from the following sources and with the help of the following instruments:

- Available indicators found in different statistics sources/institutions (KAS, MLSW, MEST, Development Partners etc.)
- Data gathered by the research team of TP (KPI, GIZ, ETF) following the ETF Manual on the use of quantitative indicators
- Reference to national and international mid-term, annual, biannual reports and policy papers issued by governmental, non-governmental and supra-national organizations
- Participation in SADP, JAR 2012 (working groups), draft VET Law and Adult Law revision, donor coordination meetings, Education and Employment sub-sector working groups, VET-related workshops and other meetings.
- Interviews with a number of representatives from stakeholder groups (getting complementary information in light of missing published reports)
- In-depth literature review
- Analyses into strategies, laws, institutional organisation reviews, communications, etc.
- Analysis of occupations/skills needed on the labour market (compared to VET programmes on offer).
- Observations at Small Business Days 2012, VET related events/fairs (Practice Firms exhibition, etc.)
- Direct requests for missing published data and information to relevant source providers (external impact evaluation reports, annual progress reports issued by donor organizations, etc.) through standard questionnaires or only direct, specific questions by research team.

Executive summary

Kosovo has the weakest employment track record in Europe. High unemployment and a lack of quality jobs have contributed significantly to poverty and income insecurity as well as to gender inequality, social instability and ethnic tensions. The situation is compounded by a poor overall investment climate (including for foreign investment), limited growth and a small private sector. The current economic situation is likely to be exacerbated in the near future as the age distribution of the population will inevitably lead to further expansion of the labour force and the consequent need to create more jobs. The key development challenge facing Kosovo today is how to stimulate economic growth that sustainably creates better opportunities and quality jobs for a growing population of young people.

Kosovo's economy continues to be seriously constrained by factors such as limited access to finance, weak infrastructure, poor governance and a poorly skilled workforce. High relative and absolute poverty levels and high unemployment rates for women, young people (including among educated and skilled young people) and minorities (especially the Roma, Ashkali and Egyptian ethnic groups) are part of a broader problem characterised by weak labour markets that simultaneously offer few and poor employment opportunities.

Widespread income poverty limits opportunities for investment in education and training and other key social entitlements, as evidenced by relatively low social indicators. Although Kosovo has increased its net primary enrolment rate to 96%, its secondary and higher education enrolment rates lag behind those for the Western Balkan region. Gender disparity and high dropout rates characterise Kosovo's education and training system, which is failing to equip its students with the skills required by the labour market. Figures for educational attainment show marked urban/rural disparities: only half the children living in rural areas attend secondary school compared to two thirds in urban areas. Gender disparities are evident, with females representing under half of all students on average. Approximately 4% of the Kosovo population is illiterate, but the significant gender gap is evident in the fact that illiteracy is three times higher among women.

The development of vocational education and training (VET) and other work-related skills policies are crucial to equip Kosovans with skills and competences that will be decisive for national and local economic growth. Overall reforms are in progress; the government has designed an overarching framework and set ambitious goals for the education and training system in Kosovo.

The Kosovo Strategic Education Plan 2011-2016 is fully operational, even in terms of structures for its management and supervision. Positive developments have culminated in the organisation of the first Government and Development Partners Education and Training Joint Annual Review, which took place in Kosovo on 28 to 30 March 2012. The Analytical Framework for Vocational Education and Training System Review (the Torino Process) of the European Training Foundation (ETF) has been adopted by the Kosovo government for annual VET sub-sector reporting.

In considering the overall vision for VET, VET governance and VET management, policy efforts are currently focusing on key building blocks such as the National Qualifications Framework (NQF), Centres of Competence (CoCs) and improved school management in terms of financing, teaching, facilities, teaching materials development and professional development for teachers.

Efforts are being made to determine, jointly with employers and trade unions, the state of play and vision for the VET system in Kosovo. Legislation on VET and adult education are in the pipeline for approval. Policy discussions are at an advanced stage regarding the establishment of the planned VET and Adult Education Agency with the support of key VET donors.

There have been significant improvements in VET centre management, teaching, facilities and materials development. Two new sectoral CoCs have been built and two more are under construction. Efforts are being made to integrate these CoCs into the national VET system. Progress has been made with career counselling, the training of trainers in career guidance and counselling and developing professional standards and new curricula for new job profiles. Efforts are being made to better manage and enhance the transparency and efficiency of financial flows to VET schools.

There is still great scope for improvement in managing these affordable VET policies and in achieving the set goals. Successful implementation of the Kosovo Strategic Education Plan and other reform efforts will all depend greatly on a coordinated approach by all the institutions and other stakeholders involved in the process.

Donors are reducing support to vocational training and planned public expenditure on VET is inadequate. Although the business community appears willing to share funding for the VET system, as yet no structured discussions have taken place with enterprises/employers on possible co-funding and the diversification of funding sources for VET.

Capacities and the institutional policy evaluation culture are not adequate to the declared strategic goals. A main concern is administrative capacity, impaired by political agendas, a chronic lack of suitable human resources, high staff turnover and insufficient implementation and monitoring capacities. A Joint Financing Arrangement for Education has been developed but has yet to be put in place and a Pooled Fund is expected to come on line in 2013, with the government and several development partners expressing interest in this arrangement. Support to capacity development for central entities and municipal education departments will be the focus of the pooled fund.

Structural and systemic VET sector changes versus more of the same VET. Kosovo has managed to avoid recession in recent years and has even registered small increases in gross domestic product (GDP). However, it is still one of the poorest countries in Europe, largely reliant on remittances and donor aid. Furthermore, the informal economy continues to represent about half of GDP. The economy is dominated by the services sector (over two thirds of GDP), followed by industry (one fifth of GDP) and agriculture. Internal and external imbalances as triggered by poor fiscal policy, high inflation rates and a dysfunctional labour market are the main features marking the socioeconomic situation in the country.

The services sector is the largest source of employment. There are a number of policy measures undertaken by the government in the agricultural sector. Although they appear to have positively influenced efficiency in the agriculture sector, the results should be interpreted with caution, given the available qualitative and quantitative information.

The initial and adult education and training systems are under pressure, due to consistently high birth-rates; around a quarter of the population is below the age of 15 years while just under two thirds of the population are aged 15 to 65 years.

Severe weaknesses are evident in the VET system, raising concerns about its capacity to produce competent and skilled workers. Policies and practices aimed at preparing young people for work, developing the skills of adults and responding to labour-market needs continue to be hindered by the limited data available, most especially data that can be reliably compared. There is, for instance, a lack of internationally comparable data regarding whether VET graduates have the right skills and competencies for the job market. Policy makers also still lack a clear picture of school-to-work transition.

Skills acquired versus skills required. VET supply to the labour market is of limited relevance. Since a major problem is that educators and employers operate on entirely different institutional turfs, the solution lies in bringing these two universes together. Cross-sectoral policy makers – because they understand better what firms demand and what education institutions supply – are designing and implementing policies that will improve the fit between these two universes. Designed policies and practices need to enable and facilitate the institutional partnerships responsible for the delivery of VET.

Reforms initiated under individual projects need to be assessed and good practices need to be disseminated throughout the system. CoCs are the most prominent initiative in terms of helping to raise VET attractiveness and prestige and articulating VET with the labour market on a sectoral basis. These CoCs, however, need to be made fully functional; furthermore, critical reform features such as autonomy, multi-service provision, work-based learning and flexible pedagogical organisation need to be promoted and disseminated. Success will largely depend on building linkages with tertiary education and on the involvement of enterprises and their sectoral representatives.

In the policy-making process, the setting of strategic goals and the initiative to strengthen cooperation between VET governance institutions and the labour market are of great importance in improving external economic efficiency. Any progress made in better linking VET to the labour market does not rely solely on the VET system, but also on prospects for the country's economic sectors. Better VET is not a cure-all for the jobs crisis in Kosovo: thousands of young people will continue to be unemployed as long as demand remains slack and economic growth remains sluggish. But VET can at least help overcome the huge mismatch that hampers economic growth not just through the shortage of jobs but also through the shortage of skills.

Overall, based on the limited and fragmented information available, it could be inferred that the VET system has made some progress in addressing and improving external economic efficiency. But although demand for some VET professions is growing, employers still state that the VET system fails to equip young people with skills that match the vacancies available. Employers increasingly complain about the shortage of skilled workers and the lack of workers with good behavioural qualities.

A number of priorities need to be considered when gearing VET policy initiatives towards improving external economic efficiency while responding to socio demographic, economic and labour market issues. The government's initiative in providing incentives for key economic sectors should guide VET policies in terms of linkages with the labour market. Measures for reducing the high unemployment rates prevailing in the country should include: (1) restructuring the education and training system to meet labour-market demands; (2) increasing VET capacity to meet the needs of job-seekers and the unemployed; (3) offering specialised services such as information and career guidance; (4) establishing a reliable labour-market information system aligned with education statistics; and (5) developing a clear plan (using incentives, tax exemptions or other means-based measures) to encourage local and international businesses to hire VET graduates.

The relevance of VET and its multi-dimensional contributions are to be seen not only in the skills dimension, but also in the civic, social and equity dimensions. Strategies and policies aimed at combating social exclusion and poverty are key government priorities, driven by aspirations for European Union (EU) membership. The government is fully aware that low skill levels and poor educational attainment contribute to social disadvantage because they are associated with poorer labour-market outcomes and labour force non-participation.

There is still a long way to go to achieve compatibility with EU social inclusion requirements in terms of better educational provision for disadvantaged and groups in need. Issues of equity and inclusion, however, have not been central to the main or core business of the VET system or of most VET providers, but have usually been considered as an optional extra (usually supported by donors) rather than as an integral part of the day-to-day functioning of the VET system.

The concepts of social inclusion, social cohesion and equity are unfamiliar and relatively new. Furthermore, the capacities of the existing system for dealing with social inclusion are limited. There is also a lack of research capacity, solid evidence and analysis that could inform the policy-making cycle on social exclusion and social inclusion. Key policy issues and challenges are related to enhancing equity, access and participation by marginalised groups in education, employment and society.

The most economically, socially and politically marginalised youth sub-groups (individuals with disabilities, women, ethnic groups (especially the Roma, Ashkali and Egyptians), people living in rural areas and the children of single-parent families and from families with a history of parental illiteracy and unemployment) miss out on VET and employment opportunities. VET schools, moreover, seem incapable of optimising the possibilities of a school-home-employer-community collaborative approach to their students.

The time is ripe for a new approach in which equity and inclusion are adopted as central objectives for VET, i.e. as integral to the system rather than additional to 'real VET'. Efficiency and equity arguments should be brought into play in boosting employability and competence at work. One way to do this would be to increase access to relevant, well-designed and properly delivered programmes through VET schools and providers.

Participation (and therefore also education attainment) in VET would be improved if policies and practices in the system were re-developed according to universal design principles that assume a

diverse student body rather than ‘typical students’ and ‘other students’. This approach should include paying attention to funding models, national/state agreements, reporting requirements, training package design, teaching and learning materials development, all teaching and assessment practices, the professional development of staff and the methods and media through which training is delivered.

Large numbers of young people enter the labour market each year and encounter very limited job opportunities. The risks of poverty continue in both rural and urban areas (in particular among the long-term unemployed, the inactive population, large families, individuals with low educational achievement, ethnic/non-Serb minorities etc). The approach to supporting these groups should go beyond the individual donor-led approach and become more systemic, integrated, tailored and targeted. Eligibility and access, including for adult education and training, should be enhanced in a context of specialist and dedicated packages aimed at inclusion.

Interventions often remain low-scaled because of a lack of resources to fund adult education and training and active labour market programmes. Enhanced evidence would have a positive impact on the monitoring of interventions and on building an information infrastructure as a crucial tool for the proper use of public funds. There is a need to move beyond single-sector strategies to strengthen partnerships and inter-ministerial cooperation so that mutually reinforced social inclusion strategies can be developed.

The national authorities are seeking to improve national VET system quality. A key instrument to achieve this aim is the NQF, managed by the National Qualifications Authority and currently being implemented. Criteria have been set for the validation of qualifications and the accreditation of providers developing and/or awarding qualifications. Several qualifications have already been incorporated in the framework and a number of providers have been accredited.

The National Qualifications Authority can, by now, be said to be a major player in the national VET system, as it plays an increasingly important role in promoting VET system quality, in supporting schools in self-assessment processes and in providing guidance on issues such as developing occupational standards.

Although significant investments have been made in human resources, the available data shows that few VET teachers have a recognised teaching qualification. The legal framework for the professional development of teachers is not yet clear in Kosovo. Updating pre-service and in-service teacher education and development programmes in line with the new national curricular framework remains a key priority for stakeholders, in particular for the sub-sector working group on teacher training and development.

The VET system still struggles with poor infrastructure and a poor image and is not attractive to young people. The situation is not much better on the demand side; the business community continues to complain about VET student deficiencies in practical skills and technical competences. The need to adapt curricula to the characteristics of particular occupations is a common recommendation made by employers.

The recently introduced Kosovo Curriculum Framework, still in the early stages of implementation, does not fully consider the potential of partnership with labour-market actors. A more general challenge for the sector is better integration of learning pathways, either vertically in the same field or horizontally between different fields. A further challenge is that some employers do not recognise some of the VET certificates.

There have been a number of initiatives for promoting internships that provide some financial support to both the student and the host company. However, no evidence is available regarding mechanisms and/or incentives to enterprises in exchange for work placements for VET students. The system needs to develop mechanisms for cooperation with enterprises and to strengthen links with labour-market actors; this includes sharing and producing information and evidence of common interest.

Occupational standards are the starting point for outcomes-based curricula and qualifications. At present Kosovo has only a small number of standards, in most cases developed by external donors in cooperation with local stakeholders. As with qualifications, the number of such standards needs to be increased.

The State Council for Curricula, in close cooperation with technical teams, revised the Kosovo Curriculum Framework, shifting from curriculum-based to outcomes-based training and learning inputs. However, learning outcomes to date have been developed only for general upper secondary and not for VET, indicating the low priority awarded to the latter.

Another activity in the area of VET quality is the candidacy process for VET schools aspiring to become CoCs, to be assessed against the criteria used for current CoCs.

VET reform cannot take place without a comprehensive review of system governance and financing. This review would identify progress, even if mainly at the level of policy for the present. However, the government's vision and policy ambitions for VET governance do not necessarily correspond to the reality. VET continues to be poorly represented or absent from central education structures and budgets. VET governance and financial mechanisms have traditionally been highly centralised in Kosovo. Efforts have been made to decentralise funding to the regional or municipal levels (as with the CoCs). There is a general interest in giving VET schools more (although limited) financial autonomy in terms of powers to retain and deploy income raised through commercial services. Consequently there is much discussion regarding the following issues: the ability of VET schools and training centres to raise funds in the local market; detailed donor (especially the World Bank) analyses and recommendations in regard to financing formula; budgetary efficiency and effectiveness measures; analyses of finance ministry (in parallel with education ministry and labour ministry) budgeting and regulatory mechanisms; and insufficient public and private funding to enable reforms to move forward rapidly.

There is widespread acknowledgement among stakeholders that the VET system is fragmented. Much experience has therefore been acquired from other countries in the region and elsewhere by observing different models/institutions composed of the various partners charged with providing policy directions and making sure that the demand for skills is met as much as possible. Recent revisions of the VET and adult education legislation reflect policy developments in this area. Discussions are being finalised on the establishment of a new VET and Adult Education Agency. The revised VET and adult education legislation clearly reflect the roles and responsibilities of this body as an operational and not a policy-making body. The implementation of these laws has also taken account of the respective roles of, and relationships between, the National Qualifications Authority, continuing VET and the VET and Adult Education Agency.

In considering the emerging governance and financing model for the VET system in Kosovo, there is a need to find the 'right' incentives to encourage enterprises and their representatives to become involved in VET management, to link decentralisation with quality and to build consistent institutional arrangements for VET system governance. The government, supported by the United Nations Development Programme Kosovo, is conducting an assessment of professional practices in Kosovo. The focus is on establishing VET school-enterprise partnerships to organise work placements for VET students, based on a clear, consistent and well-documented approach across the entire network of VET schools. Enhancing the technical and managerial capacity of VET school principals and employers in terms of establishing successful partnerships of this nature is crucial to success. The government and VET school managers are currently considering a mixed funding package (by central government, social partners and municipalities) and are also taking on board the notion of managing commercial activities.

So far, government approaches are failing to strategically consider incentives for enterprises to become involved in steering, managing and financing VET. Appropriate incentive schemes to promote business-education cooperation are lacking and social partnership platforms are still in the early stages of development. Under the leadership of the Ministry of Education, Science and Technology, efforts have been made to establish an intergovernmental VET forum through the VET Council, whose role is to bring together the different interests, knowledge and skills of a range of state organisations/institutions, social partners and other stakeholders in VET.

The fundamental concern is the adequateness of financial means and the inefficiencies and unequal treatment (CoCs versus VET schools) evident in current expenditure. Clarity, consensus and political decision making regarding investments, sources of funding and funding mechanisms will need to be addressed jointly by the government and by donors as the main funders of VET in Kosovo. For instance, Administrative Instruction No 05/2012 regarding CoCs lists specific responsibilities for a VET

body, which still has to be established. While there is agreement among stakeholders on the objectives of the VET and Adult Education Agency, agreement still needs to be reached on its governance.

In the five sections of the report, the authors propose a number of measures to deepen reforms in inclusive education and training policies on the basis of evidence collected during this study. Although implementation is the responsibility of VET policy makers and stakeholders in Kosovo, the authors of this report believe that the education and training system should consider the following policy and practical actions:

Short-term

- Connect education strategies to other key development strategies to develop a medium-to-long-term vision for skills shared by key stakeholders, define strategic priorities and develop a road map explaining how these skills will be generated (e.g. setting economic, employment, social and cultural strategies).
- Move, via sector skills councils, towards more sector-based considerations (aligned with EU-level developments) in the human capital agenda of the Economic and Social Committee, the Chamber of Commerce and the Kosovo Business Alliance. In this regard, consider more formal recognition and support for sector skills development and the engagement of enterprises in policy and delivery arrangements.
- Increase responsiveness to new occupational needs and promote a more entrepreneurial culture by reinforcing entrepreneurship education and training.
- Revive a new partnership momentum, by involving education, economy and employment policy authorities in cooperation with social partners, civic interest groups and enterprises, so as to re-establish the policy drive that was a particular feature of Kosovo's early work under the European Charter for Small Enterprises. The Ministry of Education, Science and Technology can play a particular role here in providing leadership and strategic direction, particularly as the entrepreneurial learning agenda assumes further importance at the EU level.
- Improve governance and institutional arrangements for the development, implementation and monitoring of VET/employment policies by enhancing the resources and administrative capacities of institutions involved in programming and managing policies. The VET and Adult Education Agency should preferably be developed and established in cooperation with all the implicated ministries and with other stakeholders.
- Formalise VET school-enterprise partnerships to organise work placements for VET students based on a clear, consistent and well-documented approach across the entire network of VET schools and enhanced technical and managerial capacity of both VET school principals and employers.

Mid-term

- Ensure a better balance between general education and VET at the secondary level by reviewing the Kosovo Curriculum Framework and ensuring that it serves as a base for the development of the competences required by the current socioeconomic system while leaving educational options open for learners.
- Diversify higher education with the introduction or enhancement of post-secondary VET and professionally oriented university programmes and by ensuring better links between universities and enterprises.
- Attract and retain more women in the VET and adult education system, tackle the gender bias in education, training and recruitment and develop actions and policies to support adult

learning (including recognition of non-formal and informal learning) so as to provide opportunities and incentives for adults to enhance their skills and hence their adaptability and employability.

- Facilitate school-to-work transition and broaden youth access to the labour market by tackling the labour-market relevance of school curricula, facilitating the acquisition of work experience and general and social skills and by providing support to young people in setting up their own businesses.
- Improve the education information system (specifically, the Education Management Information System) and harmonise education data collection at school and central level with the Kosovo Statistical Office so as to improve education data analysis and the use of statistical indicators for quality improvement and planning purposes. Provide further human and financial support, including extra qualified statistical staff, to improve policy making based on comparable information.

A. Vision for VET system development

Kosovo's vision for VET system development is determined by its political and socio-economic situation.

In the last two years, the education system in Kosovo has experienced slow but steady progress, so that short-term, medium-term and long-term goals and objectives are gradually being translated into action and achievement.

The role of VET in contributing to the country's socio-economic development and in meeting wider policy aims is deemed crucial. Therefore, the introduction of the sector-wide approach in the education sector and the finalization of the Kosovo Education Strategic Plan (KESP) 2011-2016), which serves as a monitoring and planning tool in line with the Medium Term Expenditure Framework, is considered a significant step forward on the part of the Government, more particularly MEST, in supporting systemic reform.

The Government's vision is for an inclusive education system, based on lifelong learning principles, and offering quality education to all. KESP links education policy to national development priorities, recognising the need for the education and training system to be more responsive to labour market needs (MEST – KESP 2011-2016, 2011).

Eight specific targets for VET system development have been set in the KESP with the main focus being on the development of "sustainable" links between VET and global social and economic developments respectively:

1. Students' professional practice in VET is to be carried out in close cooperation with enterprises;
2. By 2014 vocational schools must have financial and operational autonomy;
3. Centres of Competence must become an integral part of the national VET system;
4. Professional profiles offered by VET institutions must become relevant for the labour market;
5. There must be a comprehensive and functioning evaluation system in VET;
6. VET curricula must be in line with the needs of the labour market and meet international standards;
7. There must be increased mobility and employability of graduates from VET both in local and foreign labour markets;
8. A functional national qualifications system and procedures for equivalence and accreditation must be in place.

The overall objectives for VET are the following: (i) Improve access to and the quality and relevance of VET provision for all; (ii) To improve coordination with and relevance to the labour market and strengthen the institutional and management capacity of the VET system and the establishment of a sound financial basis for its long-term development and sustainability; (iii) To increase opportunities for training of early school leavers, upper secondary school students and school leavers and adults, in order to enhance employment, especially for women, and enhance prospects of self-employment together with developing the Centres of Competence are key to this approach (MEST- KESP 2011-2016, 2011).

However, given slow economic growth, budget constraints and the limited human resource capacities available (EC, 2011) these priorities and objectives are often considered too ambitious. The major challenges observed in the system level still remain the lack of adequate administrative capacity and “understaffing of the MEST VET division, lack of local capacity and expertise in specialized areas (such as qualifications framework, competence-based curriculum development, career counselling, etc.)” (MEST - JAR, 2012, p.14). The capacity of the existing staff to handle all the hard work awaiting them presents obstacles to achievement of these priorities in the course of the remaining four years of KESP.

Monitoring progress against these objectives will be boosted by the Joint Annual Review (JAR) process, which reviews progress against KESP, in a sector-wide approach. This is the first nation-wide stocktaking review of the education and training system in Kosovo. The first Joint Annual Review was held in March, 2012 in Prishtina. It engaged a wide spectrum of stakeholders over a three day’ workshop, with the aim of identifying and reporting on key achievements against the 2011 KESP objectives. In the VET sector, three immediate priorities were agreed, whose progress will be assessed at the next JAR in 2013, namely:

- **Improving professional practice in VET schools:** Students’ professional practice should be organized in close cooperation with enterprises.
- **Developing VET curricula and teaching and learning materials:** VET curricula should be in line with labour market needs and international standards.
- **Strengthening links between VET and the labour market:** Professional profiles offered by VET institutions should be relevant for the labour market and human resource development of Kosovo.

The Government has developed a Kosovo Economic Vision Action Plan 2011-2014 which highlights the main economic development priorities and sectors. Among other priorities the action plan pays specific attention to the following objectives: (i) improving investment environment and supporting the private sector as a crucial element for sustainable economic growth; and (ii) developing Human Capital. Activities within this strategic priority aim at increasing the quality of human capital with the objective of providing a higher quality workforce on the labour market.

B. External efficiency: addressing demographic, socio-economic and labour market needs

Socio-demographic factors and trends

The preliminary census results (registration of population) (REKOS, June 2011) estimate Kosovo’s population at 1,733,872. The total population in Kosovo at the end of 2009 was estimated at 2,207, 000 inhabitants. The country has the youngest population in the region and the population is still growing (at a consistent +0.6% per year). Around 28% of the population is younger than 15, nearly two-thirds (65%) belong to the age-group 15-64 (known as economically active) while the remaining 7% are 65 and over (KAS, 2010). Albanians constitute the vast majority of the population (around 92%), followed by Serbs (around 3.9%) while 1.1 % are Bosnians. The remaining 2.6 % are distributed amongst other

minorities such as: Turks, RAE community (Roma, Ashkali, and Egyptian), Gorani and “other” (KAS, 2009). These socio-demographic facts and trends are an important factor in shaping the demand for skills in the country at both national and regional level. The existence of such a large percentage of economically active people and the extent to which they are actually active or contributing to the economic development of one of the poorest countries in Europe poses great challenges to the country’s government and policy-makers in general.

Educational attainment of population by age and gender

The proportion of people aged 15 or above having completed at least upper secondary level was 37.8% in 2009, with a significant gender gap - in 2009, 47.3% of males in this category had achieved this level, while only 28.3% of females had done so. There are marked discrepancies between urban and rural areas in secondary school attendance: more than 70% of children from urban areas attend secondary school, while only approximately 50% of rural children do so, with a significant gender gap (male: 56%, female: 44%). There is a high drop-out rate (up to 25%) at the end of the first year, grade 10 (MEST and MAFRD, 2009:5-6). Based on a needs analysis *the preferred choice of rural people is for General Secondary (Gymnasium)* rather than Vocational Secondary Schools (MEST and MAFRD, 2004:6). This type of finding calls for greater attention from policy-makers and other actors in the field of VET. An attractive VET system which delivers quality services for students, whether they are aiming at entering the labour market after the completion of a certain level, or those aspiring to further education, would especially benefit rural people, whose completion rates at higher levels of education (SAK, 2011) are lower than those living in urban areas.

Economic and labour market data

Kosovo arguably remains a “post-conflict”, country (some states continue to withhold recognition of the country as an independent state), while the poor relationship with Serbia hinders the country’s economic growth and social stability. The country is seeking to reform its institutions and invigorate the national economy. A specific characteristic of the wider economic situation and education and training policy is the presence and influence of international donor agencies. While usually well-intentioned, these interventions can have a downside - in VET reform, the different countries and organisations present in Kosovo have different agendas and sometimes conflicting aims and approaches to achieving them. On the other hand, Kosovo is one of the countries in South-Eastern Europe that has actually managed to avoid recession in the recent years (World Bank, 2012:5).

The domestic and external imbalances triggered by poor fiscal policy, high inflation rates and a dysfunctional labour market characterize the economic situation in Kosovo (IMF – Semi-annual Macroeconomic Bulletin, 2011 as cited in Eurofound, 2012). Kosovo experienced a slight growth in GDP from 4% in 2010 to around 5% in 2011. This is mainly explained by the rise in private consumption and an increase in public investment (MEF, 2010). With a GDP per capita of €1,760 Kosovo is still one of the poorest countries in Europe (World Bank, 2010; 2012). The country’s economy remains overly-reliant on remittances and donor aid. The share of remittances constitutes around 15.1% of GDP (World Bank, 2010), approximately the average contribution among developing countries.

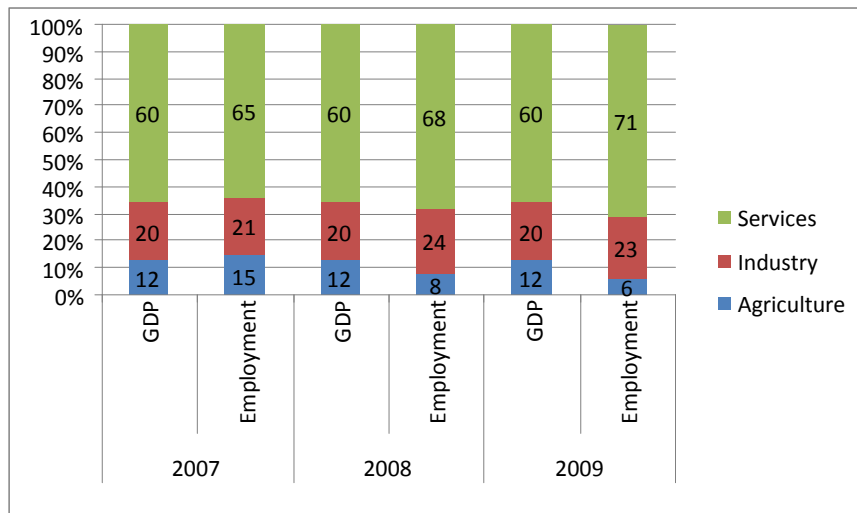
The size of the informal economy is estimated to be 35 to 50% of GDP (MF, 2010). Kosovo is considered to have coped well with the recent European financial turbulence, but this is partly a consequence of the country’s not being closely integrated in cross-border financial markets (IMF, 2012). The privatization process of former socially-owned enterprises (SOEs) is in the last phases (Eurofound, 2012). Only a few enterprises have been revitalized, so that most continue with much the same activity.

From the available information the largest general economic sector in Kosovo is services, which have a share of GDP of 68% in 2010, followed by industry (a share of GDP of 20% in 2010) and agriculture (12% in 2010) (World Bank, 2011). This pattern has been fairly constant during the last 5 years.

While share of GDP by the respective sectors remains fairly constant, there are important changes in trends of *employment* by sector, with growth from 65% in 2007 to 71% in 2009 in the service sector

and a decrease from 15% to 6% over the same period for the agriculture sector. Industry's share of employment remains relatively constant as a proportion of GDP. (Figure 1)

Figure 1: Share of employment and added value in GDP by main sectors (last 3 years), %



Source: LFS (SOK), World Bank (<http://data.worldbank.org/indicator/NV.AGR.TOTL.ZS>, (ETF calculation))

Such trends may give some indication of increased labour productivity in agriculture with an unchanged GDP share but a more than halved employment share. This might be the result (as reported in the EPAP, 2012) of the policy measures undertaken by the Government in implementing favourable legislation for the agriculture sector. Moreover, there are supporting schemes implemented through direct payments/subsidies for farmers in agriculture and in a few other sectors. Increased revenues in farms and improvements in processing and marketing of agricultural products are reported (ibid.).

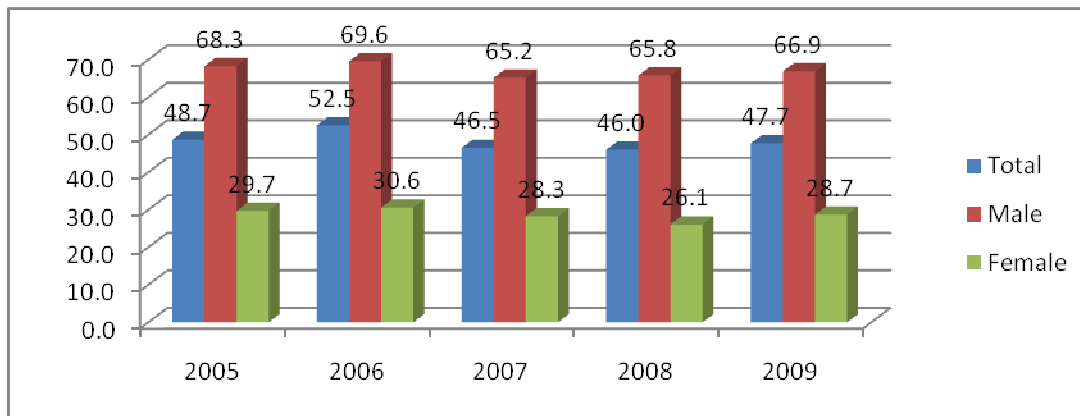
These policy actions need to be followed with analysis from the perspective of education and VET developments. There are some qualitative studies investigating aspects of skills matching supply and demand involving agriculture sector. Detailed findings are presented later in the report.

Labour market trends and employment challenges in the country

Data from the latest available *Labour Force Survey - 2009*

Information about the labour market trends in Kosovo continues to be provided on an irregular basis. The latest data and information from the Labour Force Survey dates from 2009. Data report lower activity rates for women (28.7%) compared with men (67%) (SOK - LFS, 2009) and the general activity rate at 47.7% is below the average for all transition economies, which is 65% (World Bank, 2011: 2). (See Figure 2).

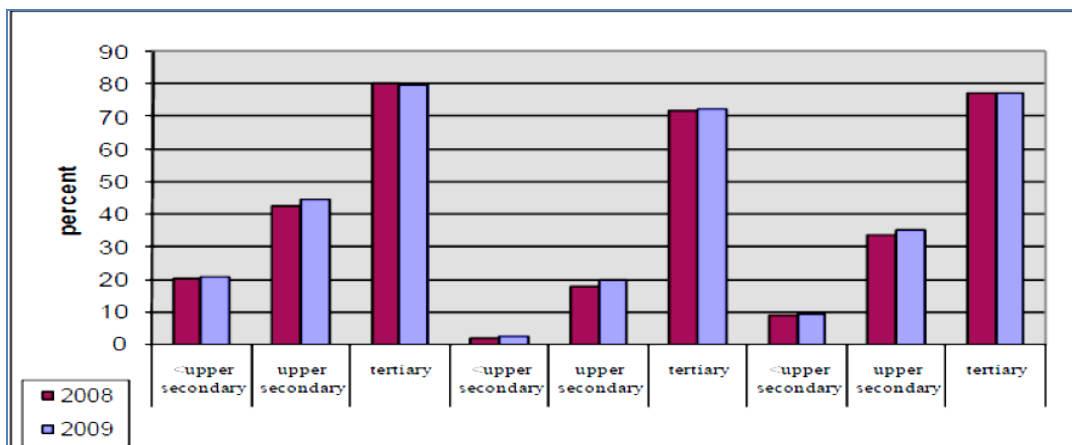
Figure 2 Activity rates by gender (2005-2009)



Source: Labour Market Statistics, SOK, 2006, 2007, 2008 and Labour Force Survey 2009

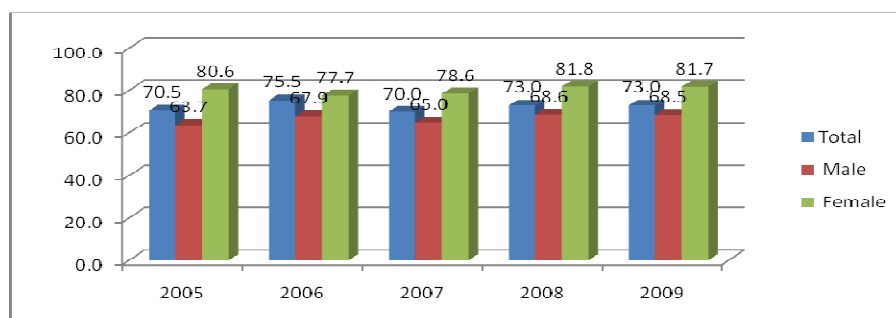
The relationship between employment and education demonstrates that the higher a person’s level of education, the more likely s/he is to be employed. More significant differences in this regard are observed among females (SOK - LFS, 2009, p.16). The employment rate for those who have completed upper secondary level of education is 34.9%, whereas those that have completed some tertiary education account for 76.9% of employed individuals in the country (SOK- LFS, 2009) (see Figure 3)

Figure 3 Employment rate by education level and gender (2008-2009)



Source: KAS – LFS, 2009

The unemployment level is the highest in Europe, at 45.4%, with the most affected groups being women at 59.6% and young people at 73% (LFS, SOK, 2009). It is estimated that the job market receives, yearly, an average of 30,000 new young jobseekers. On the demand side are ten times fewer new jobs per year (around 3000-4000) (MLSW, 2012; UNKT, 2012; USAID, 2009, p.6). Although updated figures (later than 2009) are not available, estimates still indicate higher youth unemployment (World Bank, 2012, p.26). Youth unemployment registers gender differences with higher levels for women. (Figure 4).

Figure 4 Youth (15-24) unemployment rates by gender

Source: Labour Market Statistics, SOK, 2006, 2007, 2008, LFS 2009

Long term unemployment continues to be a prevalent characteristic of Kosovo's labour market, with fluctuating trends in the last 7 years (see Table 1). In this case men are hit harder. Despite the high rates of long term unemployment - 81.9% - (12+months) the majority of employed take jobs under temporary contracts (SOK - LFS, 2009, p.21).

Table 1 Long term unemployment (2005-2009)

Year	2005	2006	2007	2008	2009
Total	83.7	91.5	85	81.8	81.7
Male	83.5	91.7	84.8	83.2	82.8
Female	84	91	85.4	79.3	79.8

Source: Labour market statistics for 2006, 2007 and Labour Force Survey, 2008-2009, Statistical Office of Kosovo.

Employment in the private sector predominates (representing around 2/3 of employment) and is continuously increasing, with about 15% growth between 2007 and 2011. Employment in the public sector registered a 5% growth between 2007 and 2011. (See Table 2).

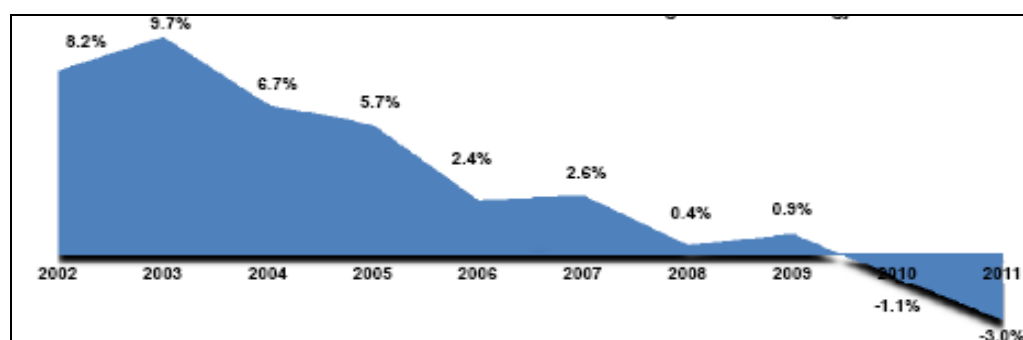
Table 2 Division of employment between public and private sector, 2007-2011

Year	2007	2008	2009	2010	2011
Employment	225,037	218,231	233,338	245,502	251,510
Public	74,366	74,701	74,190	77,164	78,068
Private	150,671	143,530	159,148	168,338	173,442

Source: KAS & Pensions Trust Fund

Registered unemployed - Administrative data from MLSW – Public Employment Services

Administrative data provided on a regular basis by the Ministry of Labour and Social Welfare indicates decreasing trends of registered unemployment up to 2011 (when a reduction of -3% was registered compared to the previous year) (see Figure 5).

Figure 5 Annual increase/decrease of registered entries to unemployment

Source: *Labour and employment report for 2011, MLSW 2012.*

Registered unemployment rates are at around 35-39 % of the economically active population (the 15-64 age group). Within this group, the long-term unemployed were estimated at 93.8% (in 2011) and around 60% of the registered unemployed have no qualification. There was an increase (in 2011) in adult participation in vocational training (4.3%) but lower in the case of registered unemployed (0.93% higher than 2010). Youth (15-24) represented the highest entry into registered unemployment, although compared to 2010 there was a decrease of 2.4% in registered unemployment within this age-group.

Table 3 shows that higher levels of qualifications such as post-secondary vocational education and training and university/higher education (in general, tertiary education) are correlated with higher averages of monthly entries into registered unemployment and higher averages of monthly exits. This may indicate better chances on the labour market and lower risks of long-term unemployment (MLSW, 2012:14). This may have an impact on income levels and consequently greater participation in education leads to better living standards and human development (UNDP, 2012, p.17).

Table 3 Registered Unemployment rates aggregated by level of qualifications

Qualifications	ISCED	Registered unemployment	%	Monthly entry average rate	Monthly exit average rate
Unqualified	0-2	195394	60	0.37%	0.60%
Semi-qualified	3	11831	4	0.33%	0.84%
Qualified	3a	27214	8	0.23%	0.57%
Secondary school	3c	84597	26	0.67%	0.98%
Higher school (post-secondary education)	4	2002	1	0.63%	1.24%
University	5a+	4223	1	5.67%	4.30%

Source: *Labour and employment report 2011, MLSW*

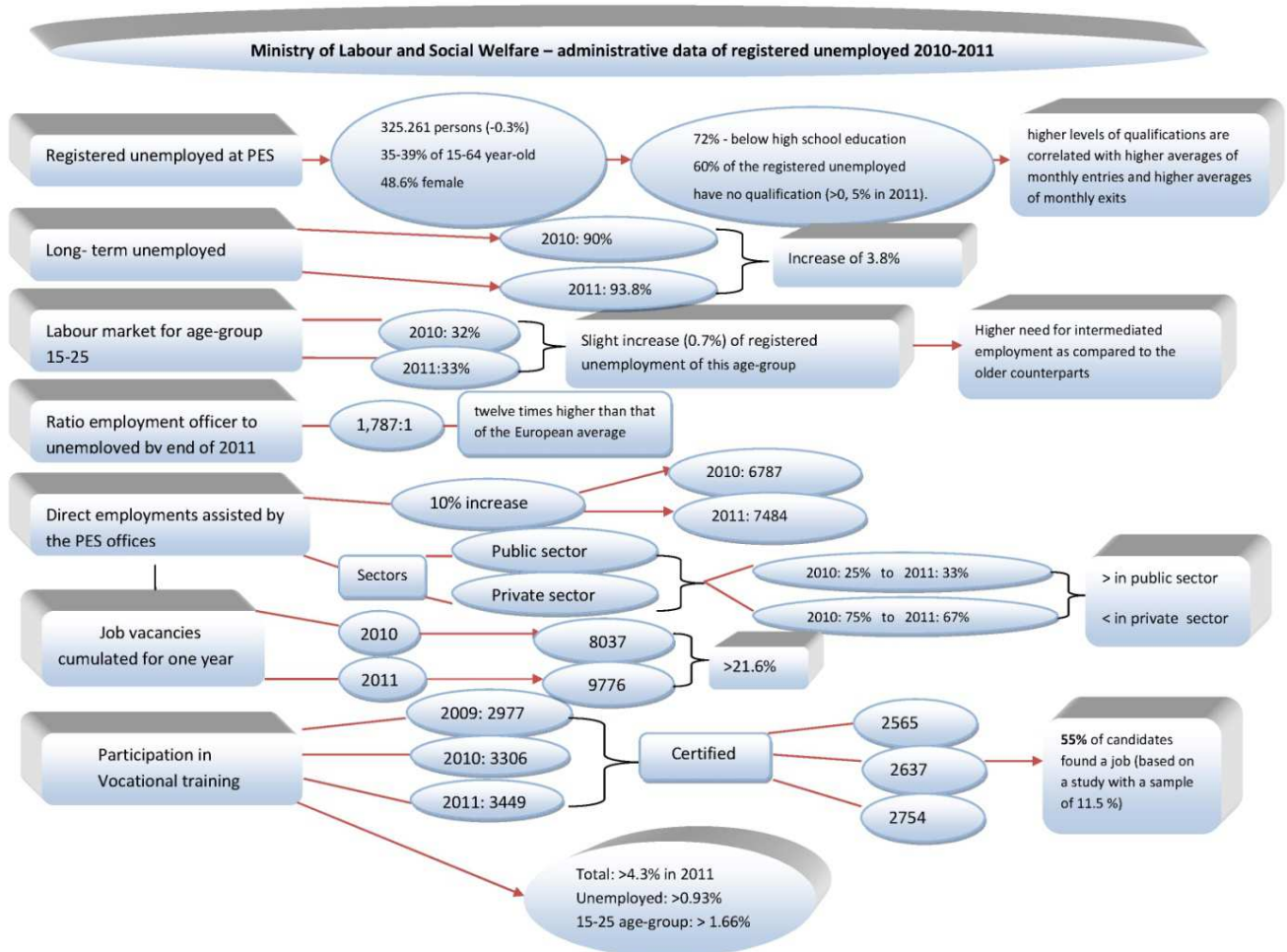
On average, the percentage of new vacancies is significantly higher for those with attainment at the higher education levels (post-secondary from 2.7% to 6.2% and university education from 33.8% to 36.3%) (MLSW, 2012). This phenomenon should be taken account of by the education system through adequate access measures and increased quality. Measures taken in stimulating placements in new jobs arranged and sometimes financed by public employment services, registered a 10% increase in 2011 (from 6,787 places in 2010 to 7,484 places in 2011). An increase in subsidized employment within the public sector - from 25% in 2010 to 33% in 2011 – was recorded; by contrast, therefore, in the private sector the share of subsidized employment decreased from 75% in 2010 to 67% in 2011.

It seems that young job-seekers (15-24) show a higher need for placement support compared to older counterparts. The support here should come through special placement services and career guidance. Assessment of results and dissemination of good practices such as those registered by Student

Service Centres or Career Centres in agricultural VET schools aiming at linking students and graduates with the world of work could be a good way to start (E.g. DANIDA, 2012 Student Centre Service).

Figure 6 below gathered information for 2010/2011 MLSW administrative data.

Figure 6 Stock-taking views on administrative data of registered unemployed 2010-2011



Source: Self-elaborated from the Labour and Employment report 2010 and 2011, MLSW

Relevance of VET to the labour market: using available figures

Skills acquired versus those required

Ad-hoc studies carried out in small sample sizes (GTZ, 2009) give some qualitative information on students' skills and other competences acquired, and those required, at work. Data collected show that employers are in general more satisfied with graduates educated under the reformed curricula (e.g. curricula reformed with the support of GIZ). Higher satisfaction is expressed for the theoretical and social competences (90%) acquired rather than discipline-specific, IT or entrepreneurship skills (70%). Consequently, data reveal that the majority of surveyed employers stated that the practical part of vocational education needs to be improved (GTZ, 2009:35).

A series of MEST, KCC and GIZ baseline studies (2011) on labour market demands in the private sector and its satisfaction with VET graduates/trainees (from vocational schools and vocational training

centres) of some profiles (Construction, Metal, Sales, Tourism and Wood) conveyed similar messages. More than 50% of employers do not employ VET graduates or trainees due to: (i) lack of quality among VET graduates (ii) inappropriate or insufficient machinery and equipment for practical training and lack of experienced teachers and trainers; (iii) graduates/trainees are not sufficiently qualified; (iv) mismatch between skills required and those in fact available (mainly reported deficits in practical skills and technical competences). In general, companies surveyed reported low levels of satisfaction with the Kosovo VET system (see Annex 11 for detailed results from each surveyed sector). A common response from the companies surveyed is that vocational training centres lack adequate training conditions and qualified or trained teachers/trainers. The companies/employers surveyed want to see an increase in the number of VET graduates/ employees in their respective sectors. The exception was the metal sector.

Adapting curricula to respond to labour market needs is a recommendation made by almost all the companies/employers surveyed. The new Curricula Framework of Kosovo has been introduced in the last few years but is still in the early stages of implementation. Employers want to be involved in curricula design and the VET policy-making process. In response, one of the plans for the period 2012-2014 is to review the existing VET curricula in cooperation with industry (MEST- JAR - Aide Memoire, 2012).

A set of larger data from a recent survey (targeting mainly private enterprises) (AKB, 2012) reports open vacancies in occupations from the construction and infrastructure sectors and a sampled occupation (spinner) related to the agriculture sector.

An ad-hoc tracer study, undertaken by DANIDA for monitoring purposes, gives some information about agricultural vocational schools' graduates (cohorts 2007-2011), their further education and employment situation. The study suggests that the country has limited possibilities for increasing employment in this sector and evidence demonstrate a relatively high decrease in employment in the sector, as indicated above. The results show that the employment rate of graduates in 2008 was about 13%, whereas in 2011 it increased to 17.7%. The majority of the employed are actually self-employed, undertaking their own production in their family-owned farms. The study shows the importance of VET education which seems to have a contribution to the productivity growth in the agriculture sector. It emphasises the need for the role in employment promotion from support and career guidance services.

VET and entrepreneurial attitudes and skills

The 'SME world' complains about the inadequate entrepreneurship learning in the education system and the lack of creative and innovative business ideas (GoK, 2011). An SME Development Strategy elaborated by GoK aimed to strengthen the entrepreneurial culture in schools with a focus on education in business. It advocated development of entrepreneurial skills in the core curricula of both general and vocational education. To date no such entrepreneurial element for the VET core curriculum has been developed. Secondly, initiatives were proposed for the promotion and boosting of cooperation between schools and business such as: introduction of a Graduate Enterprise Scheme, increasing the number of student internships in SMEs, establishment of business incubators within universities, expansion of mentorship schemes for coaching start-up businesses and promotion of entrepreneurial understanding amongst teachers (GOK, 2011: 26-27). The recent attention in line with the European Act for SMEs is being focused on inclusion of entrepreneurship subjects/courses in 7 schools of Pre-University education as a result of a regional initiative (MTI, June 29, 2012).

The new Curriculum Framework based on competence-based education and learning outcomes builds around three key groups of competences; entrepreneurship is included under the core competences.

A number of innovative practices are contributing to improvement of VET learners' entrepreneurial attitudes and skills, namely: Practice Firms and the Centres of Competence. A more intensive cooperation among the Government, VET system (schools and training centres) and the Kosovo Chambers of Commerce characterizes current developments in the link between VET and the labour market, in particular of economic development in general. A recent conference (VET as a promoter of Economic Development) organized by the KCC lays the foundations for a clear initiative towards strengthening the involvement of this important community in the VET policy-making process. Nevertheless, the meeting recorded a low participation by the business community, a concern

expressed even by the business representatives themselves. This lack of interest from the business community leads to a fundamental question raised in policy debates internationally, that is, “*is there really a skills gap or are companies simply not doing enough to find and train workers?*” (Chao, 2012). Whether this is explained by the lack of governmental incentives for the enterprises accommodating VET students and graduates, or because the available incentives (distributed through ALMPs) are not properly targeted, remains to be established.

Overall, based on the limited and partial information presented above, it could be concluded that the VET sector has made some progress in addressing and improving external economic efficiency. There are some signs from the labour market of growing demand for a number of VET professions but there is no clear indication whether these two dimensions are interlinked or well communicated to each other. In addition, the provision (curricula, skills acquired by VET graduates) by the VET sector does not consistently correspond to demand from employers. The policy initiative to strengthen the cooperation between the VET governing institutions and the labour market in the policy-making process and the setting of strategic goals is of great interest to the improvement of external economic efficiency.

It is obvious that the VET sector cannot develop in isolation curricula and training relevant to the labour market. Employers, ministries and other bodies, and the legislative and policy framework are all integral to these processes. In order to better harness VET's contribution to external economic efficiency and in order to respond to the country's socio-demographic, economic and labour market challenges, a number of priorities have to be considered: VET policy-makers need to create information systems which deliver consistent information about the challenges, successful achievements and opportunities in the surrounding environment. The successes of governmental initiatives in agriculture and the rapid growth of the construction sector can provide useful examples to the VET system in developing its relationship with the labour market.

C. External efficiency: addressing social demands for VET and promoting social inclusion

How VET matches the aspirations of individual learners

Adult education and training in Kosovo covers a wide variety of programmes, offered across a range of profiles. MEST, in cooperation with the municipalities and the vocational schools, and with the support of donors, offers training programmes for adults within school premises. Nevertheless, adult education is carried out in other contexts and is offered by different non-profit and for-profit providers. The unregulated system of non-formal and adult education and training poses a bigger challenge to data collection. Some of the data presented in this section covers enrolments in vocational education and adult education and training in the programmes offered by vocational schools which function under MEST and vocational training centres supported by MLSW.

A study reports a decrease of 10.21% in enrolment rates in the school year 2011/2012 (see *Annex 7 – Enrolment data on adult education and training at vocational schools operating under MEST*) compared to 2004-2008 (KPI, 2010). However, the sources of this decrease need be further analysed.

Adult education and training in Kosovo is offered in different institutions and programmes, such as: the University of Prishtina, under the programme “*In-service teacher professional development*”, summer universities, different local and international NGOs, programmes related to education (learning approaches and positive life values), training centres, various public and private enterprises, language schools, associations, etc. An important component which is seeking to address and tackle a group highly exposed to risk in Kosovo is the re-education programme offered to the imprisoned (data on enrolment and completion rates not available). A large number of NGOs provide donor-funded non-formal adult learning programmes which are implemented directly by the NGOs themselves or assigned by governmental institutions. However, data for these NGOs is not available.

Another set of vocational, adult non-formal training programmes are run by the Ministry of Labour and Social Welfare within the context of further training offered to registered job-seekers (*See Figure 2*). MEST, with the support of donor contribution (GIZ,) has offered catch-up classes and intensive programmes and non-formal education for adults under a pilot project called “Development of capacities in the basic education sector”. Based on the external evaluation conducted, and notwithstanding the positive feedback from participants, the programme lacked coordination of activities between MEST and MED and other implementing partners in the involvement of minorities and teachers’ preparation. In addition, the drop-out rate of the attendees was estimated at 85.13%; while 70.77% of the attendees were above the minimum school-leaving age. Although the programme aimed to support drop-outs returning to school, there is no evidence provided on the number of returnees. This well-intentioned programme could have brought a number of benefits to the target group if adequate coordination had been in place. The conclusion is that there is a need for enhanced human resource capacities at both municipal and central level (MEST). The revision of the draft law is a slow but inclusive process and is considered a very important initiative in articulating a clear policy vision of this form of education. It can be said that until recently, certainly, adult and non-formal education, including vocational training centres, were not a policy priority, but the new strategic plan places them high on the agenda. However, as mentioned above, given the scant data and information on adult education providers and development trends, much needs to be done in developing genuinely evidence-guided policies.

The VET system in Kosovo has undergone extensive reform, including a range of policy initiatives and actions aimed at meeting individual learners’ aspirations and personal circumstances or intended to improve the system’s attractiveness. One key initiative has been the development of the National Qualifications Framework (NQF). The NQF allows for the recognition of prior learning, and potentially offers a national system of recognition of prior learning (RPL, also called validation of non-formal and informal learning), of particular benefit to adult learners who can seek to have their skills recognised, validated and certificated without having to repeat learning.

The National Qualifications Authority, which manages the NQF, has developed national guidelines for Recognition of Prior Learning which can be used by providers of VET programmes, social partners, employers, employers’ organizations, employees’ unions, and organizations that support job-seekers (UNESCO, UIL report for Kosovo, MEST, MLSW, 2012, p.1).

Transition of VET graduates to higher levels of education and/or the labour market

This issue remains a big challenge for a number of reasons. First, the system lacks the basic tools for identifying graduates’ experience, employment situation and career paths. In the absence of such information, schools are faced with constraints in recognizing their learners’ individual needs and aspirations. Moreover, there is hardly any mechanism in place that would report or channel students’ and candidates’ feedback at the time of schooling/training. Second, the career guidance system in Kosovo, after many efforts and attempts to embed it in the system and notwithstanding the urgent need is not yet in place. Kosovo’s first attempt at promoting and developing a career guidance culture was characterized by a “long, challenging fragile period” (2000-2008) which was policy-led by locals but donor-funded (Zelloth, 2008). These efforts have been recognized for a number of policy measures and activities but the long-lasting one that is observed in the recent development of career guidance in Kosovo is the increased awareness and commitment of policy-makers and stakeholders in boosting career guidance ‘building-blocks’ (Zelloth, 2008, p.7).

A number of ad-hoc activities on career guidance implemented with donor support (EU Kosvet III, GIZ-MEST West Balkan Project, DANIDA – MEST Student Service Centres) have proved successful (in providing career guidance training for teachers of VET schools and career guidance to VET agricultural students) and the career counselling provided by the Regional Employment Centres and Municipal Employment Offices under the MLSW.

However these initiatives and projects have not led to a permanent, established careers guidance system. A “refreshed” current policy initiative is the development of the Strategy for Career Guidance under the guidance of a small sub-sector working group composed of representatives from line ministries (MEST, MLSW), social partners and development partners, with the support of GIZ. Given

that this initiative is new, it is too early to say what impact it will have on the career guidance system in Kosovo.

VET system's effectiveness in providing learning opportunities and labour market prospects

The Labour Ministry (MLSW) conducted a survey in 2011 to establish how many of the 687 candidates certified by the VTCs in 2009 had obtained employment following certification. 11.5% of the certified candidates responded, of whom 55% reported that they had found employment upon certification (MLSW and DVV International, 2011). The highest employment rate was declared by the candidates from Ferizaj (82%) followed by those from Prizren (61%) (ibid.) Such a finding gives some indication of the impact of the vocational training offered by the VTCs to adults in order to enhance their labour market prospects or upgrade their skills. In addition, a very small number of the surveyed certified candidates have reported the need to update the curricula. Asked about the trainers' professional and pedagogical level, only a few claimed the need for more skilled trainers in working with adults. As indicated in section B of this report, the survey reported the need to update some of the equipment and machinery at the VTCs, but only for a number of profiles.

In any comparative analysis of the results of these two studies, it is important to be alert to the shared contexts in which they were conducted, as some of those interviewed are employed in workplaces belonging to similar sectors. Both studies addressed similar issues but through different target-groups. The baseline studies address the employers of certified candidates from VTCs and graduates from vocational schools, whereas the MLSW and DVV International follow-up studies interviewed the certified candidates and the employees of the VTCs respectively. Such apparently contradictory messages on the employment prospects and situation of VET graduates can easily mislead the policy-makers and reforms of the system. The need for a coordinated and consistent research approach is clearly demonstrated.

Main social inclusion issues in the country

Illiteracy rates with continuous strong gender disparities remain almost constant and very high in Kosovo compared to those in other European countries. It is estimated that approximately 5% of the Kosovo population are illiterate (particularly females from rural areas in Kosovo) (UNESCO, UIL-Confintea VI, 2012). However, progress has been achieved so that for example, women's illiteracy has fallen by 8% (UNDP, 2010a, p.14).

The main features that shape the socially excluded groups in education and the labour market in both rural and urban areas still remain the following: very high long-term unemployment rates and high inactivity rates, especially among women; a relatively young population, a high influx of young people every year onto the labour market accompanied by very limited job opportunities and consequently high youth unemployment, and finally, deep inequalities in particular between urban and rural areas, and poverty in particular of ethnic (non-Serb) minorities.

Table 1 Unemployment amongst socially excluded groups (2007-2011)

Category	2007	2008	2009	2010	2011
Long term unemployment	93.00%	93.50%	94.20%	94.00%	93.80%
Youth (15-24)	98,695	101,658	103,896	106,342	107,122
Unemployed women	156,679	158,120	161,131	160,856	157,922
Persons with disability	1,726	1,814	1,903	1,937	2,030
All minorities	30,133	30,509	30,695	29,860	29,711

Source: Labour and employment report 2011, MLSW administrative data

Data from MEST indicates a slight decrease in enrolment rates in general upper-secondary education (2.21%). The enrolment rate in vocational schools is estimated at 54.85%, a decrease of 3.33%.

Women in VET

Women's representation in the labour market remains very low at 28.7% and less than half of those employed (12%) work under a permanent full-time contract (SOK - LFS, 2009). Women's abstention or reluctance to enter the labour market or their high dropout rate is explained by a number of factors: "firstly because of their family and household-related obligations and secondly because they are more likely to become discouraged since, being both low-skilled and female, they have very few chances of getting a job" (ETF, 2010, p.13). More specifically, the inclusion of women in VET proves to be of major concern not only in terms of access but also the disproportional representation amongst certain profiles offered in the schools (Kastrati, 2010:14). As indicated earlier, young women's participation in certain occupational profiles offered by VET is hindered as a result of "male-dominated and gender-stereotyped occupational profiles" (Kita, 2008). Technical fields are reported to be the typical male-dominated fields (Framework Programme for Gender Equality 2008-2013) where women comprise only around 28% of the student body, mostly in the region of Prishtina. The percentages are lower in other regions. Consequently, in response to such trends, MEST and GIZ organize a 1 to 2-day-activity, so-called "Girls Day" aimed at informing and familiarizing female students from vocational schools with technical tracks/professions. However, even this activity has reduced the number of beneficiaries due to MEST's decision to organize this activity on its own (without donor support). Nevertheless, such a decision does indicate to a certain extent MEST's attempt to embed the culture of sustainability within its own strategies. Among the RAE community, women account for 25% of VET students, whereas women from other communities make up 50% in this sub-sector.

Ethnic minorities also suffer from higher unemployment and economic inactivity than the general population. Only some 25% of RAE adults have some sort of permanent or temporary job (not including informal activities) and 45% of adult men are seeking a job (KFOS/COMPASS, 2009). Partially as a result of low skills and unemployment, most members of RAE communities live in extreme poverty, which again negatively affects the younger generation's opportunities to continue their education and break the vicious cycle (ibid.).

The 'economically poor' face additional barriers in education opportunities and attainment (UNDP, 2012, p.11) which in turn poses difficulties in their inclusion in the society and employment. A variety of data sources confirms the unreduced poverty rates in Kosovo. Moreover, data yield disproportional figures among certain groups, particularly children, female-headed households and members of Kosovo's Roma, Ashkali and Egyptian ethnic minority (RAE) (UNDP, 2012, p. 11).

Drop-out rates

The drop-out rate of vocational school students remains high. By the end of the school year 2009/2010, the percentage of students who had dropped out from across the whole upper-secondary education system was 2.98% - but 81.12% of these had been on vocational tracks (KAS, 2011). Notwithstanding MEST's efforts to provide regular data on pre-university education, including vocational education, there is still a lack of accurate data to identify the real drop-out rate for this level. The scarcity of data is more prevalent for the return rates of the drop-outs, data on re-registration of those repeating the classes, and school-to-school migrations to other municipalities, therefore reporting these mobile students as drop-out cases. A study carried out in the Central European and Commonwealth of Independent States (CEECIS) Region by UNICEF confirms that youth in Kosovo face barriers to re-entering the formal education system (UNICEF, 2011, p.7). Another more recent study found that those missing out on education opportunities are challenged by difficulties in access to catch-up or vocational training programmes/courses, with particular difficulty observed among rural women and the poorest (UNDP, 2012, p.5). The same study found that 5 and 7% of sampled youth (in Kosovo and other CEECIS countries) reported permanent drop-out of school before completing secondary education (UNICEF, 2011, p.8). Drop-out cases surveyed in this study reported the lack of financial means/poverty, and as a result, the need to find a job as one of the main reasons for their decision to drop out of school (ibid.). The study reports that the RAE community has the highest drop-out rates, with even higher rates observed among RAE girls (RIINVEST, 2009).

VET for students with disabilities

VET for students with disabilities (intellectual impairments, blindness, speaking or hearing impairment) is organized around five Resource Centres. Student enrolment in these Centres increased by 12 % compared to the previous year (MEST- EMIS, 2011 – see *Annex 7*). Encouraging results are noticed in the 10th grade of vocational education, with a 42% enrolment rate of this group. However, there is a very low inclusion level of students from Resource Centres into the regular schools/classes (a total of 3 students from Resource Centres of all 5 regions in Kosovo). A number of initiatives and activities for the inclusion of persons with disabilities are being carried out by local and international NGOs (HENDIKOS, Association for Children with Down Syndrome, “Deshira” club, Hendifer, etc.).

A study on Persons with Disabilities (PWDs) (GoK, Office of the Prime Minister and Office for Good Governance, 2011) found that the number of students with disabilities attending higher grades is increasing. Apart from the lack of education opportunities - lack of qualified staff, insufficient transport and lack of adequate text books (learning materials) for students with disabilities are some of the main problems identified (*ibid.*). That less than 2 % of the MEST budget is allocated for education of children with disabilities does not bode well for the future. And, despite the legislation, strategic objectives set and mechanisms put in place, the integration of children with special needs in the Education System still remains a huge challenge (JAR, 2012:13). The same situation stands for the Employment system and the labour market in general (although there is a Law on Vocational Training and Employment of Disabled Persons).

Based on the very limited data, it could be observed that VET offers a very low level of accessibility, availability and attractiveness for socially excluded groups. However, some progress can be observed in the increased enrolment rates of students with disabilities, legislative and planning frameworks and mechanisms, and also the attempts to involve the minorities in the system by providing curricula in all minority languages and teacher training for minority staff.

Main priorities for improving external efficiency in the VET system

In response to the current situation, the Kosovo Education Sector Programme (KESP) 2011-2016 envisages many measures to train young people and adults. Moreover, 60 teachers from two vocational schools have undergone training in inclusion. Preparations for training of 20 multipliers have started and the development of a strategy for inclusive vocational practice is underway (MEST, 2012). In addition, in response to the access and inclusion priorities identified in the Kosovo Education Strategic Plan (KESP) a new project on Social Inclusion in vocational education and training (SIVET), have been initiated and are in its first implementation phase. SIVET’s main purpose is support to the Ministry’s work in addressing gender exclusion issues in vocational education and training, without side-lining ethnicity, disability, economic status and rural/urban background issues. The strategy for integration of RAE in education comprises a set of well-planned objectives and measures. The simplified registration procedures of Roma pupils are regulated by an administrative instruction. However, it still remains a responsibility of school directors to implement it (UNDP, 2010c).

A range of policies have been formulated, and strategic objectives set to address some of the socially excluded groups. These include: the Strategy for inclusion of RAE community 2007-2017, the Strategy for Education for Rural People in Kosovo, 2004– 009, Curricula for VET available in minority languages (Bosnian and Turkish); the Strategy for reintegration of repatriated persons, 2007, the Strategic Plan for Organizing Inclusive Education for Children with Special Educational needs in Pre-University Education in Kosovo 2010-2015). However, data demonstrates that in spite of these initiatives, there continues to be unequal representation of the marginalized groups in education and training. The VET system as a whole still does little to respond to the most vulnerable groups of society. According to the latest UNDP Human Development Report “Currently, vocational training programmes do not seem to meet the needs of those most excluded from the workforce – the illiterate, the poor and highly dependent women” (UNDP,2012, p. 93).

Notwithstanding new initiatives undertaken as a response to strategic goals and objectives, it can be concluded that although social inclusion, integration of socially excluded groups and lifelong learning comprise guiding objectives of the existing education strategies, they have not yet translated into actions in the real world of work (UNDP, 2012, p.93).

One could observe isolated policy initiatives within governmental institutions in this case; MEST and the MLSW in addressing socially excluded students and candidates (positive discrimination by setting the quota for the inclusion of these groups in ALMPs, curricula and educational programme development in some of the minority languages, etc.). To this end, a recommendation provided in a recent study is the strengthening of inter-ministerial cooperation which goes beyond single-sectoral strategies and leads to creation of mutually reinforced social inclusion strategies (UNDP, 2010c).

Of the same importance to social inclusion initiatives is the voice of youth themselves. A study of UNICEF which aimed to identify the needs of youth in relation to education emphasized the need for more intensive efforts to identify and respond to inequalities. As a response they consider incentives to families to increase youth education enrolment and completion, especially of ethnic minority youth, including RAE youth in Kosovo, as one of the key solutions to this challenge (UNICEF, 2011, p.11).

Another point is the coverage of those groups defined as socially excluded. While the national assembly has adopted a broad definition, the available indicators extend only to some excluded categories, namely women, unemployed, RAE community and other minorities in Kosovo, and persons with disabilities. But disaggregated data for internally displaced persons, students coming from larger households, refugees and returnees and Diaspora people are not available at all. Despite being considered as “groups exposed to high risk” they are even being deprived of an essential need – representation in figures. In this respect, only two activities related to repatriated persons and the Diaspora are noted: MLSW’s provision of services for repatriated persons through employment and vocational training and the established curricula for the compensatory classes in Albanian language for the Diaspora provided by MEST.

D. Internal quality and efficiency of initial and continuing VET delivery

Defining quality in Kosovo

Most stakeholders participating in consultations for the Torino Process defined preparing students for the labour market as the purpose of the VET system. Thus, the extent to which the VET system achieves this purpose can be said to be the principal measure of its quality.

KESP aims for VET relevant to the system’s quality and efficiency include improving quality and relevance of VET provision, developing the VET system’s links to the labour market, strengthening management and institutional capacity and ensuring sustainable finance to support the VET system.

Kosovo still faces capacity challenges - there is insufficient staff available at policy level in the Ministries. Technical expertise is also patchy across the system, from policy level to school management and teachers. Few VET teachers have a recognised teacher training qualification. Additionally, VET struggles with an image of low status and has low attractiveness to young people – MEST concedes that many VET students enrol in a VET school having failed to enter a gymnasium. Drop-out rates are higher in VET than general upper-secondary schools.

It is estimated that there are 80 VET providers nationwide, extending from the formal upper-secondary sector to adult VET providers, NGOs, private providers and public institutions. In addition to the MEST VET schools, there are 8 Vocational Training Centres responsible to the Ministry of Labour and Social Welfare, which cater primarily to jobseekers; private providers such as Don Bosco; NGOs; and public or state institutions such as the Police College.

Looking at the formal, upper-secondary sector, the majority of Kosovo’s upper-secondary students do in fact study in VET schools – it is generally accepted in the country that they constitute 57% of the upper-secondary school student population. These students are distributed among 57 general MEST

VET schools and 7 more specialised VET schools, these latter offering training in medicine or the arts for example.

There are still large numbers of students per teacher: 19.6:1, according to estimates. This is much higher than the figure of 6 to 8:1 considered optimum for professional practice.

It is estimated that there are 17 vocational fields and 90 profiles, 60 modular qualifications and 20 occupational standards developed so far, But it should be borne in mind that most of the qualifications developed are not validated for inclusion in the National Qualifications Framework (NQF) and not all of the occupational standards have been verified for national use (more detail is provided in the next section).

Kosovo is not represented in international performance assessment tests such as PISA, PIRLS, TIMSS, etc. However, discussions between MEST and the World Bank to support Kosovo's participation in PISA are underway. With the World Bank's support considerable progress has been achieved in developing quality assurance mechanisms in the system followed by capacity-building for the MEST *Standards and Assessment Unit* for the development and administration of the school leaving exams at national level.

While PISA would provide useful data for Kosovo, there is a potential and paradoxical downside - Kosovo's VET students' attainment is not high, so participation in PISA could throw this relative poor performance into sharp relief and likely further undermine VET's attractiveness.

MEST's priorities in VET reform are improving professional practice; implementation of VET curricula, standards, and assessment and certification approaches, and the development of VET qualifications; development of teaching and learning materials; and strengthening links between VET and the labour market. The attainment of these goals remains a major challenge for the VET system in Kosovo.

A key weakness is that the national Matura exam is not geared to the needs and study paths of VET students. It is true that the decision to incorporate the Matura in the national education system has ensured an important assessment tool for every school's general student performance. But the Matura sits rather awkwardly with the VET system. Many VET students attend VET schools intending to apply to higher education institutions (HEIs) rather than entering the labour market after obtaining a VET qualification. Unfortunately, VET students' attainment in Matura is often poor – this clearly restricts access for VET graduates to higher levels of education or training. Disaggregated by type of VET delivery programmes, the following pass rates were recorded in 2011: vocational education I (which covers profiles in health, agriculture, horticulture and food technology): 32.7%; vocational education II (electro technics, traffic engineering, construction, geodesics, graphics and textiles): 12.10%: and vocational education III (administration, economics, hotelier and tourism): 37.0 % (MEST, 2011).

The reality is that the Matura is more academic than vocational in aim, design and content, so VET students are at a disadvantage. The percentage of school hours dedicated to general subjects (those that lead to the MATURA exam preparation) is high and results in less time available for the vocational practice-oriented subjects or modules. This situation leads to two disadvantages: first, it provides an unrepresentative and incomplete picture of overall student performance in vocational education and second, it hinders vocational graduates' enrolment in higher levels of education.

However, a welcome piece of news is that the Government plans to reform the existing State Matura exam in line with the Law on Final Exam and Matura (no. 03/L-018). The Matura exam of school year 2011/2012 consisted of 5 types of exams for vocational schools (I-5), as opposed to the previous exam delivered in 3 types only (I-III) (MEST, State Matura, 2012).

A vast majority of the school directors and other representatives favour the division of the Matura exam into two streams: one aimed at gymnasium students' in general upper secondary and one aimed at VET students. (Although MEST plans to abolish the 13th grade of upper secondary education, this has not happened yet).

It is no surprise that many VET students aim at entry to HE. After a student has completed upper-secondary VET, he or she has few post-secondary VET (training) options. Public post-secondary VET provision remains limited for the time being, while in the private sector only 4 private providers of this

level, each with limited enrolments rates, and have been accredited by the Kosovo Accreditation Agency (“Tempulli”, “Design Factory”, “Evolucion” and “Heimerer”).

Employers tend to recruit applicants with the highest level of qualifications, and, given that there is no serious VET stream available post-secondary, students are inevitably attracted to HE over VET. Given the limited employment opportunities in the job market, students usually face unemployment or must try for entry into HE.

The lack of alignment between vertical and horizontal pathways across different education sectors and levels remains a huge challenge for education system in Kosovo and directly affects VET graduates. Apart from the specific problem of limited post-secondary VET provision, there is a more general challenge of better integrating learning pathways, whether vertically in the same field or horizontally between different fields. In addition, there are cases reported of employers not recognizing VET certificates. These are certainly two of the issues the new National Qualifications Framework is intended to address (more detail is provided in the next section).

Strengths and weaknesses in terms of the quality and internal efficiency of VET – ‘building blocks’ of VET delivery

Occupational standards, qualifications, curricula

Occupational standards are the starting point for outcomes-based curricula and outcomes-based VET qualifications. In Kosovo, VET qualifications which are to be submitted by providers (or other developers of qualifications) for inclusion in the NQF must meet certain criteria, including, usually, that they should be based on occupational standards. Standards have been developed for a number of VET profiles offered in Kosovo. They are usually developed by donors such as GIZ or Swisscontact (these two donors have been the most active in this area) or for example by the Kosovo Chambers of Commerce in cooperation with the relevant sectors.

In Kosovo, CVET has responsibility for approving standards while the NQA subsequently verifies them. To date, CVET has approved 20 occupational standards, of which 12 have then been verified by NQA. The 12 include standards for welder, plumber, administrative assistant, baker and retailer, for example. The planned new VET Agency and VET Council should accelerate the number of standards developed and made nationally available.

The Kosovo State Council for Curriculum, in close cooperation with a Technical Team, revised the Kosovo Curriculum Framework in 2010. A shift from curriculum-based training and learning input to learning outcomes (what a learner should know and be able to do after a course of learning) characterizes the new curriculum framework. However, to date learning outcomes have been developed only for general upper-secondary and not for VET, an indicator of the low priority accorded to the sector. The new curriculum framework and other VET reforms in training and professional development of VET teachers require increased political attention and strategic action (Larsen - DANIDA, 2011:3). This calls for continuous teacher training to allow teachers to update their knowledge and skills and other relevant competences (ibid; MEST- JAR, 2012).

The NQF is a key reform instrument in the Government’s aim to improve quality in the national education and training system, in particular in the VET sector, and to drive it towards EU standards. The 2008 law on National Qualifications formally sets out the NQF’s objectives. These include promoting transparency of qualifications, ensuring the relevance of qualifications in (particular on the labour market), and improving employability and learning opportunities for citizens by providing a basis for certification and recognition. The framework itself is learning-outcomes based, consists of 8 levels, includes a credit system and provides for validation of non-formal and informal learning. The National Qualifications Authority manages the NQF and plays a major role in the wider quality and quality assurance approaches in the country’s VET system. It supports schools in self-evaluation, validates qualifications submitted to it and accredits providers as fit to offer qualifications for inclusion in the NQF. It has produced a range of guidance to schools, providers and other stakeholders on subjects such as school self-evaluation, developing occupational standards and developing qualifications, among others.

The principal challenge in qualifications can be simply stated - producing more and better qualifications. That is, qualifications which meet NQA-set criteria for placing in the NQF, including demand on the labour market. However, it must be emphasized that these are early days in the NQF's implementation. The Authority has been active in encouraging providers to develop qualifications and submit them for approval. In 2011, it field-tested draft procedures for both validation of qualifications and accreditation of VET providers. The first official accreditation process took place in the first half of 2012 - 9 providers were accredited, though with some conditions. The providers are 7 of the Ministry of Labour Vocational Training Centres (VTCs), the KEK (the national energy company, which has its own, dedicated training facilities) Training Centre and Don Bosco, an NGO provider. The number of validated VET qualifications placed in the NQF at the time of writing is 4 - welding at level 3 and 4 of the framework and administrative assistant at level 3 and 4.

The second accreditation processes being conducted at the time of writing among 8 providers, for validation of qualifications in 4 profiles (electrical installation, plumbing installation, heating installation and Administrative Assistant). The numbers of qualifications available are unlikely to significantly increase in the near future – the 57 MEST VET schools will not be in a position to apply for accreditation to develop qualifications until they have all satisfactorily undertaken self-assessment and other preparatory steps and it is not expected that this will be the case before 2014.

An obvious constraint is the limited personnel available for these tasks. NQA has only 6 staff to carry out all this activity and still draws on external expert, including international advice and support. But it must be borne in mind that the Authority has an extensive and demanding set of responsibilities, including in quality assurance measures, referred to above, for such a small staff.

In spite of this serious progress, the NQF and its role in the VET system has its critics, for example some donors are antipathetic to the whole notion of an NQF. But it should be recalled that within EU Member States this attitude is not unknown, especially in certain countries.

Table 2 NQF levels of qualifications with indicative qualifications and levels of occupation.

National Qualifications Framework				
NQF Level	Contains qualifications associated with			EQF ref. level
	Education programmes	Currently available qualifications (Type)	Potential work roles/occupational requirements	
8	Higher education - Bologna 3rd cycle (Doctorate)	Doctorate (A)	Entry to, or continuing professional development within, senior levels of management or higher level professional occupations	8
7	Higher education - Bologna 2nd cycle (Master)	Master degree (A)		7
6	Higher education - Bologna 1st cycle (Bachelor)	Bachelor degree (A)		6
5	Bologna short cycle and /or post-secondary VET	Title of qualifications still unknown (A), (C) Certificates of non-formal providers (D or E)	Specialist/Trainer/Manager	5
4	Preparation for progression into higher education and/or labour market entry	Matura diploma in general or vocational subjects (B), (C), Vocational education diploma (C)	Qualified Worker/Supervisor	4
3	Preparation for labour market entry (young people and adults)	Vocational education certificate (C) Certificates of non-formal VET providers (D or E)	Semi-skilled Worker	3
2	Progression from lower to upper secondary education (young people), preparation for labour market (adults)	No existing qualifications of formal education system identified Certificates of non-formal providers (D or E)	Low-skilled Worker	2
1	Basic education	No existing qualifications of formal education system identified Certificates of non-formal providers (E)	Minimum level of basic skills, inc. literacy/numeracy, required for entry to lowest level of employment	1

Source: National Qualifications Authority, National Qualifications Framework, 2011.

Another activity in the area of quality is the Candidature Process for schools that aspire to the status of a Centre of Competence. Applicants will be assessed against the criteria used for current Centres.

The need for VET courses to take account of the National Curricula Framework has been raised as an important issue by many stakeholders. A related issue is the lack of textbooks for VET teaching reported by the majority of teachers. Findings from a study carried out by KPI (Gerguri, 2011-manuscript) demonstrate that only 22% of teacher respondents state that they have adequate text books for relevant subjects covering both theory and practice, while the remainder stated that they combine the information of the existing text books with those from other literature available from the university (adjusting it to the students' needs), internet and other external sources.

Arguably, these findings provide us with a mixed message: on the one hand they reveal gaps in provision of textbooks, perhaps in certain profiles in particular; on the other, they show that teachers are imaginatively searching for and devising their own material. Such findings also indicate a certain degree of academic freedom for teachers to teach based on their self-searched literature. However, the finding is based on a limited sample (3% of VET schools), and so to validate these tentative conclusions a greater sample would need to be selected and examined. Stakeholders have called for training for teachers to support them in preparing appropriate course material.

Teacher training and professional development

Most VET teachers do not hold a teaching qualification. At the same time, many stakeholders believe that while teachers in VET may often lack this formal pedagogical training, this is to some degree compensated for by the teachers' high level of subject expertise. Stakeholders identify lack of budget at municipal level for training as a major problem. The need for teacher training and professional development programmes has been acknowledged at both the Ministerial and municipal levels. The Government has acknowledged the need for a teacher licensing system and the State Council for Teacher Licensing (SCTL) was established in 2009. Following this new entity the development of a teachers' database is underway and the responsibility of licensing has been devolved to the Education Inspection unit. The latter is also developing the teachers' performance assessment system. Coordination of all involved stakeholders in this entire process (MEST, municipalities, schools, training providers) still remains a challenge.

The legal framework for teacher professional development is not yet in compliance with the new laws on University and the Pre-University Education. The update of anticipated pre-service and in-service teacher education and development programmes in line with the new National Curricular Framework remains a key priority for stakeholders, in particular the sub-sector working group relevant for teacher training and development. The Kosovo Education Centre has provided training for approximately 15, 000 local teachers, but this has not included VET teachers. Indeed, teacher training projects targeting VET teachers have been scarce in number, with GIZ being identified as one of the few donors providing extended support in this field. A number of VET teachers interviewed have highly praised these programmes for being relevant and strongly needed in their work (Larsen – DANIDA, 2011:8). In general, the last 5 years have been characterized by substantial donor support provided by the USAID Basic Education Project, GIZ's BDE project and the Teacher Training component of EU IPA 2009, which provided training to VET teachers from September 2010 to September 2011. The recent ECDL Programme organized by MEST covers around 30-40% of teachers and offers certification in various levels of computer and ICT literacy. A new EU-funded project for Teacher Training and Capacity Building of School Directors and the continuous EU EduSWAp project provide support to MEST and the University of Prishtina in engaging in new approaches to teacher training. Nevertheless, schools point out that these programmes are short-term and frequently do not allow for any continuation or permanent programmes.

EU EduSWAp estimates that approximately 3. 2 million EUR¹ would be needed for training costs for all 25,000 teachers in Kosovo (based on 100 hours per teacher within a 5-year period). On the other hand, the amount of the entire teacher professional development programme supported by development partners is estimated at 6,494,198 EUR, with 1,108,929 EUR disbursed in 2011 and 50,000 spent in 2011. Such low spending in 2011 compared to disbursement is perhaps explained as a consequence of poor reporting of the actual spend (MEST – JAR, 2012:22).

Professional practice

Implementation of professional practice remains one of the main challenges in VET. It is at the heart of VET and was identified as the first priority by VET sector stakeholders at the March 2012 JAR. This priority cannot be addressed and implemented without strong cooperation with enterprises. Such cooperation is unfortunately quite limited for the time being. There is an MoU between MEST and the Kosovo Chambers of Commerce, which aims to engage business associations and the companies in VET strategy and monitoring. However, to date this has been given little practical effect. One exception is an on-going project implemented by the Chamber of Dortmund in partnership with KCC and the vocational school "Shtjefen Gjecovi" in the area of auto-mechanics. Students can take advantage of tools and machinery available to them; teachers are offered advanced training; and occupational standards are being developed.

Apart from the ALMPs internship element (see *Section B*) which provides some financial support to both student and hosting companies, there is no other evidence available about mechanisms and/or incentives provided to enterprises for offering professional practice for VET students. The ALMP component entitled 'professional practice at enterprises' is an incentive-based activity that sought to support the formal vocational students enrolled in 12th grade at 16 vocational schools. Amongst other aims it sought to support professional practical learning and training at enterprises (UNDP, 2010b, p.5). Findings from the external impact evaluation indicate that the programme reached out to 71% of

the target group and 46% of them gained employment afterwards. Nevertheless, based on the same source (UNDP, 2010b), the selection criteria which was jointly set (by schools and the programme) were not fully taken into consideration (e.g. 29% of beneficiaries of this component took part in other practical training courses or internship programmes) (UNDP, 2010b, p.14). Other shortcomings reported were related to major delays in the application process, lack of review process, very little verification of application, and most importantly a large number (60%) of surveyed enterprises reported that “they have not been previously contacted for admission of vocational education students before the training programme” (ibid. p. 16). Such findings imply a well-intentioned program for VET students which was mismanaged due to the lack of clear responsibilities devolved to the school principals and vocational education teachers (who were in charge of this programme) to assist in a number of issues related to the application process (ibid.).

The previous Torino Process review reported lack of structuring and organizing of internship (programme supervision, insurance and allowance). There has been some limited progress achieved in this regard. The approval of the guidelines “Organizing practice in enterprises for vocational schools students” (2011) – an outcome of the ALMP programme (prepared collaboratively by the MEST, MLSW, KCC, UNDP, school representatives and social partners) - could help such uncertainties be reduced and better handled. A national strategy for professional practice is to be developed. However, its success depends largely on the capacity of MEST and enterprises to offer meaningful professional practice.

In addition to the problems with the organizational and practical matters of professional practice for vocational schools students, data reveal other problems. A study (KPI, 2011 – Manuscript) reports that: (i) 18 % of vocational schools do not offer practice-based learning due to the lack of infrastructure/workshops and lack of mechanisms to achieve cooperation with enterprises that could potentially accommodate a certain number of students as part of their practice hours; (ii) 54% manage to offer practice-based learning by sending their students to enterprises, whereas (iii) 43% of schools offer the professional practice in the school as they have fully equipped workshops and rarely need to send their students to the enterprises. The percentage of students who do not undergo any practice is relatively high. Schools which do not offer the practice part of the VET curricula are failing to provide a fundamental element of VET. Two employers’ studies (MEST, KCC and GIZ baseline studies, 2011; GTZ, 2009), the results of which were reported earlier in this report, consider lack of practical skills as the major shortcoming among of VET graduates.

Moreover, as reported earlier, in Section B of this report, the Centres of Competences and the practice firms - which offer great scope for professional practice - are threatened with closure due to insufficient student enrolment.

In general, new initiatives and mechanisms undertaken by the government and MEST and MLSW in particular, indicate the increased importance given to the development of a more attractive and high-quality VET system. However, data and feedback from impact evaluations indicates qualitative weaknesses in provision, lack of technical and managerial capacity and the difficulty in implementing sustainably outcomes of projects.

Key priorities for quality and internal efficiency improvement in VET

In order to achieve the goals and objectives set in the KESP 2011-2016 and achieve the short-term and mid-term priorities specified in JAR 2012, it is necessary to prioritize a number of key issues: 1. Separate the VET Matura from the general Matura; 2. Build teachers’ capacity building in preparing text books and other learning materials for VET (theory and practice); 3. Develop VET curricula and teaching and learning materials; develop more and better qualifications meeting NQA-set criteria; 4. Train VET teachers to implement curricula reform in the classroom and provide regular opportunities for continuous professional development for them; 5. Develop mechanisms for cooperation between VET and enterprises and develop incentives for enterprises to offer VET students professional practice; 6. Strengthen links between VET and the labour market, including via analysis of market needs, identifying in-demand profiles.

E. Governance and financing of the initial and continuing VET system and institutional capacities for change

Decentralization

Decentralization within Kosovo's education and training system focuses on three key elements: management, decision-making and budget. This process assumes changes in the division of responsibilities between central and local government and implies a number of changes in the scope of Municipal Education Directorates (MED) work. Currently, it is the finance element of decentralization that is being most consistently applied (Gowing and Saqipi, 2010:18). It is clear that this process places new roles and responsibilities onto the MEDs, decreasing workload in some areas but increasing it in others, such as shifting responsibility for the planning and implementation of school budgets to schools. There is, therefore a need for capacity-building (for both MEDs and schools and school Governing Boards). A number of factors have been identified in this context: limited staff in the MEDs to deal with the new management and decision-making roles in the education system, and the mismatch between their professional background and the various demands brought by the decentralization process (MEST – JAR, 2012).

To this end, tailor-made training packages have been provided to the MEDs and school Governing Boards and directors and a system for facilitating management performance has been designed. The continuous support provided under the World Bank-financed Component 1.2 of the Institutional Development for Education Project (IDEP) has been highly praised by a focus group and participants in a number of interviews undertaken by the EU EduSWAp project and there is still interest to undergo such training (Gowing and Saqipi, 2010). The legislative framework which regulates capacity-building at municipal level is in place, namely the Law on Education in the Municipalities of Kosovo (no. 03/L-068); the Law on Pre-university Education (04/L/032), Kosovo Education Strategic Plan 2011/2016 and the Kosovo Curriculum Framework comprise the main documents.

Yet one of the main challenges in this process remains the low level of schools' involvement in the process of budget planning. Moreover, it is reported that regardless of training in financial decentralization provided to both MEDs and schools, most of the work in 2011 was carried out by the financial municipal officers, instead of schools themselves (as required by law). In response, a helpdesk model provided through MEST will be addressing this issue in the course of the next reporting quarter (MEST– JAR, 2012). Such a mechanism has been appreciated by the MEDs (Gowing and Saqipi, 2010). School budget allocation based on the financing formula remains a big challenge for both schools and municipalities. It was evaluated that "Due to the high proportion of school-age children in Kosovo's population, spending per pupil is lagging even further behind" (EC, 2011, p.30). A field-testing activity has demonstrated some of the difficulties in meeting this challenge. Another obstacle identified by the same study (*ibid.*) is the lack of an accountability mechanism to take stock of the financial value in the improvement of teaching and learning in schools (*ibid.* p.19).

As can be observed, there is considerable financial support committed to capacity-building to support municipalities and schools in better managing the decentralization process and it is evident that the donor community is well aware of this need. However, not much has changed in the priorities followed in the decentralization process as compared to the conclusions in the previous Torino Process report (2010) – in practice, more emphasis is placed by the central government on financial decentralization or the financial perspective of the VET system management and much less on school-based reform with clear views on autonomy and accountability.

Quality assurance

The draft law on pre-university education anticipates Regional Education Offices taking responsibility for school evaluation and quality assurance of the system in general (Gowing and Saqipi, 2010:9). The recently established Authority for Curricula, Assessment and Standards, mandated to advise MEST on the relevant issues, lays the foundation of the quality assurance framework in the education system.

Other elements in quality in the VET system include the NQF and NQA, common regulation e.g. MEST approves programmes and licenses institutions; external inspection by MEST of VET schools; quality assurance of VETCs by MSLW; internal evaluation by schools (self-assessment), external testing such as the Matura and municipalities' supervision of their respective schools.

The NQF is a driver of quality in the VET system and through it NQA exercises vital quality assurance functions: validation (i.e. approval) of qualifications, accreditation of institutions, quality assurance of assessments (verification) and endorsement of certificates issued by VET schools and other providers.

At school level the starting point for quality is self-assessment. Indeed, MEST VET schools are legally required to conduct annual self-assessments. Self-assessment is also a necessary step on the road to a VET provider's accreditation by NQA. The Authority oversees the process and receives the Self-Assessment Reports (SARs).

The majority of VET providers have by now submitted at least one SAR to NQA - NQA reports 64 of 80 have done so. However, it should be underlined that the concept of self-assessment is new for Kosovo – and so engaging all staff in the processes requires much effort from school leaders. Predictably, then, the quality of reports submitted has been variable.

But the Authority provides guidance and support to schools in undergoing self-evaluation, including via training sessions and publication of guidance documents and manuals. In 2012, ETF provided NQA with earmarked funding to recruit an EU expert to work with Authority staff in supporting schools in conducting self-evaluation.

It is worth recording that the NQA became an observer member of the European Quality Assurance network in VET in early June. This will allow NQA staff to engage in peer-learning in quality issues and provide a ready source of news on good practice in the EU and Kosovo's neighbouring countries. Indeed, the self-assessment model used in Kosovo reflects the European Common Quality Assurance Framework (ECQF) model and principles.

Social partners involvement

Social partner involvement in the areas of designing legislation and strategies, VET financing, planning, monitoring and evaluation, designing VET qualifications and assessing people's skills, etc., remains a huge challenge in Kosovo. As noted in 2008 "there is a lack of tradition in Kosovo to engage social partners in the implementation or policy making in VET" (Likaj and Kasumi, ETF, 2007, p. 11). One element has been the traditional reluctance from the government to let go of the monopoly and centralization of powers over different sectors. Other factors have been the lack of capacity among social partners to engage in the social dialogue and policy-making processes. There is some involvement of social partners in VET, for example the KCC in the CVET, NQA, and the prospective Agency for VET and in general in education, training and employment. Referring to the internal capacity of social partners, it was found that the lack of membership and networking, human resources capacities and professional skills and trainings in response are some of the main shortages that they face (ibid.). It is evident that the KCC alone cannot represent the entire social partner community and moreover it has only a few staff dealing with VET-related issues. The unconscious tendency to associate participation and involvement of social partners with only the KCC obscures the reality of otherwise limited stakeholder engagement. At the same time, in mitigation, this reality is not unique to education and training – it rather reflects the position in a society where civic institutions are still emerging and developing.

The new draft VET Law foresees the engagement of social partners in the building and development of a number of VET 'building blocks', such as curricula development, occupational standards, economic cooperation with VET and system evaluation.

Financing / funding of VET

Financing of VET remains one of the biggest challenges at the system level. Yet, despite the high awareness among all relevant stakeholders and the ambitious goals set for it, there is no separate budget line for this sub-sector– neither at the central level nor at the municipal level (MEF, Republic of Kosovo Budget/Expenditure 2010, 2011, 2012). As a consequence it is difficult to track VET spending. At the same time, as a sector, VET receives more money than any other branch of the education and training system.

According to the established MEST financing formula, VET per student costs differs from those of general education. Nevertheless, the difference is very slight; respectively it varies from 20 EUR per student on a general track to 24 EUR for those on VET programmes, an issue which is currently triggering many policy discussions among VET stakeholders and particularly the schools community. A general cost model for VET has been developed with the support of GIZ but not yet applied. The outstanding issues stem from the need for establishing financing of VET schools based on profiles. KESP (2011-2016) had set 2014 as the target date for vocational schools to have achieved full financial and operational autonomy. However, this target and some of its related activities have been postponed to 2015. A number of pilot projects (starting from 2009) supported by the WB-IDEP Component 1.2 have been developed to test the financing formula and a nation-wide implementation started in 2012. To this end, 60 school directors have taken part in the first information meetings. The tendency towards shifting from input-based to formula-based funding can be observed, although the latest school budgets were planned following the traditional input-based method, but this was as result of the absence of a ‘municipality formula software financial and systems manager’ (MEST- JAR, 2012).

Estimations from the MEST Financial Department indicate decreased allocations (from 35% of disbursements in 2011 to 22% of commitments for 2012) from the development partners. But as indicated above, VET remains the sub-sector with the largest external support (MEST-JAR, 2012). There is therefore a situation where there is no declared, distinct, public budget line and, simultaneously, substantial sums of international money directed to the sector. This position is not conducive to transparency or public accountability. This state of affair poses major disadvantages and hindrances for the institutions and bodies operating under MEST, with some of them operating in the dark with monthly contracts (such as the Kosovo Centre for Practice Firms) or others with budgets available only for staff salaries (this is the case with the Kosovo Pedagogical Institute).

But there is some good news - baseline studies on the six sectors that employ VET graduates and trainees report that approximately 46% of employers have expressed readiness to share the costs of VET with employees and ministries; while 31% said it should be only the ministries which bear the costs; the rest are willing to contribute to the system by other means (training, professional practice, etc.) (MEST, KCC and GIZ, 2011). This information is crucial to consider in VET annual budget planning which, regardless of the donors’ high participation, lacked input from MEST, MLSW and other local social partners.

Donor support

A marked feature of Kosovo’s VET system is the prominence of donors. Kosovo is arguably over-dependent, both financially and technically, on donor support. Donors, though their provision of money and expertise, have acquired a voice in governance of VET. The substantial positive changes brought about by GIZ (and former GTZ), SDC, EAR/EC, SIDA, DANIDA, Lux Development, Kultur kontakt, Swisscontact, USAID, UNDP, Norwegian Embassy and many other bilateral donors are to be highly praised. However, as noted earlier, donors bring not only innovative and diverse practices into the national system, but often contradictory policies, which complicates decision and policy-making for local institutions (ETF, 2010).

In addition, the lack of donor coordination reported in the 2010 Torino Process report continues, resulting in overlapping and duplication of donor-supported projects. Nevertheless, under the scrutiny of policy and strategic initiatives, there is progress being achieved in this respect. MEST has established a donor coordination office, although it remains to be seen how this department will manage this tremendously important task. The Joint Annual Review in line with KESP 2011-2016 is

evidently a very well-intended initiative, together with its outputs such as the “Aide Memoire” and the list of priorities to be financed and supported by donors and others.

The setting-up of the pooled fund, which aims to improve donor coordination by channelling donor support in line with priorities set by the relevant policy-makers, is of great importance in this process. The regular sub-sector working groups defined by the Donor Coordination Regulation passed in 2009 and organized by MEST are adequately targeted. The sub-sector working group of VET is divided into three small groups which aim at addressing relevant main sub-sector issues (see *Annex 8*). The development of a VET KOSOVO wiki platform (a GIZ-supported initiative) provides an important dynamic tool for donor coordination in the VET sector as well as involvement of a wider VET community in one place. However, the functioning of such a platform is dependent on MEST’s and other institutions’ promotion and maintenance.

Therefore, there are clear and very well-intentioned mechanisms to channel and coordinate donor support in place. These arrangements must be analysed and their impact monitored within the next short-term period set out in the JAR (for the next JAR – 2013).

However, the limited institutional capacities described pose a great challenge to these mechanisms.

Institutional capacities for reform / innovation and change

As reported in section A of this report, MEST’s VET Division is composed of only three staff members, who carry out a variety of responsibilities from policy-making to reporting VET developments. Clearly this division is understaffed, and does not have the capacity to manage all the tasks allocated to it. This is exacerbated by the lack of clarity concerning its responsibilities and functions.

VET research capacity - infrastructure for evidence-based policies

Directly related to the challenges that the system is facing (as reported above) in securing data and information about education and the labour market, it is widely recognised that Kosovo lacks primary data instruments as well as systematic research tools and mechanisms. EMIS system’s advancement has attracted the attention of donors. Initially, the World Bank and now GIZ have taken responsibility for building capacities within MEST and schools’ authorities in charge of data collection. It remains to be seen how this system will function in the future and the extent of its sustainability.

Evidence-based policy has been the exception rather than the rule in the last decade. Despite the intention of the JAR to report sector-wide on education developments, it has become clear that there are no evidence-based reporting mechanisms in place yet. On the other hand, the Torino Process is attracting the attention of policy-makers as a source of evidence-based information. Discussions about mainstreaming this platform as an input to the next (2013) JAR reporting are underway.

The Kosovo Pedagogical Institute (KPI) has been assigned the role of conducting educational research. It has 26 researchers, yet with an unclear status under MEST, a very limited budget and currently without workspace/offices; and, regardless of the number of important research studies that have been conducted, the institute experiences major difficulties in carrying out its activities.

In general, apart from some NGOs, national and international think-tanks, research institutes and the Kosovo Business Alliance which provides data on employers’ feedback, satisfaction and further demands for prioritized skills and competences, a VET-oriented and occupation-wide covering research system is not yet in place. Moreover, the research capacity, particularly that of universities and research institutes (as key hubs for producing research and knowledge), in the country remains very weak (EC, 2011, p.30).

The largest contribution to research activities in fact comes via the international donor organizations, whose various studies and reports produce relevant data e.g. from the inception reports of their proposed programmes submitted to the public institutions, studies measuring the impacts that certain programmes have had, and also in the forms of ad-hoc research studies deemed necessary at a certain periods of time. In fact these ad-hoc studies and/or reviews respond to urgent needs and offer cross-sectional development trends in relevant fields. However, in order to get a broader and clear

picture and identify longitudinal development trends, it is necessary that a regular research system is established.

The lack of a mechanism to track the employability of VET graduates is acknowledged at the policy level (KESP 2011-2016). A tool such as a regular tracer study, including both graduates' and employers' perspectives on the transition from VET to the world of work, the current work and employment situation and all other career paths, is a must to identify, analyse and further reform this link. As was stated earlier, the pooled fund is an important asset to be utilized in reporting, capacity-building and VET research.

Priorities for improving governance and financing of VET development and current policy initiatives

The recent policy initiatives for systemic and permanent institutional re-arrangements are influencing the emergence of a new VET system in Kosovo. The revision of existing legislation foreseeing greater cooperation with the social partners and other relevant stakeholders calls for better coordination and an umbrella body to represent VET. Not long after it was foreseen by the VET Law in force (No. 02/L-42, approved in 2006) in response to the urgent need for a mechanism that would ensure relationships with other VET stakeholders and attract external donor funding, a VET Council (CVET) was established (EU KOSVET V, 2011). However, despite the strenuous efforts made by some of the well-qualified and experienced individuals appointed to CVET, the body has been criticised by some for allegedly failing to fulfil its responsibilities and tasks (ibid.). CVET has faced several obstacles to fulfilling its remit: inadequate financial support from MEST, incompatibility between the intended structure and functions, and the negative perception held by some institutions and individuals (ibid.).

As indicated in Section A, there is a consensus that CVET must be revived and function in some form. Plans for CVET have to take account of the new VET Law, Pre-University Law, Law on Qualifications, Law on Education in the Municipalities of Kosovo, Kosovo Curriculum Framework (KCF), the recently approved Administrative order of Centres of Competence and Kosovo Education Strategic Plan 2011 - 2016 (KESP).

In the light of all these institutional re-alignments, the new draft VET Law makes provision for the establishment of a new, dedicated VET and Adult Agency. Such an initiative would be an important 'building block' towards improvement of VET governance and financing. However, its establishment requires clear financial and human resources support. The most important message conveyed by the EU KOSVET V Review (2011) in this regard is the need for clear specification of the relationship between CVET as a Council, and the planned VET Agency (KOSVET V).

Annex 1: Governance matrix (to be filled during the seminar)

Functions within a VET system	Authority	Competence	Resources	Accountability
	Who are the actors legally in charge of this function? Have <u>roles²</u> and <u>responsibilities</u> been adequately defined?	Do actors have the <u>technical competences</u> or what is needed to fulfil this function?	Do actors have adequate <u>financial and human resources</u> or what is needed to fulfil this function?	In which way are the actors in charge made <u>accountable</u> for the work done?
Policies and legislation				
Defining national VET and employment policies				
Monitoring national VET and employment policies				
Legislation for VET (both initial and continuing)				
Qualifications and curricula				
National, sectoral or regional skill or training needs analyses				
Designing a list of occupations				
Definition or revision of standards/ qualifications				
Development or revision of curricula (all kinds)				
Teachers and trainers				
Pre-service training and induction of VET teachers				
Recruitment of teachers				
In-service training of VET teachers				
Teacher appraisal and career development				

² Actors could have decision-making, advisory or executive roles.

VET providers				
Network of providers of - initial VET - continuing VET				
Planning VET programmes and student numbers				
Planning budgets for vocational schools				
Dealing with school expenses (managing school budgets)				
Learning materials and equipment				
Learning materials				
Workshop equipment				
Practical learning sites				
Liaison with employers				
Practical training places within companies				
Apprenticeships				
Assessment and certification				
Assessment of students' skills				
Issuing certificates				
Monitoring and impact				
Monitoring the quality of VET provision				
School-to-work transition surveys or tracer studies for graduates				
Research and innovation				
Research and innovation, incl. the transfer of innovations from pilot to system level				
Donor coordination				
Efficient coordination of donors in VET				

Annex 2: List of Key Indicators

List of tables

1. Population

Total Population

Population by age groups

2. Dependency rates

Total

Young

Old

3. Educational attainment of population

Population (15+) by educational attainment and gender

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Annual GDP growth

GDP per capita growth (annual %)

5. Employment rates

Employment rate (15-64) by gender

Placement rates* by gender and age (15-64)

6. Unemployment rates

Unemployment rate (15-64) by gender

Registered Unemployment rate

7. Changes in employment by type and gender

Distribution of employment by professional status

8. Employment rates by educational level

Employment rates by educational level

Placement rates* by skills and gender (15-64)

9. Unemployment rates by educational level

Unemployment rates by educational level (15-64)

Registered Unemployed by educational level (15-64)

Registered Unemployed by gender, skill level and age (15-64)

10. Participation in Lifelong Learning

Participation in VET in 12 months

Participation in VET by educational level

Participation in VET by age and gender

1. Population

	2011*
Total Population	1,733,872
Population by age groups (%)	
0-14	28
15-64	65
65+	7
Total	100

Source: Census 2011. REKOS 2011. Kosovo

<http://esk.rks-gov.net/rekos2011/>

*preliminary results (June 2011)

2. Dependency rates

	2008	2009
Total	55.8	56.2
Young	44.7	44.1
Old	11	12.1

Source: LFS 2009

3. Educational attainment of population

Population (15+) by educational attainment and gender	2009		
	Total	Male	Female
<upper secondary	53.0	40.6	65.4
upper secondary	37.8	47.3	28.3
tertiary	9.2	12.1	6.3
Total	100	100	100

Source for 2009: ETF calculation on Labour Force Survey 2009. Statistical Office of Kosovo

http://esk.rks-gov.net/ENG/publikimet/doc_download/870-results-of-the-labour-force-survey-2009

Note: <upper secondary: without education, 1-4 grade of elementary education, 5-7 grade of elementary education, elementary education (completed);

upper secondary: secondary education;

high: secondary not tertiary, university, academy, master and doktorate (PhD).

4. GDP

Annual GDP growth (%)	2006	2007	2008	2009	2010	2011
Total	6.0	6.3	6.9	2.9	3.9	5.0

Source: The World Bank (<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>)

The values shown is the annual percentage growth rates of GDP at market prices based on constant local currency.

GDP per capita growth (annual %)	2006	2007	2008	2009	2010	2011
Total	5.2	5.4	6.0	2.1	3.1	3.9

Source: The World Bank (<http://data.worldbank.org/indicator/NY.GDP.PCAP.KD.ZG>)

Annual percentage growth rate of GDP per capita based on constant local currency.

5. Employment rates

Employment rate (15-64) by gender	2005	2006	2007	2008	2009
Total	28.5	28.7	26.2	24.1	26.1
Male	45.8	46.1	40.1	37.7	39.7
Female	11.7	11.8	12.7	10.5	12.5

Source for 2008-2009: Labour Force Survey 2009. Statistical Office of Kosovo

Source for 2006-2007: Labour Market Statistics 2007. Statistical Office of Kosovo

Source for 2005: Labour Market Statistics 2006. Statistical Office of Kosovo

Placement rates* by gender and age (15-64) - %	2010			2011		
	Total	Female	Male	Total	Female	Male
Total placements	6,787	2,353	4,434	7,484	2,366	5,118
Placement rate (%)	2.0	1.5	2.5	2.3	1.5	3.0
15-24 placement rate (%)	2.6	2.2	3.0	2.3	1.8	2.8

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

* Placement rate is the number of former unemployed mediated into new jobs (Placements) by the employment services within 12 months - in relation to the average number of unemployed (it's the number of placements per registered unemployed persons).

6. Unemployment rates

Unemployment rate (15-64) by gender	2005	2006	2007	2008	2009
Total	41.4	44.9	43.6	47.5	45.4
Male	32.9	34.6	38.5	42.7	40.7
Female	60.5	61.6	55.2	59.6	56.4

Source for 2008-2009: Labour Force Survey 2009. Statistical Office of Kosovo

Source for 2006-2007: Labour Market Statistics 2007. Statistical Office of Kosovo

Source for 2005: Labour Market Statistics 2006. Statistical Office of Kosovo

Registered Unemployment rate	2009	2010	2011
Total	37-40%	37-41%	35-39%

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

*The estimates refer to a range and (biased) extrapolation of figures as researched and estimated within different reports of mainly IMF (International Monetary fund), Riinvest, Statistical Office of Kosovo, Ministry of trade and Industry, Ministry of Economy and Finance and Ministry of Labour and Social Welfare.

7. Changes in employment by type and gender

Distribution of employment by professional status (15-64)	2009		
	Total	Male	Female
Employee	68.2	63.1	84.4
Self-employed with employees	9.5	11.7	2.8
Self-employed without employees	14.3	16.8	6.2
Unpaid family worker	8.0	8.4	6.6
Total	100	100	100

Source: Labour Force Survey 2009. Statistical Office of Kosovo

http://esk.rks-gov.net/ENG/publikimet/doc_download/870-results-of-the-labour-force-survey-2009

8. Employment rates by educational level

Employment rates by educational level (15-54), %	2007	2008	2009
less than upper secondary	12.8	8.7	9.3
upper secondary	32.7	33.8	34.9
high	74.7	77.2	76.9

Sources: Statistical Office of Kosovo (2010), Results of the Labour Force Survey 2009, Prishtina; Statistical Office of Kosovo (2009), Results of the Labour Force Survey 2008, Prishtina; Statistical Office of Kosovo (2008), Results of the Labour Force Survey 2007, Prishtina

Note: < upper secondary refers to: without education, 1-4 grade of elementary education, 5-7 grade of elementary education and completed elementary education; upper secondary refers to: secondary education; and high refers to: secondary non-tertiary, university, academy, Master and PhD

Placement rates* by skills and gender (15-64) %		Unskilled (ISCED 0-2)	Semi-skilled (ISCED 3)	Skilled (ISCED 3a)	Secondary School (ISCED 3c)	Upper-secondary School (ISCED 4)	University (ISCED 5a+)	Total
2010	Total	1.4	3.1	0.8	3	2.3	25.3	2
2011	Total	1.4	1.9	1.9	3.4	2.8	25.8	2.2
	Male	2.4	2.5	1.9	3.6	3	21.7	3
	Female	0.6	1.2	1.9	3	2.6	31	1.5

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

* Placement rate is the number of former unemployed mediated into new jobs (Placements) by the employment services within 12 months - in relation to the average number of unemployed (it's the number of placements per registered unemployed persons).

9. Unemployment rates by educational level

Unemployment rates by educational level (15-64), %	2007	2008	2009
less than upper secondary	55.4	65	64
upper secondary	45.3	48.1	46.3
high	14.9	15	14.9

Sources: Statistical Office of Kosovo (2010), Results of the Labour Force Survey 2009, Prishtina; Statistical Office of Kosovo (2009), Results of the Labour Force Survey 2008, Prishtina; Statistical Office of Kosovo (2008), Results of the Labour Force Survey 2007, Prishtina; Statistical Office of Kosovo (2007), Results of the Labour Force Survey 2006, Prishtina

Note: < upper secondary refers to without education, 1-4 grade of elementary education, 5-7 grade of elementary education and completed elementary education; upper secondary refers to secondary education; and high refers to secondary non-tertiary, university, academy, Master and PhD

Registered Unemployed by educational level (15-64) - 2011	N.	%
Unskilled (ISCED 0-2)	195,394	60.1
Semi-skilled (ISCED 3)	11,831	3.6
Skilled (ISCED 3a)	27,214	8.4
2nd. School (ISCED 3c)	84,597	26.0
High school (ISCED 4)	2,002	0.6
Universtity (ISCED 5a+)	4,223	1.3
Total	325,261	100

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

Registered Unemployed by gender, skill level and age (15-64)	2009			2010			2011		
	Total	Femal e	Male	Total	Femal e	Male	Total	Femal e	Male
Unemployed	338,895	161,131	177,764	335,260	160,856	174,404	325,261	157,922	167,339
Unskilled	203,764	116,269	87,495	200,709	115,526	85,183	195,394	113,722	81,672
<i>Unskilled %</i>	60	72	49	60	72	49	60	72	49
Registered 15-24	103,896	50,404	53,492	106,342	52,071	54,271	107,122	53,172	53,950
<i>Registered 15-24 %</i>	31	31	30	32	32	31	33	34	32

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

10. Participation in Lifelong Learning

Participation in VET in 12 months	2003	2004	2005	206	2007	2008	2009	2010	2011
Number of participants	2,201	3,108	3,928	3,455	3,047	3,240	2,977	3,306	3,449

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

Participation in VET by educational level	2011			
	VT participants (cumulated 12 months)	Increase from 2010 (%)	Activation rate* (%)	Activation rate* (%) 2010
Unskilled (ISCED 0-2)	898	5	0.5	0.4
Semi-skilled (ISCED 3)	19	19	0.2	0.1
Skilled (ISCED 3a)	60	-22	0.2	0.3
2nd. School (ISCED 3c)	1953	3	2.2	2.2
High school (ISCED 4)	29	-44	1.4	2.4
University (ISCED 5a+)	490	20	12.5	12.5

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

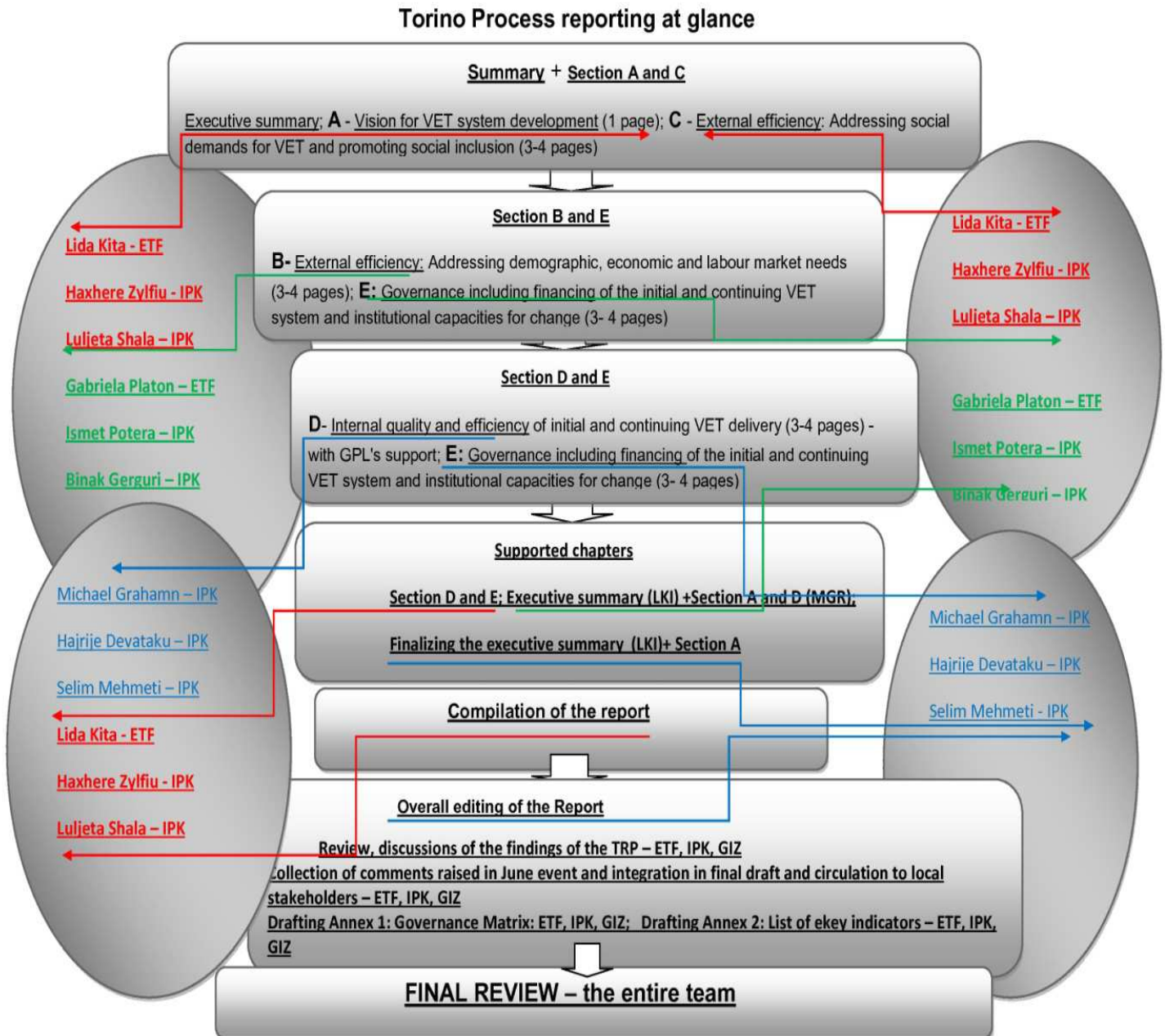
* The Activation rate shows the share of persons starting a training (Activation) within 12 months out of the average number of registered unemployed during this time.

Participation in VET by age and gender	2011			Activation rate* (%) 2010
	VT participants (cumulated 12 months)	Increase from 2010 (%)	Activation rate* (%)	
Age				
15-24	1,787	9	1.7	1.6
25-39	1,295	-1	0.9	0.9
40-54	316	-9	5.0	0.5
55+	51	183	0.3	0.1
Gender				
Female	1,602	6	1.0	0.9
Male	1,847	3	1.1	1.0
All	3,449	4	1.0	1.0
Unskilled female	299	9	0.3	0.2
Unskilled male	599	3	0.7	0.7

Source: Ministry of labour and social welfare, Department of labour and employment, 'Labour Market and Employment', 2011

* The Activation rate shows the share of persons starting a training (Activation) within 12 months out of the average number of registered unemployed during this time.

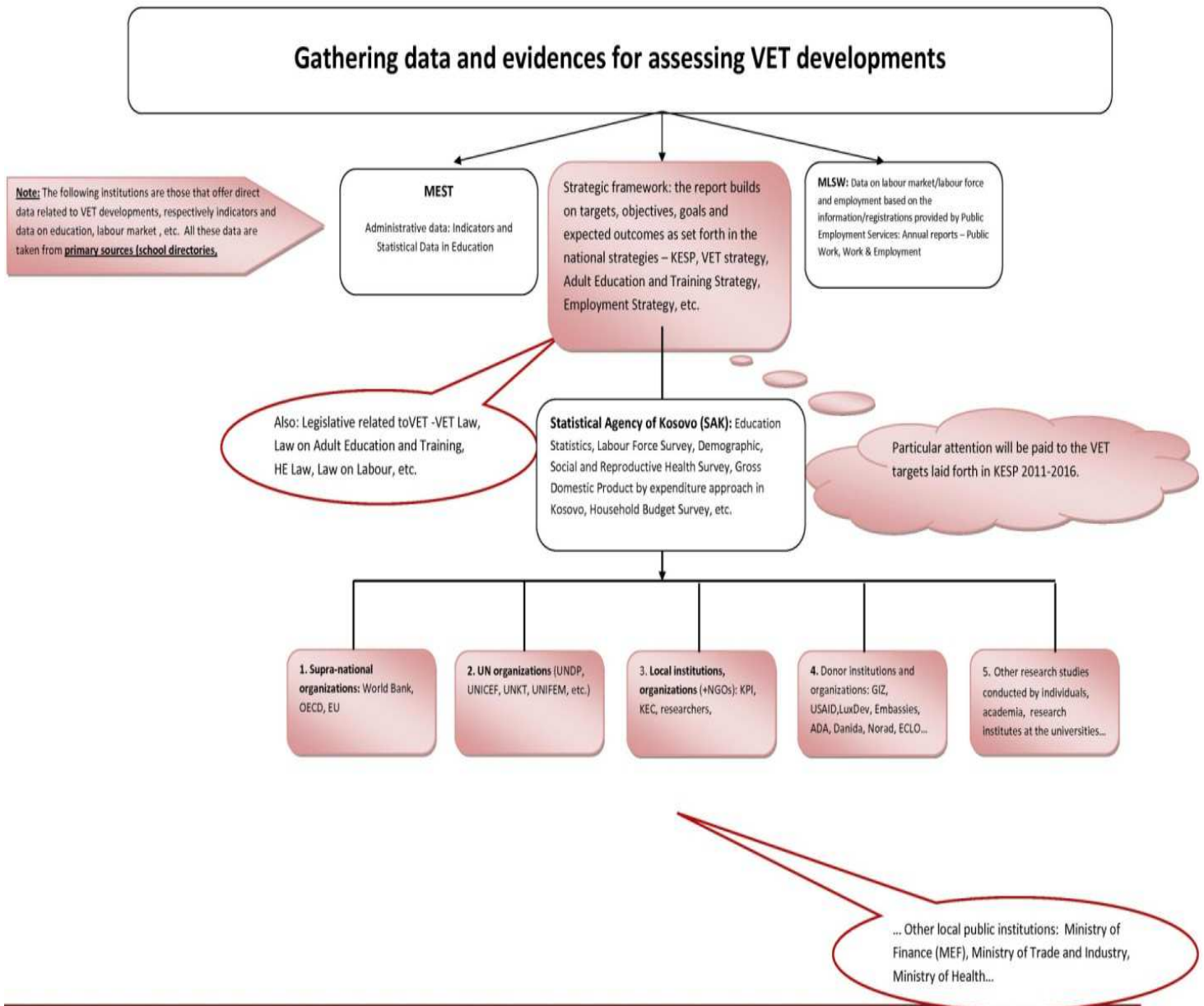
Annex 3: 'Torino Process' reporting at glance



Source: Self-elaborated, 2012

Annex 4: Data and information sources for VET developments

Data and information sources for VET developments



Source: Self-elaborated, 2012.

Annex 5: Data on students in post-secondary education: general upper-secondary education vs. vocational education, school year 2011/2012

Level	Number of cohorts in general upper-secondary education		Number of classrooms in VET		Percentage of classrooms in VET in relationship to general upper-secondary education
	Nr	%	Nr.	%	
X	965	27,71	539	25,53	55,85
XI	1050	30,15	586	27,76	55,81
XII	935	26,84	524	24,82	56,04
XIII	533	15,3	462	21,89	86,68
Total	3483	100	2111	100	60,61

Source: MEST – EMIS 2011/2012

Annex 6: Data on students in upper-secondary education (General education vs. Vocational education) aggregated by age, and ethnicity, school year 2010/2011

Level	Number of students in the entire upper-secondary education						Number of students in VET						VET vs. GUSE
	F	%	M	%	Total	%	F	%	M	%	Total	%	
X	14823	44,77	18288	55,23	33111	30,52	6575	37,96	10746	62,04	17321	29,11	52,31
XI	16117	46,85	18281	53,15	34398	31,70	6795	39,76	10293	60,24	17088	28,71	49,68
XII	13220	47,45	14638	52,55	27858	25,67	5678	41,02	8165	58,98	13843	23,26	49,69
XIII	5628	42,84	7508	57,16	13136	12,11	4740	42,10	6520	57,90	11260	18,92	85,72
Total	49788	45,89	58715	54,11	108503	100	23788	39,97	35724	60,03	59512	100,0	54,85
Age	Number of students in the entire upper secondary education aggregated by age						Number of students in VET aggregated by age						VET vs. GUSE
	F	%	M	%	Total	%	F	%	M	%	Total	%	
15	7508	47,35	8348	52,65	15856	14,61	3569	43,98	4546	56,02	8115	13,64	51,18
16	13514	46,27	15691	53,73	29205	26,92	5653	39,03	8831	60,97	14484	24,34	49,59
17	13738	47,93	14927	52,07	28665	26,42	5867	41,15	8390	58,85	14257	23,96	49,74
18	10046	45,76	11908	54,24	21954	20,23	5215	40,26	7739	59,74	12954	21,77	59,01
19	4436	40,99	6387	59,01	10823	9,97	3102	38,35	4987	61,65	8089	13,59	74,74
20	546	27,30	1454	72,70	2000	1,84	382	23,68	1231	76,32	1613	2,71	80,65
Total	49788	45,89	58715	54,11	108503	100	23788	39,97	35724	60,03	59512	100	54,85
Ethnicity	Number of students in the entire upper-secondary education aggregated by ethnicity												
	F	%	M	%	Total	%	F	%	M	%	Total	%	
Albanian	47981	45,88	56594	54,12	104575	96,38							
Serb	739	55,23	599	44,77	1338	1,23							
Bosnian	510	41,80	710	58,20	1220	1,12							
RAE	123	25,05	368	74,95	491	0,45							
Turks	430	49,65	436	50,35	866	0,80							
Other	5	38,46	8	61,54	13	0,01							
Total	49788	45,89	58715	54,11	108503	100,00							

Annex 7: Number of students in General Upper Secondary Education vs. VET in school year 2009/2010

Number	Number of students in the entire upper-secondary education					Number of students in VET					VET in relation to the general upper-secondary education
	F	%	M	%	Total	F	%	M	%	Total	
June	47640	45,89	56176	54,11	103816	22236	39,94	33435	60,06	55671	53,62
Passed in June	39686	49,61	40318	50,39	80004	18053	44,07	22915	55,93	40968	51,21
Passed in August	7191	35,37	13137	64,63	20328	3704	30,16	8578	69,84	12282	60,42
From to:											
Certified in levels XII-XIII	10902	47,63	11987	52,37	22889	4146	40,78	6021	59,22	10167	44,42
Repeated the level	763	21,9	2721	78,1	3484	479	19,79	1942	80,21	2421	69,49
Level	Number of students that dropped out of school in VET in school year 2009/2010										
	F	%	M	%	Total	%					
X	282	19,34	1176	80,66	1458						
XI	153	29,71	362	70,29	515						
XII	98	26,92	266	73,08	364						
XIII	81	28,52	203	71,48	284						
Total	614	23,43	2007	76,57	2621						

Source: Agjencia e Statistikave të Kosovës , Education Statistics, 2010 – 2011

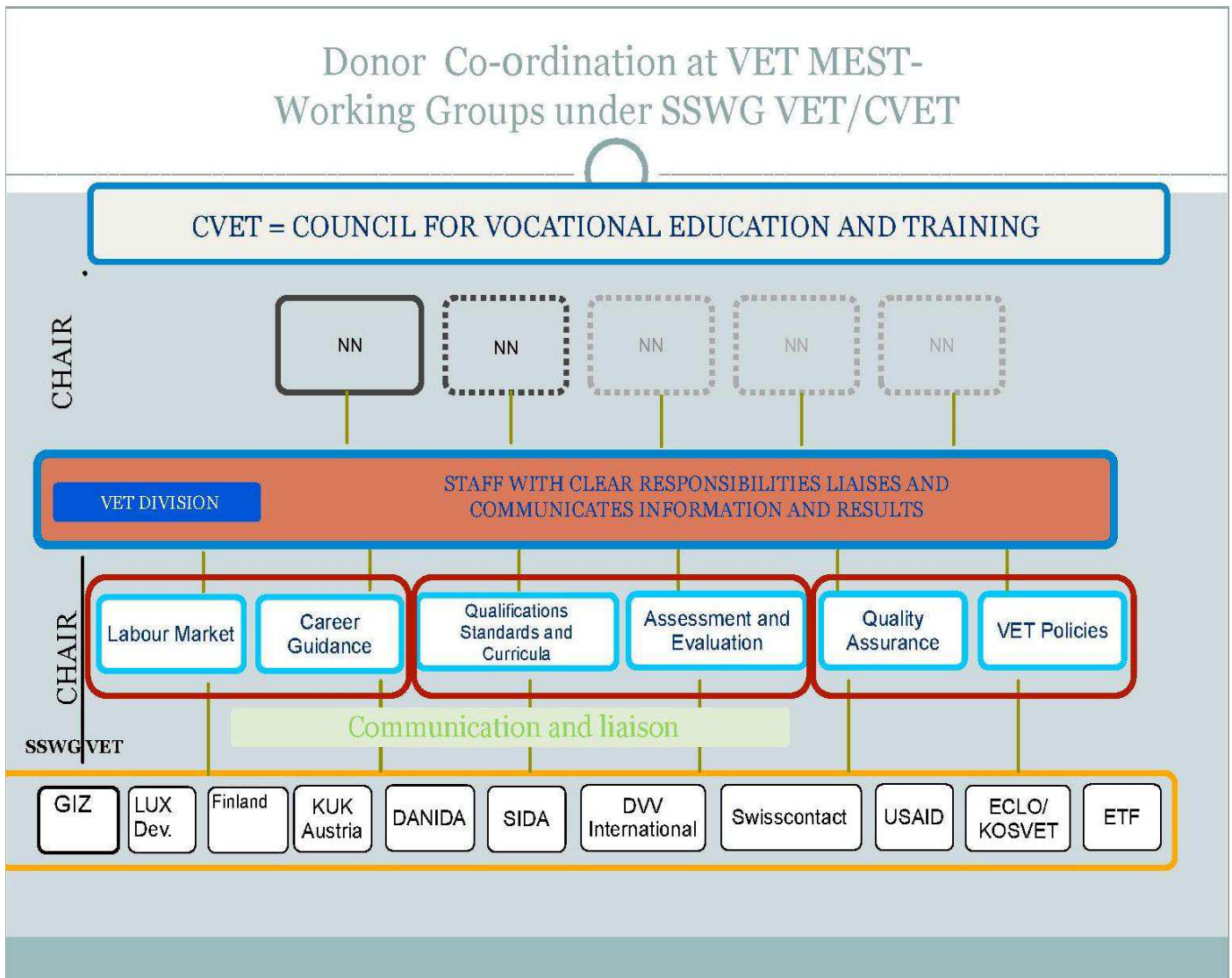
Annex 8: Data on students with disabilities involved in VET provided by Resource Centers

Center	Profile	School year 2010/2011									School year 2011/2012								
		No of students in class				Total	Ethnic background				No of students in class								
		X	XI	XII	XIII		GJ	F	Alb	Bosn	RAE	X	XI	XII	XIII	Total	F	Alb	Bosn
Total	Total	Total	Total							Total	Total	Total	Total						
Lef Nosi - Prizren	Horticultural	6	7	9	0	22	8	22	0	0	16	6	7	0	29	9	29	0	0
Përparimi - Prishtinë	Horticultural	9	10	0	0	19	10	19			26	10	10	0	46	22	46		
Nëna Terezë, Pejë	Tailoring	5	2	4	/	11	11	10		1	3	4	2	/	9	9	8		1
	Carpentry	7	/	5	/	12	/	12			3	7	/	/	10	/	10		
	Metal.	/	6	5	/	11	/	10	1		3	/	6	/	9	/	8	1	
Xheladin Deda, Pejë	TIK	2				2		2			6				6	3	6		
	Admin.		12			12	8	12				2			2		2		
					9		9	6	9					12		12	8	12	
Nëna Terezë Mitrovicë	Carpentry/ Tailoring TIK			5		5	1	5						9	9	6	9		
		5	2	4		11	3	11			4	5	2		11	3	11		
Total:		34	39	36	5	114	47	112	1	1	61	34	39	9	143	60	141	1	1
		30	34,82	31,6	4,4	100	41	98	0,88	0,88		24,11	27	6,38	100	42	99	0,7	0,7

Annex 9: Data on candidates of adult education and training provided by vocational schools operating under MEST *Source: MEST – Department of Adult Education and Training*

Prishtinë	Prishtinë	SH.M.E. Hoxhë Kadri Prishtina	85	0	51	0	72	0	71	0	279	0	0
		SH.M.T Gjin Gazulli	96	0	66	0	93	0	64	0	319	0	0
		SH.M.M Shtjefan Gjeqovi	14	0	40	0	25	0	52	0	131	0	0
		SH.M.B. Abdyl Frasherri	30	9	8	4	25	9	12	1	75	23	31
		SH.M.T 28 Nentori	79	0	55	0	74	0	74	0	282	0	0
	Podu jevë	SH.M.E Isa Boletini	62	20	17	5	44	25	61	27	184	77	42
		SH.M.T Fan S.Noli	6	1	30	10	25	4	78	22	139	37	27
	Drenas	?	0	0	29	0	78	0	75	0	182	0	0
Obiliq	SH.M.T Hasan Tahsini	41	21	4	0	8	2	20	5	73	28	38	
Total Prishtinë:											1664	165	9,9
Mitrovicë	Mitro vicë	SH.M.E .Hasan Prishtina	46	27	23	10	12	2	7	4	88	43	49
		SH.M.L.T. Arkitekt Sinani	29	12	39	13	16	3	41	12	125	40	32
	Vushtrri	Bahri Haxha	7	2	17	6	24	8	21	7	69	23	33
Total Mitrovicë :											282	106	38
Pejë	Pejë	SH.M.E. Ali Hadri	47	20	38	18	50	27	43	16	178	81	46
		Sh.M.T. Shaban Spahia	23	4	36	4	38	3	20	4	117	15	13
	Istog	SH.M.P. Mithat Frasherri	27	12	22	8	34	13	19	5	102	38	37
	Malishevë	SH.M.P. Lasgush Pogradeci	0	0	0	0	0	0	94	33	94	33	35
	Klinë	SH.M.P. Fehmi Agani	23	8	25	8	32	12	15	3	95	31	33
Total Pejë :											586	198	34
Ferizaj	Ferizaj	SH.M.T. Pjter Bogdani	54	0	63	0	27	0	38	0	182	0	0
	Lipjan	Sh.M.P. Adem Gllavica	0	0	31	10	0	0	47	20	78	30	38
	Kaqanik	?					18	9	44	16	62	25	40
Total Ferizaj :											322	55	17
Gjilan	Gjilan	SH.M.T. Mehmet Isai	14	2	19	6	17	5	29	7	79	20	25
		SH.M.E. Marin Barleti	42	23	0	0	42	18	0	0	84	41	49
		SH.M.B. Arberia	0	0	3	3	2	0	2	0	7	3	43
	Kamenicë:	?	7	3	18	4	11	5	14	5	50	17	34
Total Gjilan :											220	81	37
Prizren	Prizren	SH.M.E. Ymer Prizreni					181	33			181	44	24
	Suharekë	SH.M.T Skender Laurasi	110	35	0	0	0	0	219	28	329	63	19
Total Prizren:											510	107	21
Total of AET enrolled candidates											3584	713	19,98

Annex 10: Donor Coordination at VET- Sub Sector working group and the structure of the small working groups



Source: GIZ, 2012.

Annex 11: Detailed information from the companies/employers from each sector (altogether 6 sectors) studied by the MEST, KCC and GIZ

Construction 1 (bricklayer - concrete worker – carpenter)	<p>In general, employers' main concerns are the lack of VET students and graduates' discipline-specific competences, with a particular emphasis on their limited previous experience relevant to construction industry requirements (GIZ – Construction 1, 2012, p. 55).</p> <p>The human and social competences of the graduates and trainees have been valued higher than their technical competences. It is clearly stated that the diplomas are not as valued as the practical work experience of their employees/ VET graduates and trainees (from both vocational schools and training centres). To this end, the lack of practical skills has been attributed to the inappropriate machinery and equipment for practical training, and lack of experienced teachers and trainers.</p> <p>In general, 50% of the employers in this sector show higher preference for graduates and trainees of vocational schools rather than VTCs (MEST, KCC and GIZ – Construction 1, 2011, p.61). Regardless of such preference, the study results report low overall satisfaction among the interviewed companies with the VET system and its capacity to respond to the needs and demands of this sector's labour market.</p>
Construction 2 (Road Builder; Pipeline Fitter and Duct Builder; Landscaper)	<p>Similar to Construction 1, the employers accepting VET graduates and trainees with occupations under Construction 2 (as referred to in the terminology of this study) reported a lack of practical work experience among their employees/trainees.</p> <p>The theory-specific competences of VET graduates are also called into doubt by the employers interviewed for this sector.</p> <p>The good news conveyed by those employers interviewed is their willingness to share the costs of the VET system with the public sector. In particular, many offered to facilitate their own staff in training the VET students and trainees (MEST <i>et al.</i>, 2011, p. 56).</p>
Metal sector	<p>As with Construction 2, employers in the Metal sector complain about insufficient practical skills, and gaps in technical competences and less about the human and social competences of VET graduates and trainees. The satisfaction with the VET system in general is reported as relatively low. Likewise, the companies interviewed for this sector expressed their concern about the limited training conditions (inappropriate machinery and equipment) of vocational schools and training centres (MEST <i>et al.</i> 2011, p. 47).</p>
Sales. Sales management and Public administration	<p>Similarly, the employers from the sales industry reported the lack of graduates' "adequate knowledge" of the field and profile and difficulties in finding professional employees.</p> <p>The employers from this sector expressed some strong opinions about the weaknesses of the VET system and their disappointment with graduates' lack of competences in the field, lack of willingness and motivation to work and irresponsibility at work. In general this sector's companies imply dissatisfaction and lost trust in the VET system (MEST <i>et. al.</i>, 2011, p.43-44).</p>
Tourism sector (Gastronomy and hotel)	<p>Employers in this sector emphasised VET graduates and trainees' lack of field-specific competences and the VET system's cooperation with relevant ministries as well as a need for European practices and knowledge in this specific sector (MEST <i>et al.</i>, 2011, p. 49).</p>
Wood	<p>This sector's employers have reported a rather more specific concern, respectively that of the small number of graduates coming out of the secondary VET system, as opposed to the urgent need of the wood sector. As with the majority of other sectors interviewed for this study, the wood sector companies reported lack of practical skills among VET graduates and trainees. This again has been attributed to the inadequate training conditions (machinery and practical training) offered by vocational schools and training centres, as well as a shortage of trainers and teachers with practical experience.</p>

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