

TORINO PROCESS

COMPENDIUM
OF COUNTRY
REPORTS 2010





TORINO PROCESS

Compendium of country reports

May 2011

Introduction

The following document presents a compendium of key data, challenges and priorities facing partner countries in the reform of their VET policies and systems.

It consists of key passages, largely taken from the executive summaries of the 2010 Torino Process reports. It also contains comparable extracts from the 2010 HRD reviews in the Western Balkans and Turkey as well as the chapter on the candidate countries taken from the EU Bruges report published by Cedefop, *A bridge to the future: European policy for vocational education and training 2002-10* (2010). In addition, for the convenience of the reader, the ETF has also added the 2010 Key Indicators used for each country as one of the evidence bases for its support to partner countries.

It is intended as a 'ready-reference' working document for knowledge sharing among participants at the ETF international conference on Learning from Evidence, Torino 9-11 May 2011. In this sense, the country summaries included in the Compendium complement the regional and cross-country analyses and key indicators presented at the conference.

Please note that full versions of the country reports and key indicators are available on the ETF website. The ETF would take this opportunity once more to express its appreciation for the support from the many stakeholders in the partner countries who have helped to draw up the country reports.

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1. WESTERN BALKANS AND TURKEY

Albania

Public expenditure on education in Albania is – at 3.5% in 2008 – below the level of other fast-growing economies. Funding of vocational education and training (VET) remains below the figure indicated in the Mid-Term Budget Plan. The country is highly dependent on foreign grants or loans when it comes to initiatives such as building or refurbishing basic infrastructure, introducing curricular innovations, and equipping schools with computers, textbooks, materials and other equipment. The largest investments are the Education Excellence and Equity Project (EEEP) in general education (USD 75 million) and the European Community, Swiss AlbVET and German GTZ projects in VET (total investment: EUR 29 million until 2008).

Factors that led to declining enrolment rates in primary and secondary education include the closure of schools, security risks and poverty in the early transition period. Thanks to reform efforts by the Ministry of Education and Science (MoES), the gross enrolment rate in upper secondary education went up again to 72.6% in 2008. There are enormous pressures on schools in and around Tirana, which have had to cope with a school population that has almost trebled in number, while school buildings elsewhere are relatively underutilised.

Albanian children on average complete only 8.6 years of schooling, and for most the school day is short, at 3.5 hours. Educational attainment is still relatively low, with 53.3% of the population having completed eight or nine years of schooling at most. Compulsory schooling has been extended from eight to nine years. The EEEP has helped to modernise curricula and train teachers in primary and general secondary education. It has also introduced State Matura exams, which are now managed by the Agency for the Assessment of Student Achievement. The EEEP has also helped to build and refurbish schools and purchase computers.

The number of vocational schools decreased from 308 in 1990 to 41 in 2010. VET is generally considered to be unattractive and only for low achievers. From 75% in pre-transition times, enrolment in VET is currently down to 12–13% (or 17–20% if arts, music and sports programmes are added). In addition, however, instead of enrolling in secondary VET, some young people attend short courses at vocational training centres (VTCs), and some higher professional courses are offered by universities, for example in the medical field. By and large, schools and teachers are not equipped to deliver practical learning. There are at best sporadic rather than systemic efforts to train vocational teachers and to cooperate with businesses. Donors have addressed these problems in pilot schools and programmes, but there is an issue of sustaining and expanding pilot projects once donors have withdrawn. It appears necessary to decide whether the reform of the initial VET system should continue, as this would call for a huge investment, or whether preference should be given to a well-developed system of short, practice-oriented training courses delivering qualifications at all levels. Major changes will be necessary in order to eventually make VET attractive for both individuals and employers.

A Law on the Albanian Qualifications Framework (AQF) was adopted in March 2010. This marks the beginning of a phase of major development work, for which it is difficult to envisage where resources would come from. New subject-based framework curricula for VET have been introduced.

Initial efforts to decentralise VET governance and strengthen the capacities of regional actors have been made, with regional VET committees being established in Durrës and Elbasan. However, the current legal and budgetary frameworks do not yet allow much freedom and innovation at these levels.

Enrolment in higher education has doubled since 2005, which is a major achievement. Most universities in Albania have introduced a 3+2+3 cycle, governing boards and strategic plans. Internal and external evaluation systems are being established. New curricula and credit points have started to be used. Problems regarding the quality of teaching and research are partly the result of the loss of academic staff through emigration. These problems include the fact that curricula are not competence-oriented, the weak material base of universities and the lack of cooperation with employers in teaching and research.

The Ministry of Labour, Social Affairs and Equal Opportunities (MoLSAEO) runs a network of 10 public VTCs and a mobile centre offering short training courses for registered unemployed people or other adults. Most participants (77%) belong to the 16–34 age group. They enrol on courses as an alternative to attending formal secondary education or in order to acquire additional or new skills which they could not obtain through initial education. Adult learning participation in Albania stands at a low 3%; for young adults the figure is 4%. On the whole, companies do not yet recognise training as a strategic investment.

The following key challenges in education and training remain:

- giving more responsibilities to regions and schools;
- a more efficient use and the sharing of resources between schools and VTCs;
- the adjustment of education and training provision within the regions in line with labour market and social demands;
- continuous efforts to involve social partners in the planning and delivery of VET and higher education;
- a more systematic teacher-training effort, in particular in VET;
- continuous school refurbishment and equipment upgrading;
- the expansion and flexible provision of post-secondary/tertiary VET and adult learning offers, also at higher levels of qualifications;
- the development of the AQF in line with European Qualifications Framework (EQF) orientations.

Labour market and employment

The major job losses that occurred during the early years of transition could not be compensated for by jobs in newly emerging sectors, such as manufacturing, construction and services. The activity rate is low, at 61.9%, as is the employment rate, at 56.4%. Surveyed unemployment was still contained, at 13% (all data: LFS 2008). Data show that there is a significant ‘discouraged worker’ effect. People are competing for jobs in both the public and private sectors, although private employers complain that they cannot find people with the right skills and attitudes. Job prospects outside Tirana, and especially in the remote rural or mountainous areas, are bleak. Infrastructure problems, a lack of stimulating measures by the government and the slow pace of private sector development are reasons behind underdevelopment in some parts of the country.

The number of registered unemployed people declined until 2008 since its peak in 1999, which can partly be attributed to the fact that people who obtained a piece of land in the course of land privatisation are not allowed to register, even if the mainly small plots of land cannot sustain their families.

Four active labour market policies (ALMPs) are in place, but their extent in terms of both budget and the number of beneficiaries is very limited. Performance objectives have been set for the National Employment Service (NES), but active policies have not yet been evaluated. Training commissioned by the NES is provided through MoLSAEO’s own training centres, which benefit vulnerable people such as individuals with disabilities, Roma people, trafficked women and ex-prisoners. Skills surveys conducted by the NES among employers have, to a certain extent, informed ALMPs, though they have not informed training provision.

The informal sector is extensive, with estimates of its size ranging from 30% to 60% of GDP. It includes both non-registration and underreporting by businesses. Reasons for this include a weak tax collection system. However, improvements have been made recently, in particular as regards large companies. The challenge now is to achieve the same results for the small and medium-sized enterprise (SME) sector.

Doing business has become easier. Constraints on growth and job creation include an infrastructure that is still not fully developed – including in relation to energy, transport and communications –

persisting land property issues, competition from the grey economy and a lack of effective SME and local development policies. The lack of skilled workers represents a major constraint on further growth and job creation.

The surveyed youth unemployment rate in 2008 was 13%, a slight improvement on 2007 when the figure was 13.5% (LFS). During the years of crisis, many young people did not finish school. The early school-leaving rate in 2008 stood at a high 39%. Young females face greater disadvantages than young males in accessing the labour market. Many young people work in agriculture and fishing, as unpaid family members or in informal sector jobs. Labour market entrance is difficult for graduates from all forms of education, but low-skilled or unskilled young people face the worst job prospects. Better harnessing the potential of the young population comprises continuous efforts to develop higher skills and create jobs.

The inactivity rate in Albania is high, at 38.1% in 2008, up from 34.8% in 2007. Some 86.8% of all unemployed people stay on the register for more than 12 months. Those with only basic education (eight or nine years of schooling) form the largest group by far (50.5%), followed by those with upper secondary general education (26.6%). However, there are no effective policies either to activate inactive people or to prevent people from falling into, or help them escape from, long-term unemployment.

Both the activity and employment rates for females were low, at 52.8% and 45.6% respectively in 2008. The surveyed female unemployment rate rose from 12.2% in 2007 to 13.7% in 2008, which is comparable with the corresponding male rate of 12.6%. Albanian women face considerable levels of exclusion and disadvantage in all spheres of life. In the labour market this relates to the types of jobs women do, the level of informality, and wage levels. Reasons for female unemployment include the closure of state enterprises, women's role as the sole caretaker of the household, mobility restrictions and the increase in the number of job opportunities in male-dominated occupations. The situation of women in rural or remote areas, where basic services are lacking, is even more difficult. The MoLSAEO and non-governmental organisations (NGOs) are trying to work towards gender equality, but more comprehensive measures are needed.

At national level, institutional capacities for the design, implementation, monitoring and evaluation of employment policies have recently been strengthened. There is now a need to build the capacities of most regional and local labour offices. Social partners are represented on the NES governing board, but need to become true partners of government in terms of not only designing employment policies together, but also feeling committed to the implementation of such policies.

The challenges for labour market and employment policy include:

- the continuous fight against informal employment;
- the setting and monitoring of feasible objectives in a National Employment Action Plan, to which the entire government and social partners would allocate resources and feel committed;
- the modernisation of labour offices;
- the cleaning of registers;
- identifying and reaching out to vulnerable people;
- offering targeted measures for them.

The last of these, ALMPs, would be aimed at, and monitored against, individuals' labour market integration. There is a need for diversified training courses, the training of trainers, better cooperation with employers, and coaching and support to promote self-employment.

Social and territorial inclusion

Albania's sustained growth over many years has led to poverty reduction, lifting almost half of those who were poor in 2002 out of poverty by 2008. The country has also been able to considerably improve its Human Development Index (HDI).

The Social Inclusion Crosscutting Strategy (MoLSAEO, 2007b) identifies children and young people at risk, Roma and Balkan-Egyptian people, individuals with disabilities, elderly people, and women as vulnerable groups.

Not even half of all children attend kindergartens. Among those who do not attend are those from poor families, individuals with disabilities and Roma children. Access is a problem for people who live far away from an urban or village 'core'. The reasons for early school leaving include poverty, unattractive programmes and a lack of respect on the part of teachers for diversity among pupils. Children suffer from a vicious circle of poverty and low levels of literacy and education. Teacher and peer discrimination often affect children whose parents are welfare recipients, who have a disability or who are from Roma or Egyptian backgrounds. School completion rates are lowest for Roma children. However, the attendance levels of these children at schools and, to a certain extent, also universities, have recently improved as a result of a number of measures.

Overall, legislation in Albania favours social inclusion in education, though good practice is at best sporadic. Inclusive education is not yet recognised as a valid pedagogical concept that is also practised during teacher education. Child-centred approaches require more competences, discretion in relation to the hitherto rigid, fact-based curricula, and adequate teaching support.

Many women, individuals with low levels of education, people with disabilities and Roma people are well outside the formal labour market.

The MoLSAEO has included Roma people, and in particular women, in its ALMPs. Some 50% of participants who benefitted from the ministry's Second Chance programme for school dropouts were Roma individuals who attended courses at VTCs.

The Labour Code prohibits any kind of discrimination in the training and employment of people with disabilities. While vocational training, where it is available, is provided free of charge, the implementation of the Labour Code by companies is not monitored.

Legislation provides for the equal treatment of men and women. In reality, women have less access to formal jobs, earn lower wages than men and are at a higher risk of poverty and social exclusion. Mitigating measures include training and employment initiatives and support for women who are heads of household, for trafficked girls or women, for females who have been abused and for females from ethnic communities, albeit on a small scale.

Albania continues to experience significant and widening problems of regional disparity. Poverty is highest in Dibër, Kukës and Lezhë in the north and northeast of the country. These are the counties that also have the lowest activity rates, while unemployment rates are highest in Shkodër, Durrës and Lezhë. Tirana and Durrës are destinations for internal migration, while underdeveloped areas are becoming less populated. In 2007 the Albanian government adopted a countrywide Regional Development Strategy, the provisions of which have yet to be implemented. A first meeting of Albania's Regional Development Committee took place in April 2010. The Committee will identify projects and distribute funding, in accordance with specific poverty criteria.

The challenges in terms of social and territorial inclusion include the need to give increased attention to early childhood education and inclusive education policies and practices, including second-chance measures, especially for students from poorer backgrounds, individuals with disabilities and Roma children. MoLSAEO's Second Chance programme is a step in the right direction, but requires extension, and a packaging of measures is required in order to help people integrate into the labour market. There is a need to empower local authorities to implement appropriate actions, to provide better information, and to enhance the effectiveness of both education and employment measures. Research and analysis, crosscutting policy approaches, greater capacities and resources for ALMPs and careful monitoring are required in order to ensure equality for women. Regional partnerships would need to agree on employment strategies and underpinning human resources development issues as part of wider regional development strategies.

Albania: ETF key indicators 2010

	Year	AL	EU 27
Population, total (million)	2008	3.1	497.7
Dependency rates (%): as % of working age population	2008	50.5	48.7
Dependency rates (%): 0-14 as % of working age population	2008	36.4	23.3
Dependency rates (%): 65+ as % of working age population	2008	14.0	25.4
Life expectancy, years	2008	76.6	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	7.3	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	20.8	1.8
Industry, value added (% of GDP)	2008	19.6	26.4
Services, etc., value added (% of GDP)	2008	59.6	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	96	
Employment rates (%), total (15-64)	2009	53.8 ⁽¹⁾	64.6
Employment rates (%), female (15-64)	2009	45.6 ⁽¹⁾	58.6
Youth unemployment rates (%), (15-24)	2009	27.2 ⁽¹⁾	19.8
Youth unemployment rates (%), female (15-24)	2009	27.2 ⁽¹⁾	18.5
Unemployment rates (%), total (15+)	2009	13.0 ⁽⁵⁾	8.9 ⁽¹⁰⁾
Unemployment rates (%), female (15+)	2009	13.7 ⁽⁵⁾	8.9 ⁽¹⁰⁾
% of 25-64 years old having participated in lifelong learning, total	2009	2.0 ⁽¹⁾	9.4 ⁽¹⁾
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	47.5	71.4
Gross enrolment ratio - Primary (ISCED 1)	2008	102.1 ⁽⁴⁾	
Gross enrolment ratio - Lower Secondary (ISCED 2)	2008	98.9 ⁽⁴⁾	
Gross enrolment ratio - Upper secondary (ISCED 3)	2008	56.2 ⁽⁴⁾	104.5
Gross enrolment ratio - Tertiary (ISCED 5+6)	2008	19.3 ⁽⁴⁾	
Participation in VET in % of upper secondary	2008	16.3	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	14.7 ⁽³⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008	19.7 ⁽³⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008	8.4	25.2
Share of private general education in total general education (%) in ISCED 3	2008	8.9	13.9
Public expenditure on education as % of GDP	2008	3.5	5.0 ⁽²⁾

Notes: (1) 2008. (2) 2007. (3) 2006, (4) 2004. (5) 2008 (15-64). (6) Public Institutions. (7) Percentage of the population aged 25 to 64 with at least "medium" education. (p) Provisional value. (e) National Estimations. (8) age group 25-49. (9) age group 25-54. (10) 15-74.

Bosnia and Herzegovina

Bosnia and Herzegovina (BiH) is currently a candidate country for membership in the European Union and EU accession is a top priority in all public statements and policy documents. The European integration process is expected to operate as a catalyst encouraging more systematic State strategic planning and implementation and overcoming issues arising from the current fragmented administrative structure.

The most recent Commission Progress Report (Commission 2009) states: "Bosnia and Herzegovina has made very little progress in addressing political criteria for enlargement and domestic climate has deteriorated and challenges to the proper functioning of the institutions and inflammatory rhetoric have continued. Reform implementation has been slow, due to a lack of consensus and political will and to complex institutional framework..."

On education the report states that ... "Some progress has been made in the field of education and culture. The Conference of Ministers of Education has contributed to ensure basic coordination between the 14 competent ministries in the country. However harmonisation of legislation at entity and cantonal level has not been completed and implementation across the country has been uneven. Finally as regards employment, the assessment is that legislation and policies remain very fragmented and that the lack of co-operation between the various levels of the government continues to be a serious handicap to the development of the necessary coordinated approaches".

Although the macro-economic situation in Bosnia and Herzegovina improved in recent years, the worldwide global economic and financial crisis began to have a negative impact on economic growth and employment in the last quarter of 2008. The impact of the crisis was accentuated by underlying structural problems that reduce the competitiveness of BiH in comparison with other Western Balkan countries and that lead to low activity rates, high youth unemployment, extensive long-term unemployment and a significant informal economy.

Vocational Education and Training (VET) can play a key role in addressing current challenges when placed in the context of lifelong learning, as is the case the 2007-2013 VET Development Strategy and the Framework Law on VET (2008).

The VET system is currently mainly confined to secondary education where enrolment is decreasing due to a combination of demographic trends and reduced attractiveness of the system; in particular the 3 year vocational cycle. Only limited adult learning opportunities are available.

The EU has provided substantial support for VET reform since 1998, contributing to an updated curriculum and technical endowment in schools, improved teacher capacities, data collection on labour market needs, the promotion of social dialogue and communication between entities at canton level. Many policy documents and strategies were produced through EU financed projects, but these were mostly produced by technical assistance teams with the role of local authorities frequently limited to mere formal endorsement rather than full knowledge and ownership.

Discussions have recently been underway on a Baseline Qualifications Framework and a concept note has been prepared by the Ministry of Civil Affairs for submission to the Conference of Ministers. This concept note and the first meeting of the General Education Council in July 2010 are important initial steps toward the establishment of a harmonised, transparent and modern education system in BiH.

This Torino Report works on the premise that educational reform is a long-term process and that, as a part of the system, VET reform must continue in order for labour market requirements to be met and for access to education and social inclusion to be promoted. The analysis in this report has led ETF to identify the following priorities for further mid-term development:

- Promote dialogue and partnership between private and public sectors and engage employers in all stages of the skills development agenda, taking into consideration the Baseline for Qualifications Framework in Bosnia and Herzegovina. As part of this dialogue, engage in discussion with the social partners and the higher education community on the development of post secondary VET and short vocational cycles in higher education. Make use of on-going discussions on the qualifications framework. This is also crucial in making VET more attractive.

- Increase motivation for learning by better identifying training needs and developing incentives for adult learning including free access to basic qualifications for all. Develop an information system on skills needs and forecasts as well as on good practices in VET in cooperation with employers. Disseminate these good practices widely through the Internet and awareness-raising campaigns.
- Continue the adaptation and review of training standards and curricula in order to cover all existing occupations. Involve VET teachers, trainers and principals systematically in these processes. Pay attention to pre-service and in-service training as well as to overall professional career structure in order to improve teacher status in society.
- Increase the autonomy of vocational schools and providers. Encourage them to develop initiatives for learning and innovative coursework, particularly for addressing social inclusion needs, through more flexible regulations and adequate incentives that are more conducive to this. Do not wait for a fully fledged certification system before undertaking action.
- Promote reform of VET financing, in particular with reference to improving efficiency. Start with a comprehensive review of the financing system and examine various per capita and performance-based approaches to funding reforms.
- Develop evidence for VET policy formulation, implementation and monitoring by supporting the VET Department of the Agency for Pre-school, Elementary and Secondary Education in the collection, production and dissemination of appropriate indicators and tools.
- Make the employment service more effective by increasing the number of qualified staff and improve labour market mobility by introducing a State-wide, national database of vacancies. Reform legislation on active labour market policy in order to allow for the systematic planning and implementation of this. Investigate ways to increase the budget available for active labour market measures (ALMMs).

Bosnia and Herzegovina: ETF Key Indicators 2010

	Year	BH	EU 27
Population, total (million)	2008	3.8	497.7
Dependency rates (%): as % of working age population	2008	41.7	48.7
Dependency rates (%): 0-14 as % of working age population	2008	22.2	23.3
Dependency rates (%): 65+ as % of working age population	2008	19.5	25.4
Life expectancy, years	2008	75.1	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	8.1	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	9.1	1.8
Industry, value added (% of GDP)	2008	28.5	26.4
Services, etc., value added (% of GDP)	2008	62.4	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	109	
Employment rates (%), total (15-64)	2009	40.1	64.6
Employment rates (%), female (15-64)	2009	29.3	58.6
Youth unemployment rates (%), (15-24)	2009	48.7	19.8
Youth unemployment rates (%), female (15-24)	2009	52.7	18.5
Unemployment rates (%), total (15+)	2009	24.1	8.9 ⁽¹⁰⁾
Unemployment rates (%), female (15+)	2009	25.6	8.9 ⁽¹⁰⁾
% of 25-64 years old having participated in Lifelong Learning, total	2009		9.4 ⁽¹⁾
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment ratio - Primary (ISCED 1)	2008	109.3	
Gross enrolment ratio - Lower Secondary (ISCED 2)	2008	105.1	
Gross enrolment ratio - Upper secondary (ISCED 3)	2008	77.5	104.5
Gross enrolment ratio - Tertiary (ISCED 5+6)	2008	33.5 ⁽²⁾	
Participation in VET in % of upper secondary	2008	75.1	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008		5.0 ⁽²⁾

Notes: (1) 2008. (2) 2007. (3) 2006, (4) 2004. (5) 2008 (15-64). (6) Public Institutions. (7) Percentage of the population aged 25 to 64 with at least "medium" education. (p) Provisional value. (e) National Estimations. (8) age group 25-49. (9) age group 25-54. (10) 15-74.

Kosovo

In the last two years the Government of Kosovo, and particularly its Ministry of Education and Science and Technology, have taken major steps towards developing a unified education and training strategy, covering areas such as initial VET, adult education and non-formal education. A key initiative supporting systemic reform is the introduction of the sector-wide approach in the education sector and the drafting of the Comprehensive Strategy for Education 2011–2016, which will be used also for annual planning and harmonised in line with the Medium Term Expenditure Framework.

In considering the overall vision for VET, and its governance and management, policy efforts to focus on Kosovo's National Qualification Framework (NQF) are making progress in establishing the new building blocks. The government has designed an overarching framework and set ambitious goals for it. Achieving these goals requires time and policy commitment, because the gap between the desired system and the present one is wide and an incremental approach should be taken into consideration. On the other hand, the centres of competence can be seen as the most prominent initiatives to raise the attractiveness and prestige of VET and to articulate vocational training with the labour market on a sectoral basis. In this respect the centres of competence can be decisive in exemplifying the critical reform features such as autonomy, multi-services, work-based learning and flexible pedagogical organisation. Success will largely depend both on the involvement of enterprises and their sectoral representatives and on building linkages with tertiary education.

Overall reforms are in progress, but there is still great scope for improvement. The capacities and institutional culture of policy evaluation are not up to the declared strategic goals. One of the most serious concerns is the issue of administrative capacity: policy making in the public institutions remains weak. It continues to be affected by political agendas, a chronic lack of adequate human resources, high turnover and insufficient implementation and monitoring capacities. Successful implementation of the VET Comprehensive Strategic Plan 2011–2016 and other reform efforts will depend greatly on a coordinated approach by all the institutions and other stakeholders involved in the process.

In the case of Kosovo, an evidence-based VET policy review must take the importance of the country context fully into account. Kosovo must be seen as a post-conflict transition country with aspirations to European integration. For decades the education and training system has experienced deep crises and post-conflict traumas, where the logic of planning first and then implementing evidence-based policies is displaced by the need to tackle urgent issues, such as getting students into schools, reducing shifts from three to two (and ideally to one) and ensuring that all students have textbooks. Consequently the process of policy making cannot be anything else but both rational and non-linear.

The policy-making process is distorted even more in an environment, such as Kosovo's, in which there are many international donors and aid agencies, all of whom, though well-intentioned and committed, have their own views on what to reform in the given sector and how to do it. Sometimes they offer different and conflicting advice based on their own models and priorities (all of it evidencebased). This leads to even greater confusion in government VET policies.

Because of the lack of institutional capacity, different donor approaches can sometimes hamper the consolidation of evidence-based policy making. Here, a policy learning approach that develops national capacities to inform policies by drawing lessons from the available evidence and experience is necessary. This includes the capacity of Kosovo institutions and policy makers to learn from their own experience and from that of other countries.

However, so far there has not been a stocktaking review of the impact of the VET policies already implemented, and there is not enough analysis to enable understanding of (i) to what extent the VET policies achieved their objectives, and (ii) if they did not achieve or only partially achieved them, the reasons this, so as to be able to realign policies and measures to the desired outcomes. In the absence of monitoring and evaluation, policies may be failing without anyone knowing it. For instance, there is a concern that stakeholders are not fully involved in discussions before policy decisions are made. It is also the case that in general no sound evidence is provided for policy maintenance, succession or termination.

Kosovo: ETF Key Indicators 2010

	Year	XK	EU 27
Population, total (million)	2008	1.8	497.7
Dependency rates (%): as % of working age population	2008	55.8	48.7
Dependency rates (%): 0-14 as % of working age population	2008	44.7	23.3
Dependency rates (%): 65+ as % of working age population	2008	11.0	25.4
Life expectancy, years	2008	69.4	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008		
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	12.0	1.8
Industry, value added (% of GDP)	2008	20.0	26.4
Services, etc., value added (% of GDP)	2008	68.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/10		
Employment rates (%), total (15-64)	2009	21.8 ⁽¹⁾	64.6
Employment rates (%), female (15-64)	2009	9.4 ⁽¹⁾	58.6
Youth unemployment rates (%), (15-24)	2009	73.0 ⁽¹⁾	19.8
Youth unemployment rates (%), female (15-24)	2009	81.8 ⁽¹⁾	18.5
Unemployment rates (%), total (15+)	2009	47.5 ⁽⁵⁾	8.9 ⁽¹⁰⁾
Unemployment rates (%), female (15+)	2009	59.6 ⁽⁵⁾	8.9 ⁽¹⁰⁾
% of 25-64 years old having participated in Lifelong Learning, total	2009		9.4 ⁽¹⁾
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment ratio - Primary (ISCED 1)	2008		
Gross enrolment ratio - Lower Secondary (ISCED 2)	2008		
Gross enrolment ratio - Upper secondary (ISCED 3)	2008		104.5
Gross enrolment ratio - Tertiary (ISCED 5+6)	2008		
Participation in VET in % of upper secondary	2008	56.9	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	17.4 ⁽⁶⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008	20.9 ⁽⁶⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008		5.0 ⁽²⁾

Notes: (1) 2008. (2) 2007. (3) 2006. (4) 2004. (5) 2008 (15-64). (6) Public Institutions. (7) Percentage of the population aged 25 to 64 with at least "medium" education. (p) Provisional value. (e) National Estimations. (8) age group 25-49. (9) age group 25-54. (10) 15-74.

Montenegro

In line with the thematic priorities of the Instrument for Pre-Accession Assistance (IPA) human resources development operational programme and the remit of the European Training Foundation (ETF), the aim of this country review is to analyse how education and training from a lifelong learning perspective, employment and social inclusion contribute to the development of human resources in Montenegro.

Montenegro, which has a population of around 630 000, has undergone radical political, economic and social transformations in recent years and through a peaceful process became an independent state in 2006. The country has enjoyed political stability, and EU accession is a nationally shared policy anchor for the reform process.

Montenegro has successfully completed the first stage of economic transition by achieving macroeconomic stability and launching market reforms. The post-independence period has seen double-digit growth rates driven by foreign direct investments (FDIs). With tourism as the engine of growth, the structure of the economy has radically changed, and 72.5% of the workforce is now employed in the service sector. Small and medium-sized enterprises (SMEs) represent 99.8% of businesses and 60.0% of national gross domestic product (GDP). The economic boom during the post-independence period has been interrupted by the global economic crisis, and the prospects for a rapid and full recovery are not very reassuring. There is a need for a shift away from the previous growth model, which was based on external drivers, and towards a new growth pattern that relies to a greater extent on home-grown factors such as innovation, productivity and knowledge intensity.

The economic downturn has put poverty on the rise again. There are significant regional disparities in economic development and living standards. Socioeconomic inequalities influence access to and participation in education and lawful employment. Roma, Ashkelia and Egyptians, displaced people, and people with disabilities are among the poorest, most disadvantaged and most marginalised groups, and social inclusion policies have only recently been introduced.

The labour market underwent significant shifts during the transition phase. Structural deficiencies remain, with low employment rates (48.8%), a low female participation rate, and regional disparities. While there has been a remarkable reduction in unemployment, the recent economic deceleration has caused it to increase again (to 19.1%), and there is a high incidence of long-term unemployment (15.5% of the labour force) and youth unemployment (34.9%). These conditions have facilitated an early exit from the labour market for older workers. The labour market is segmented, with fixed contracts on the increase and informal employment persisting.

A wide range of active labour market measures (ALMMs) have been implemented, but these need to be better targeted towards vulnerable groups. The job placement and referral system needs to be improved further. The social security element of passive labour market policy is still weak, with the unemployment benefit scheme having limited coverage (only a third of the registered unemployed receive unemployment benefits), a low wage replacement rate and strict entitlement rules. The capacities of the public employment services have been continuously improved, but such services do not reach one-third of those who are unemployed according to labour force surveys (LFS). Comprehensive activation measures need to be implemented in order to tackle the problems of inactivity, long-term unemployment, and regional and gender disparities. New jobs and vacancies are an important condition for effective activation of unemployed individuals, but in spite of comparatively favourable business conditions, insufficient jobs have been created. Employment policy lacks coordination and strategy, feasible goals and effective implementation; strategic capacities, and delivery and monitoring systems need to be reinforced.

The education and vocational education and training (VET) systems, on the other hand, do not adequately serve the changing needs of the labour market, despite the reforms conducted so far. There has been a lack of comprehensive skill needs analyses to inform VET policy, and the communication systems between the labour market and VET need to be improved. The mediation system provided by the social partners is still too weak, and there is a need to create skill-forecasting capacity within the country. While occupational standards and curricula have been revised, practical skills training, training for key competences and the overall quality of VET provision are still underdeveloped. There is lack of counselling and guidance within the formal education system. There is an acute need for adult learning provision at all levels, and although lifelong learning is a policy

priority, much remains to be done. The process of developing a national qualification framework (NQF) has been launched.

Public financing of education and training, which is still mainly input-based, has declined, while private spending has increased. Decentralised governance has enabled schools to have greater influence on curricula, finance and administration. However, school leadership needs to be reinforced, and teaching and learning processes in schools need to be modernised. A key factor is teacher competences: adequate pre-service vocational teacher education should be established, and continuing development of teacher competences needs to be reinforced at all levels. Training for key competences appears to be most relevant in terms of emerging labour market needs. Education reforms have, on the whole, been strongly influenced by donors, with too many policy and strategy documents developed. Montenegro could profit from building its own capacity for policy design and implementation.

In addition, this review formulates a number of recommendations in relation to social inclusion, such as increasing the participation of vulnerable groups in quality education and training and in decent employment, supporting regional cohesion through the development of comprehensive strategies for the northern region, and mainstreaming social inclusion.

The concluding message of the report is that although in the past two decades Montenegro has carried out intensive reforms in its education, employment and social protection systems that have brought about impressive results, more remains to be done in order to ensure alignment with EU standards and to achieve the overarching goal of EU accession for the country.

Montenegro: ETF Key Indicators 2010

	Year	ME	EU 27
Population, total (million)	2008	0.6	497.7
Dependency rates (%): as % of working age population	2008	47.9	48.7
Dependency rates (%): 0-14 as % of working age population	2008	28.9	23.3
Dependency rates (%): 65+ as % of working age population	2008	19.0	25.4
Life expectancy, years	2008	74.1	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	13.4	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	8.8	1.8
Industry, value added (% of GDP)	2008	17.8	26.4
Services, etc., value added (% of GDP)	2008	73.4	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	62	
Employment rates (%), total (15-64)	2009	48.4	64.6
Employment rates (%), female (15-64)	2009	41.6	58.6
Youth unemployment rates (%), (15-24)	2009	35.6	19.8
Youth unemployment rates (%), female (15-24)	2009	35.6	18.5
Unemployment rates (%), total (15+)	2009	19.1	8.9 ⁽¹⁰⁾
Unemployment rates (%), female (15+)	2009	20.5	8.9 ⁽¹⁰⁾
% of 25-64 years old having participated in Lifelong Learning, total	2009		9.4 ⁽¹⁾
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	68.0	71.4
Gross enrolment ratio - Primary (ISCED 1)	2008		
Gross enrolment ratio - Lower Secondary (ISCED 2)	2008		
Gross enrolment ratio - Upper secondary (ISCED 3)	2008		104.5
Gross enrolment ratio - Tertiary (ISCED 5+6)	2008		
Participation in VET in % of upper secondary	2008		48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	3.4 ⁽²⁾	5.0 ⁽²⁾

Notes: (1) 2008. (2) 2007. (3) 2006, (4) 2004. (5) 2008 (15-64). (6) Public Institutions. (7) Percentage of the population aged 25 to 64 with at least "medium" education. (p) Provisional value. (e) National Estimations. (8) age group 25-49. (9) age group 25-54. (10) 15-74.

Serbia

Important policy measures have been implemented recently in Serbia, representing a new policy direction that builds much more on national priorities and ownership. The new Law on Education System Fundamentals lays the cornerstone for future developments and is providing clear guidelines for action in the short term. Activation of the National Education Council provides substantial support to continuing development, quality care and monitoring of the overarching progress of the education system. The advisory role of the Council for VET and Adult Education is an important new voice, hopefully with a capital 'V' and it has a number of important functions, among others links with business, national qualifications framework (NQF) and new curricula. Serbia has recently designed two new Tempus projects; one aims at developing a national education research capacity and the other aims at establishing new basic teacher education (as specified in the new Education Law) designed as a result of collaboration between the Ministry of Education and a number of Serbian and foreign universities. This represents a whole new model for teacher qualifications in Serbia. Both initiatives are generated and owned by Serbia, which is the best way forward for the country in place of the frequent over-dependency on foreign technical assistance.

There are still a number of weaknesses within the education system, especially at secondary level and in adult education. Only some vocational curricula have been reformed and implemented in pilot schools leaving the country with a fragmented curriculum structure and unevenly developed schools. The upper secondary 'gymnasium' has not been reformed at all, which is problematic in a knowledge economy. Adult education provision is still very weak and needs reform of its content, methods and infrastructure. Teacher and school leader competences need to be developed. Teaching and learning methodologies require reform and the education system would benefit from a competence development initiative for teacher educators.

Labour market statistics indicate that most inactive and unemployed people, as well as discouraged jobseekers, are graduates from secondary education. This reveals that the link between the labour market and secondary education, including vocational education and training (VET), has been weakened during the transition years. It is widely believed that higher education is too theoretical, as is secondary education, and it does not provide the skills that the labour market needs. There is a relatively high level of 'education logic' as the basis for stipulations of human resources development in Serbia and this makes the education system more supply- than demand-driven. Within human capital development guidelines, education policy is put on a level with economic policy, as investment in skills through education is seen as the key to competitiveness in a globalised market. Better involvement of, and mediation by, social partners – in particular employers – in defining VET policy and, to some extent, higher education policy is therefore crucial, as their inputs to the policy process enable better linkages to be developed between the labour market and education.

It is necessary to regularly evaluate and monitor the outcomes of the education system from an employability point-of-view. A follow-up mechanism with tracer studies on the graduates of VET and higher education is recommended as a means of checking whether they have been placed in the labour market and in relevant jobs, as this would lead to an ongoing review of the education system. Such evaluation and monitoring should actively involve social partners and other stakeholders in order to increase the accountability of the VET and higher education systems.

Job creation is still very weak even though the transition years are almost over. Most jobs in the second half of the 2000s were generated by small and medium-sized enterprises (SMEs) which also account for a significant proportion of employment. However, most SMEs have been established as the last resort for many people. There is a sustainability problem for SMEs, with several conditions, such as access to finance and micro-credit, counselling, and entrepreneurial training, in need of improvement. In addition, it is important to support self-employed people and SMEs by increasing their access to information on the potential of the market, including foreign markets.

Although the Ministry of Economy and Regional Development is the authority responsible for employment policy, it is not the only actor in the implementation of employment policies, as job creation is an outcome of developments in education and the economy as well as in the labour market. A sustained dialogue between public institutions and social partner organisations is therefore necessary to ensure better coordination of employment policy.

Most employment strategies in Serbia have been prepared by national actors, although there is some EU and other donor assistance. However, recent employment strategies reveal that overambitious

goals often hamper the practical implementation of measures laid out in strategic plans for the labour market. It is not only important to do the right things, but also to do things right. Rather than introduce yet more pilot projects and innovative programmes, the programmes already in place should be improved and their continuity maintained.

The capacity of the Serbian National Employment Service is still limited in coping with all aspects of active labour market measures (ALMMs). There is an immediate need for organisational development and staff training to enable continuous improvement of services to both the unemployed and employers. Other priorities are good information and communication technology (ICT), regular evaluation of programmes and a better division of responsibilities between the national and local levels. The recent increase of the budget allocated for ALMMs is a good sign as it may lead to increased staff numbers and enhanced capacity. Much of training/retraining provided by the National Employment Service can be outsourced.

The Serbian government is committed to increased participation by vulnerable, excluded and poor groups of the population in economic and social life. Broader education and employment opportunities need to remain at the core of these efforts. Numerous education initiatives aimed at ensuring better education access, participation and attainment of vulnerable children are essential, yet they have to be better coordinated to ensure accumulated and synergetic effects. Affirmative interventions promoting pathways to formal employment for vulnerable groups also have to be considered in partnership with the private sector. Successful labour market inclusion requires an integrated approach, supported by specialist social services, personalised employment and training programmes and, last but not least, basic income security. The successful implementation of measures should go hand-in-hand with anti-discrimination measures addressed at majority communities, employers, educators and parents.

The deepening disparities between the regions in Serbia are problematic. There is a need to develop well-targeted, multi-dimensional and locally designed approaches to tackle interconnected problems in disadvantaged regions, such as out-migration resulting in depopulation and population ageing, a diminishing economic base with limited employment opportunities, low income levels and dependence on social welfare and poor infrastructures and quality of education. Part of these efforts could be solved by rebuilding the social infrastructure and mobilising and empowering local people to change their lives themselves through community development.

Serbia: ETF Key Indicators 2010

	Year	RS	EU 27
Population, total (million)	2008	7.4	497.7
Dependency rates (%): as % of working age population	2008	47.9	48.7
Dependency rates (%): 0-14 as % of working age population	2008	26.4	23.3
Dependency rates (%): 65+ as % of working age population	2008	21.5	25.4
Life expectancy, years	2008	73.6	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	10.6	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	13.0 ⁽²⁾	1.8
Industry, value added (% of GDP)	2008	28.4 ⁽²⁾	26.4
Services, etc., value added (% of GDP)	2008	58.6 ⁽²⁾	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	93	
Employment rates (%), total (15-64)	2009	50.0	64.6
Employment rates (%), female (15-64)	2009	39.3	58.6
Youth Unemployment rates (%), (15-24)	2009	42.5	19.8
Youth unemployment rates (%), female (15-24)	2009	48.3 ⁽²⁾	18.5
Unemployment rates (%), total (15+)	2009	19.7	8.9 ⁽¹⁰⁾
Unemployment rates (%), female (15+)	2009	18.4	8.9 ⁽¹⁰⁾
% of 25-64 years old having participated in Lifelong Learning, total	2009		9.4 ⁽¹⁾
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	74.2 ⁽⁷⁾	71.4
Gross enrolment ratio - Primary (ISCED 1)	2008	98.3 ⁽⁶⁾	
Gross enrolment ratio - Lower Secondary (ISCED 2)	2008	96.7 ⁽⁶⁾	
Gross enrolment ratio - Upper secondary (ISCED 3)	2008	80.9 ⁽⁶⁾	104.5
Gross enrolment ratio - Tertiary (ISCED 5+6)	2008	47.8 ⁽⁶⁾	
Participation in VET in % of upper secondary	2008	76.1	48.9
Students/Teachers ratios in VET (%) (ISCED 3)	2008	9.8	
Students/Teachers ratios in general education (%) (ISCED 3)	2008	12.4	
Share of private VET education in total VET education (%) in ISCED 3	2008	1.1	25.2
Share of private general education in total general education (%) in ISCED 3	2008	0.3	13.9
Public expenditure on education as % of GDP	2008	4.5 ⁽²⁾	5.0 ⁽²⁾

Notes: (1) 2008. (2) 2007. (3) 2006, (4) 2004. (5) 2008 (15-64). (6) Public Institutions. (7) Percentage of the population aged 25 to 64 with at least "medium" education. (p) Provisional value. (e) National Estimations. (8) age group 25-49. (9) age group 25-54. (10) 15-74.

Candidate countries: Croatia, the former Yugoslav Republic of Macedonia and Turkey¹

This section reviews progress in Croatia, Turkey, and the former Yugoslav Republic of Macedonia as candidate countries of the EU in the priorities of the Copenhagen process. Each country follows EU policy directions in education and training. Croatia has participated in the Copenhagen process and the Education and training 2010 work programme since 2005. Turkey has been involved in the Leonardo da Vinci programme since 2003 (Croatia started in 2009). The countries participate in the Bologna process: 2001 for Turkey and Croatia; 2003 for the former Yugoslav Republic of Macedonia which will soon join the Copenhagen process. Each country has also cooperated with the EU through its external assistance programmes, with the ETF, and with Member States through their bilateral cooperation programmes. Through these means European VET has been disseminated. European instruments and principles are a key reference for reforms in VET in the three countries.

Impact and implications of common European instruments and principles

National qualifications frameworks (NQFs)

Work on the Croatian national qualifications framework (CROQF) started in 2006 and is overseen by a high-level committee chaired by the Deputy Prime Minister. There is a five-year plan 2008-12 to develop the CROQF and objectives include improving links between education and the labour market, greater consistency and transparency, quality assurance and mobility, pathways, lifelong learning and recognition of prior learning and social inclusion.

The CROQF is based on eight levels, with sublevels (at levels 4, 5, 7 and 8) to accommodate traditional major national qualifications. An important development is the move towards learning outcomes in standards and curricula. A VET law of February 2009 regulates the NQF and set 2012 as the deadline for qualification standards. Specifications are being finalised and work on occupation and qualification standards has started in sector councils and currently focuses on formal education. Turkey has been improving transparency of skills in vocational qualifications since the 1990s by developing occupational standards. Since 2003, Turkey has been developing modular competence-based curricula in the education system overseen, since 2007, by a Vocational Qualifications Authority (VQA), comprising the Ministry of Labour, the Ministry of National Education (MoNE), the Higher Education Council (YOK) and social partner organisations. Turkey is developing a single national qualifications framework based on eight levels, which includes vocational qualifications at the highest EQF levels.

A framework for higher education qualifications has been developed by YOK and the VQA. Sector committees, set up by the VQA are developing occupational and certification standards. Recognition of prior learning will be introduced and the MoNE will pilot several national vocational qualifications. Improvements in accessing higher education are planned as the sector expands, but capacity development needs to align quality assurance with the qualifications framework for the European higher education area. The quality improvement of vocational colleges (MYOs) and a short cycle vocationally-oriented higher education qualification certificate will be important for the success of the reforms.

The former Yugoslav Republic of Macedonia has been developing its NQF since 2005. A national commission is managing the project during 2008-10 (27), dealing with the NQF concept, structure, criteria and quality assurance. National levels will be referenced to the EQF by 2012. The NQF for higher education is part of the overall framework. Some 14 occupational standards in 14 sectors of technical education have been developed with significant support from social partners. Standards have also been prepared for occupations in short supply.

Towards national lifelong learning strategies and practices

Developing a lifelong learning strategy and identifying the role of VET in lifelong learning is a key issue in candidate countries. In Croatia, lifelong learning is a strategic principle for developing the adult

¹ This section has been extracted from Cedefop, *A bridge to the future: European policy for vocational education and training 2002-10*, Publications Office of the European Union, Luxembourg, 2010

education and VET system during 2008-13. This includes developing the Croatian qualifications framework (CROQF). It also includes the European credit system for VET (ECVET) and connects to the European credit transfer system in higher education (ECTS), and to the European quality assurance system for VET (EQAVET). The learning outcomes approach is part of it. Turkey produced a lifelong learning strategy in 2007. It included setting up the VQA and developing the NQF as well as developing learning centres, e-learning and improving resource allocation. The learning outcomes approach is accepted but implementation is at an early stage. Future challenges include better cooperation between education, sectors and decision-makers. Disseminating good practices and encouraging stakeholders will assist reforms. In the former Yugoslav Republic of Macedonia, the Ministry of Education and Science plans to implement NQF in reference to EQF and EQAVET.

Guidance and counselling

Career guidance services and career management skills remain limited, but progress is noticeable in all three countries. The Croatian Employment Service (CES) manages vocational guidance and counselling. An annual employment incentive plan guides the CES in line with the European employment strategy and European resolutions on lifelong guidance. Vocational guidance is a transversal and comprehensive activity for students, unemployed and employed people. The CES helps jobseekers and works to prevent dropouts. Monitoring and evaluation of vocational guidance and counselling is based on quality standards. The Ministry of Science, Education and Sport (MoSES) and several nongovernmental organisations support youth career guidance. Turkey's career guidance system is well established and its importance is reinforced through World Bank and EU-funded projects. A memorandum of understanding was signed in 2009 between the Ministry of National Education and other stakeholders to provide counselling and guidance in schools in cooperation with the employment service (ISKUR), integrating various initiatives into a coordinated lifelong guidance framework. In the former Yugoslav Republic of Macedonia small career centres were established in 2006 in all VET schools and linked to work-based learning approaches (28). A recent ministry ordinance to schools includes guidance (as well as entrepreneurship) as new subjects. A pilot project has introduced innovative approaches based on EU principles for lifelong guidance. In higher education career guidance exists in many faculties.

Towards excellence: modernising VET systems

Quality of VET

Quality and excellence in education and training are objectives of national strategies in the three countries. Concerning the indicators and benchmarks the situation is challenging in Turkey and the former Yugoslav Republic of Macedonia, for example, PISA results for the rates of early school leavers and the educational attainment of 20-24 years olds.

Conversely, Croatia's PISA results are close to the European average with strong results for rates of early school leavers and educational attainment (European Commission, 2009d). Initiatives in Croatia over recent years to improve quality in VET include introducing national exams and the State (Matura) graduation exam, self-evaluation of schools, and reforming the VET system based on learning outcomes. Candidate countries are increasing the relevance of VET to economic and social needs through curricula reform, teacher training, and national qualifications frameworks. Procedures are being set up to ensure quality assurance of the qualifications provided. Measures to improve performance and quality include decentralisation and greater school autonomy. They also aim to improve entrance to higher education and to fight corruption in education. In this context, reference is made to ENQAVET in all country reports as an important pillar.

The main initiatives include: • national exams at the end of upper secondary education (Croatia and the former Yugoslav Republic of Macedonia); • projects to assess reform of four-year secondary vocational education in the former Yugoslav Republic of Macedonia; • at school level, developing evaluation procedures including external evaluation and self-assessment in the three countries, some - times in quality management mechanisms (TQM and ISO procedures in Turkey). Competitions among VET schools are used in Turkey to improve quality and attractiveness. These changes are supported by dedicated national agencies. For example, in Croatia, the National Centre for External Evaluation and in the former Yugoslav Republic of Macedonia, the Bureau for the Development of Education. In Turkey, the Board of Inspection for Quality, the Department of Management, Evaluation and Development (YOGED), the Directorate General of Personnel in MONE and the VQA have key

roles. During 2010, in the former Yugoslav Republic of Macedonia, the impact of the reform of four-year secondary vocational education was evaluated in partnership with the Ministry of Education and Science, the VET centre and ETF. The study's findings aimed to support future VET system and curriculum development and strengthen quality mechanisms.

Improving horizontal and vertical permeability of education and training systems

In Croatia, permeability is seen as a result of the CROQF and developing ECVET connected to ECTS. In Turkey, it is linked to modularising learning outcome-based curricula which aims to ease horizontal and vertical transitions from formal to non-formal education and vice versa, as well as between fields and branches of training and occupational profiles. This will be further improved when all qualifications have been developed by the VQA. Progress is ongoing in the former Yugoslav Republic of Macedonia - vertical and horizontal permeability should come from the NQF and an integrated concept for secondary vocational and post-secondary education and training system.

VET fostering higher level qualifications

In the three countries, VET qualifications are at secondary education level. Although Croatia and Turkey have institutions providing qualification at higher education, these institutions belong to higher education and are not seen in continuity with secondary VET. However, linked to development of NQFs there are discussions on developing or redeveloping post-secondary VET and/or short higher vocational courses. For example, in Turkey, the link between secondary and post-secondary non-tertiary VET has been improving during the past five years with pilot projects for greater alignment of curricula in the two sectors. Croatia has a network of 43 higher professional schools, among which two thirds are private. Programmes include 50% lessons and 50% practice and lead to bachelor (three years) or master/specialist (three plus two years) professional degrees. There is substantial demand. The government has asked the Council of University Colleges and Universities of Applied Sciences to improve access to higher professional education. Turkey has a network of around 180 four-year colleges and 450 two-year vocational colleges (MYOs) with 260 different vocational programmes for around 400 000 students. Vocational colleges are seen as a way to train a high-quality workforce and increase the flow of students.

Teachers and trainers

Substantial efforts have been made in the three countries to increase VET teachers' qualifications particularly by modernising in-service training. Action plans have been designed and implemented following new curricula and technology changes. In Croatia, the VET Agency is responsible for in-service teacher training, based on analysis of training needs done in schools. An action plan was implemented in 2006-08 and followed by a new two-year plan for continuous professional development. A licence was set up for teachers to be obtained after a professional exam and renewed every five years. Incentives are being introduced into teachers' salary scales to improve their qualifications.

Turkey has also focused on VET teacher training. The pre-service model has changed from a four-year parallel system into a four plus one consecutive system. In-service teacher training provision is being adapted to regional, local and school needs. There is a need to test new models based on ICT in collaboration with universities offering pre-service education. The former Yugoslav Republic of Macedonia reports significant progress including specific training plans for instructors of practical training in companies. Improved training should emerge from an improved career system for teachers. Obstacles include lack of pre-service teacher training and limited resources to ensure the professional development of all teachers.

Creativity, innovation and entrepreneurship in VET

All candidate countries have curricula reforms that support introduction of new competences, in line with the European framework of key competences for lifelong learning. Progress has been significant and is welcomed by employers' organisations. All countries participate in policy monitoring and benchmarking on entrepreneurship education. A specific institution Seecel (South Eastern Europe Centre for Entrepreneurial Learning) has been created with support of the European Commission and established in Zagreb with support from Croatia. The objective is to develop networking and exchange of experiences and good practices among all south eastern European countries. In Croatia, promoting entrepreneurial learning is seen as the way to preparing students to start their own businesses. It is well supported by the Central Office for Training Firms (SUVT) and the Chamber of

Economy at national level. Inclusion of practice firms in vocational education has helped build entrepreneurship knowledge and skills.

Entrepreneurship has also been introduced into the national curriculum with implications for teacher training. In Turkey, entrepreneurship and creativity are supported by competitions among schools organised by the Ministry of National Education. Significant support for entrepreneurial learning and development has been delivered through various projects by the Administration of Development and Support for SMEs (Kosgeb) of the Ministry of Industry and Commerce. In the former Yugoslav Republic of Macedonia, business cooperation is still developing. Entrepreneurial learning is higher on the policy agenda. In 2009, the Ministers for Economy and the MoES signed a declaration to promote entrepreneurial learning at all levels of education and an environment for entrepreneurship and self-employment. Higher education institutions are the drivers in this strategy. Entrepreneurship is part of the curriculum in technical education. Virtual school companies are part of the practical training of students in economic technician and technician for trade and marketing in economic law and the trade sector. A service centre was established with MONE as the national office for coordination of school companies providing banking, social insurance and tax office services. School companies were established in 44 VET schools in different sectors. Teacher training has been provided in entrepreneurship and business planning.

Investment and efficiency: financing VET

Financing VET

Although in the three countries public expenditure on education is below the European average (particularly the former Yugoslav Republic of Macedonia), recent figures indicate increases. Croatia reports a 30% increase since 2004. The former Yugoslav Republic of Macedonia also reports an increase from 3% to 3.7% of GDP.

The ETF country analysis on Turkey indicates an increase from 3.5% of GDP in 2000 to 4.2% in 2007. VET financing is important in the countries, particularly where VET schools are still often working in two shifts (Croatia and the former Yugoslav Republic of Macedonia) or where the infrastructure has to expand to meet demographic needs (Turkey). Croatia started decentralising in 2001. Some financing responsibilities were given to counties and a compensation fund was set up at national level. The government sets the minimum financial contribution from counties and/or municipalities annually. A further initiative is a voucher system issued by local authorities to train adults with low educational attainment. A tax deduction scheme for businesses implementing training was set up. In Turkey, the Ministry of National Education is working with social partners and relevant NGOs through campaigns such as 100% support to education. The programme promotes protocols with sector representatives, social partners and local administrations to build and equip new schools and train teachers.

In 2006, Turkey's ratio for investing in tertiary education in proportion of total investment was the same as Finland and Norway (European Commission, 2009d). There were significant increases for VET, particularly investment in infrastructure, teacher training and ICT equipment. The formula for attributing funds to schools is based on per-capita lump sum depending on the programmes being provided. Municipalities can open or close schools and appoint school directors. More school autonomy may have increased public funding for some VET schools. Employers welcome the increased public investment in VET, in particular the plan to strengthen public-private partnerships. Turkey has the second highest level of private financing of education of all OECD countries. Private funding supports general secondary and higher education. Teachers' salaries are high compared to other countries in the region (34), and there is scope for encouraging career development and progress, for example through incentives to improve qualifications.

Impact of the economic crisis on VET

The economic crisis has had a considerable impact in Croatia and in the former Yugoslav Republic of Macedonia, and in Turkey where GDP fell 4.75% in 2009. The three country reports mention increased unemployment. In Turkey, the employment services (ISKUR) transferred resources from passive measures to labour market training. In Croatia, several projects were implemented by the employment agency with employers associations sometimes through cost-sharing schemes. The crisis was also felt in public sector salary cuts, including for VET teachers, and in fewer scholarships to address equity and social inclusion. Declining demand for VET is observable in the former Yugoslav Republic of Macedonia for lower level VET qualifications. In Turkey, the report indicates some

problems in training quality with the closure of workplaces for students by several businesses leading to individuals in vocational training dropping out.

Social inclusion through VET

Each country is working to improve access to VET, equity and social inclusion. This is through active labour market measures and initiatives in initial education. Croatia is well advanced (European Commission, 2009a). Improvement in the former Yugoslav Republic of Macedonia and Turkey is moderate (European Commission, 2009b; 2009c). In Turkey, people living in rural areas face problems along with early school leavers, particularly Roma children. In the former Yugoslav Republic of Macedonia, children with disabilities, face particular difficulties. In the former Yugoslav Republic of Macedonia policies are underpinned by the 2001 Ohrid Agreement, which addresses equity for the Albanian community (who constitute more than 25% of the population) and other ethnic communities. Good practice in preparing teachers for inclusive education has come from non-governmental organisations and international donors. Significant exclusion factors in education are academic training, practical experience and participation in professional development, student segregation into special schools or classes and teacherstudent ratios for effective work with students from vulnerable groups. Segregation in education and training along ethnic lines remains an issue.

Access and equity

In Croatia, general principles to ease access for groups with special needs and Roma have been included in VET. Free transport and accommodation are provided and employment services operate training programmes for the many categories of people at risk. These include long term unemployed people, war veterans, children and spouses of people killed and missing during the war, children with special needs, disabled, Roma, older workers, and school drop-outs. Social partners are encouraging employers to recruit people at risk. Municipalities are also involved, particularly through scholarships, for example in Zagreb. In Turkey, equitable access is promoted by VET courses in rural areas, developing Internet use, implementing local projects with the support of NGOs and international donors – particularly for equal opportunity in schooling for girls. Initiatives include vocational open high schools where adults can complete their vocational training.

Since 2008, 1.2 million adults have benefited from vocational training courses. Organised in 970 public training centres these courses prepare people to become active producers. Other projects involve seasonal workers, women in rural areas, immigrants and the unemployed in general. Obstacles to progress include lack of resources, difficulties of identifying training needs of groups at risk, equal opportunities for women, social insurance legislation and lack of awareness of VET as a means for social inclusion. In the former Yugoslav Republic of Macedonia, the Employment Service Agency addresses the needs of migrants, reduces dropouts, fights illiteracy and helps the socially excluded through training and financial support. Limits are lack of financial resources and insufficient capacities and insufficient knowledge and analysis of skill needs. Vocational schools act often as second chance schools for many young adults, who left Vocational schools and return as registered unemployed people taking VET courses. The mainly three-year VET programmes do not attract many students during normal schooling, but become attractive a few years later.

Active citizenship

In Croatia, active citizenship is a growing feature of curricula and education reform. There is also a strong and developing youth network linked to international cooperation. The Chamber of Crafts indicates that there is scope to improve links between this area and reforms to reorganise schools and teaching. Active citizenship is a VET subject in the former Yugoslav Republic of Macedonia. It is also promoted through cultural events, fairs, competitions and mobility projects for students and teachers. Limitations are due to lack of financial resources and language training. In Turkey, active citizenship is addressed through non-formal education. Formal action has been limited by difficulties in covering large rural areas. Key initiatives include reading and writing courses, associating children and parents in training, training on health and planning, improving gender equality, fighting domestic violence and participation in social activities.

Strengthening links between VET and the labour market

Identifying and anticipating skill needs and integrating changing skill needs into VET

This has been the major challenge for VET reforms in all countries. Through revising curricula, teacher training, and developing labour market training, the challenge is to increase the relevance of VET delivery to the needs of the labour market. In Croatia, this is a task of the VET Agency. Some 13 sector councils were established in 2006 where representatives of the economy constitute about half the members. The aim is to analyse and define labour market needs and prepare occupational standards. To date, 323 professions have been identified as matching the needs of the modern economy. The CES conducts annual surveys among employers about the employment situation and forecasts and skill needs, in close contact with the Association of Employers and the chambers. Employers representatives stress the need for good analyses to strengthen the link between education and the labour market, with increased buy-in from teachers. These issues will need to be addressed in the reform to integrate changing skill needs into VET and guidance services. In Turkey, the national employment service ISKUR has developed and implemented a system to identify and anticipate skill needs in schools.

There is need to improve the quality and quantity of statistics. This will be done in close connection with the VQA. In addition, better information on new qualifications prepared by VET schools will be provided to employers by involving social partners in provincial employment and VET councils. In the former Yugoslav Republic of Macedonia the Employment Service Agency conducts skill needs analyses following sector analyses by the Ministry of Economy. In-depth research could be more systematic and coordinating all relevant institutions is a challenge. Better results are obtained at local level for integrating changing skill needs into VET due to cooperation between VET schools and businesses and decentralisation to municipality level.

Involving labour market actors in VET

Social partners cooperate with national agencies and/or ministries to define occupational standards and prepare the NQF and other European instruments and principles for VET. They are also involved in school boards and the work of public employment services. In general, labour market actors are increasing their roles in VET. In Croatia, involvement of employers in drafting country reports is a good signal. Sector councils provide practical mechanisms for social partnership in education and training. The VET system development strategy 2008-13 includes the principle of partnership, ensuring involvement of all partners (the State and economic institutions, private sector and other interested parties) in planning, financing and managing VET. In Turkey, social partners are involved in VET and employment regional councils.

The MoNE would like to see more interest and participation in activities of VET institutions. The trade union HAK-IS sees the need for awareness campaigns for VET. Provincial employment and training councils, established in 2008, link training and local employers. The councils changed VET in two ways. First, by bringing local training and labour market sides together. Second, the councils responsibility for planning training, allocating resources and supervising the overall effort, has changed the role of ISKUR offices from direct contracting to monitoring (and supporting) delivery of training. In the former Yugoslav Republic of Macedonia, social partners are members of the VET council, and the council for adult education. Social partners are increasingly involved in VET school boards and in organising practical final exams. The Ministry of Education and Science recognises the need for incentives and more opportunities in business for practical training. In higher education from academic year 2010/11 one month practical work in companies (in the summer time) is obligatory and included in the study programme.

Promoting workplace learning

Croatia has a well developed apprenticeship system with around 50 000 students enrolled in three-year programmes in 93 different professions. Management involves the Ministry of Science, Education and Sports (MoSES) in close cooperation with the Chamber of Crafts. The chamber issues licences to craft businesses, trains the trainers and implements exams. There may be difficulties to expand this cooperation to other enterprises. In response, the MoSES planned development of regional centres to simulate the workplace environment for practical training. Government is introducing financial incentives for employers to provide workplace learning for students. But the Croatian Association of Employers emphasises the need for stronger incentives to develop training at the workplace for employees. In Turkey, enterprises are legally obliged to set up education units. Apprenticeships were developing until the crisis. Further developments are undertaken by the Ministry of National Education through campaigns and protocols signed with sector representatives at school level to provide workshops with relevant equipment. Workplace training is also developing in the former Yugoslav Republic of Macedonia. Teachers have been trained to help learning at the workplace. The VET

Centre is now developing cooperation with sectors to promote workplace learning based on occupational standards. Chambers of commerce and crafts are involved. Limiting factors include lack of financial resources, particularly by SMEs, and the legal framework, particularly concerning conditions for students involved in workplaces.

Socio-economic challenges and priorities for future VET policy development

Socioeconomic challenges

Globalisation, technological change and sustainable development affect all candidate countries. They require developing new qualifications, designing new VET curricula, better teacher training and updated teaching methods. Adapting VET infrastructure to the greener economy is a challenge. Migration is another challenge. Brain drain affects particularly Turkey and the former Yugoslav Republic of Macedonia, where it has increased due to the economic crisis. Immigration from Armenia, Georgia and Azerbaijan is mentioned in Turkey as an issue for VET. But migration is also internal, for example in Turkey, from rural to urban areas. Employment opportunities for women is still limited in cities.

Demography has a mixed impact. Numbers of students in upper secondary education fell by 5.1% in Croatia between 1998 and 2006. In Turkey, the abundance of young people makes it compulsory to provide more employment opportunities (37) with greater responsibility for VET in preparing young people for employment. Candidate countries face considerable labour market challenges.

Unemployment remains high in the former Yugoslav Republic of Macedonia, particularly among young people. In Turkey, the female employment rate is low as the informal sector accounts for a high share of the economy. Employment in agriculture remains much higher than in the EU at 17% in Croatia, 20% in the former Yugoslav Republic of Macedonia (FYROM) and about 30% in Turkey. In Turkey, there is a need to attract more women into employment, reduce youth unemployment by easing school-to-work transition, keep more people in jobs, improve labour market flexibility and adaptability of enterprises, broaden access to employability measures and strengthen regional labour market institutions, create more and better quality jobs and decrease the share of the informal sector in employment (ETF, 2008a).

In Croatia, the main challenges are to increase labour market flexibility, reduce regulation on setting up new businesses, reinforce active labour market measures, address regional differences, integrate people at a disadvantage with special focus on refugees, the Roma and other minorities, and improve adaptability of workers and enterprises (ETF, 2009b). The former Yugoslav Republic of Macedonia, needs to combat the grey economy, increase effectiveness of administration, enforce active labour market measures and related services, including guidance and counselling and make them more effective, particularly for young unemployed people and female ethnic Albanians (ETF, 2009c). Labour market challenges are closely related to low performance by education and training systems shown by high rates of early school leavers in the former Yugoslav Republic of Macedonia and in Turkey.

Conclusions

Overall, candidate countries have made a strong commitment to VET reform and European cooperation on VET. They have expressed the need to continue implementing EU instruments and principles and develop lifelong learning policies. Key objectives include increasing quality and attractiveness, promoting equity and social inclusion, and developing entrepreneurship.

They use EU good practices and are increasing bilateral and European cooperation. In parallel, enlargement challenges will continue to promote better links between VET and employment in preparation for the European employment strategy. It is crucial to ensure effective coordination among stakeholders and link social partners to designing and implementing reforms. This is particularly needed to address challenges on early school leaving, adult participation in lifelong learning, youth and long term unemployment. Candidate countries should both benefit from and contribute to the new impetus for European cooperation in VET to support the Europe 2020 strategy.

Candidate countries: ETF Key Indicators 2010

	Year	HR	MK	TR	EU 27
Population, total (million)	2008	4.4	2.0	73.9	497.7
Dependency rates (%): as % of working age population	2008	48.1	42.9	49.4	48.7
Dependency rates (%): 0-14 as % of working age population	2008	22.7	26.3	40.7	23.3
Dependency rates (%): 65+ as % of working age population	2008	25.4	16.6	8.7	25.4
Life expectancy, years	2008	75.9	74.2	71.9	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	17.7	9.3	13.4	
GDP by economic sector (%)					
Agriculture, value added (% of GDP)	2008	6.4	10.9	8.6	1.8
Industry, value added (% of GDP)	2008	28.4	34.0	27.6	26.4
Services, etc., value added (% of GDP)	2008	65.1	55.1	63.7	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	72	84	61	
Employment rates (%), total (15-64)	2009	56.6	43.3	44.3	64.6
Employment rates (%), female (15-64)	2009	51.0	33.5	33.5	58.6
Youth unemployment rates (%), (15-24)	2009	25.9	56.6	22.2	19.8
Youth unemployment rates (%), female (15-24)	2009	31.1 ⁽³⁾	26.3	6.9	18.5
Unemployment rates (%), total (15+)	2009	9.3	32.4	11.8	8.9 ⁽¹⁰⁾
Unemployment rates (%), female (15+)	2009	10.8	32.1	11.8	8.9 ⁽¹⁰⁾
% of 25-64 years old having participated in Lifelong Learning, total	2009	2.3	3.3	2.3	9.4 ⁽¹⁾
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	75.9	59.2	26.6	71.4
Gross enrolment ratio - Primary (ISCED 1)	2008	98.6 ⁽²⁾	92.8 ⁽²⁾	99.3	
Gross enrolment ratio - Lower Secondary (ISCED 2)	2008	99.8 ⁽²⁾	91.9	91.1	
Gross enrolment ratio - Upper secondary (ISCED 3)	2008	87.6 ⁽²⁾	76.0	72.5	104.5
Gross enrolment ratio - Tertiary (ISCED 5+6)	2008	47.0 ⁽²⁾	40.4	38.4	
Participation in VET in % of upper secondary	2008	72.4	59.8	40.4	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	7.3 ⁽²⁾	14.5	14.3 ⁽³⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008	10.2 ⁽²⁾	14.6	20.2 ⁽³⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008	7.2 ⁽²⁾	1.9	5.3	25.2
Share of private general education in total general education (%) in ISCED 3	2008	0.6 ⁽²⁾	0.5	0.1	13.9
Public expenditure on education as % of GDP	2008	4.1 ⁽²⁾	2.9 ⁽³⁾	2.9 ⁽³⁾	5.0 ⁽²⁾

Notes: (1) 2008. (2) 2007. (3) 2006, (4) 2004. (5) 2008 (15-64). (6) Public Institutions. (7) Percentage of the population aged 25 to 64 with at least "medium" education. (p) Provisional value. (e) National Estimations. (8) age group 25-49. (9) age group 25-54. (10) 15-74.

2. SOUTHERN AND EASTERN MEDITERRANEAN REGION

Egypt

Recent events in Egypt following the popular uprising that began on 25 January 2011 led to the appointment of a new Egyptian government in early March. The new government has made the further development and strengthening of TVET for employment a key priority. In this perspective, the growing importance of TVET in Egypt is a fact few people would contest. As can be seen from innumerable publications, strategic documents and Egyptian government statements at the highest level, VET (or TVET, as it is best known in Egypt), formerly a very underrated component of the education system, is now seen as a key element in the country's strategy for achieving many of its most ambitious objectives. As highlighted in the government's TVET Reform Strategy, the objectives of the TVET reform are many and far reaching in an effort to 'contribute effectively to the country's economic and social development, to the provision of the skilled labour needed by the labour market (both in terms of quantity and quality) and to the local, regional and global competitiveness of the country'.

The tradition in Egypt of separating the worlds of education and training has not helped to strengthen the TVET sector (which involves both modalities). In a society in which a university degree is seen as a path to a respected position in society and the constitution enshrines the right to free education for all, and in the context of a centrally planned economy in which the state had to provide jobs for all (particularly in the large public sector), TVET has traditionally been associated with low academic achievement, low skilled jobs, and limited possibilities for social advancement. Graduates from technical vocational education and from vocational training in Egypt are normally those who failed to make it through the examination-driven educational system. This has given rise in the TVET sector to a vicious cycle of low esteem, low performance and low quality. In a large country like Egypt undergoing a demographic transition, human resources represent enormous potential but the circumstances also place huge demands on the education and training system. The Egyptian education system is so large that the objective of guaranteeing access to all (even those in remote, rural areas) has taken precedence over the challenge to provide relevant and quality education.

In recent years, the Egyptian economy has undergone a process of privatisation and macroeconomic restructuring under strong government leadership. This process has achieved important results in terms of increasing the country's productivity and macroeconomic performance. However, it has also given rise to imbalances in the labour market and considerable socioeconomic and political concern about growing unemployment and the expansion of the informal sector. While the university system continues to produce an excess of graduates (particularly in disciplines for which there is little demand in the labour market, such as the social sciences and certain areas of the humanities), the formal private sector has been complaining for the last decade about the difficulty of finding employees with the skills needed to ensure economic growth, both with respect to the number of candidates applying for jobs and, more particularly, the availability of candidates with the required skills. With the voice of the private sector gaining ground and being heard and economic studies highlighting Egypt's labour market inefficiencies and lack of competitiveness, TVET has slowly but steadily emerged as an increasingly crucial area for the development of the country's human resources and for the fulfilment of its socioeconomic aspirations.

There have been many achievements in the reform of the TVET sector in Egypt over the last 10 years. This has been due in particular to the work undertaken by programmes supported by the international donor community (both bilateral and multilateral) and initiatives launched by the Egyptian government. Programmes such as the MKI, the National Skills Standards Project, the Italian Don Bosco project and the EU-supported TVET Reform Programme are all milestones on the road to a more modern system. A particular focus of all these initiatives has been to strengthen the links between education and the labour market in an effort to improve both the quality and relevance of TVET in Egypt.

Over the last decade, the main stakeholders have also become more and more convinced of the need to work together to reform the country's TVET system. From a situation of radical separation (the education ministries on one side and all the sectoral ministries responsible for vocational training on

the other, with the private sector representatives as clients of both), the policy makers and stakeholders have come together to dialogue. This process culminated in the preparation of the joint strategy for TVET reform approved in 2009 by the Prime Minister. This is, however, only a starting point. In an extremely fragmented institutional environment involving more than 30 institutions, it is not easy to find the leadership and coordination needed to implement the reform. In order to ensure a cohesive reform effort, key decisions are still needed on the preparation of a master plan and the creation of a national platform or body to steer and monitor the process.

The Egyptian government has recently embarked on an ambitious program to reform pre-university education under the National Strategic Plan for Pre-University Education Reform in Egypt (NESP). The reforms proposed by the NESP encompass governance, financing (associated with decentralisation, another major development in the reform of the country's administration), quality assurance, curriculum, upgrading teachers' skills, and implementing a school-based approach. The NESP also reflects many of the developments taking place in other countries. However, to date this reform process has concentrated on general education and TVET continues to lag behind in terms of the prioritisation of resources for reform. Moreover, the fragmented nature of the TVET sector and especially vocational training, which in Egypt is not administered by the education ministries, brings many other players to the table, making TVET reform a more complicated undertaking.

One development with important implications for TVET was the recent decision at the highest level to set up a National Qualifications Framework (NQF) that will recognise and position all existing qualifications, implement recognition for prior learning, create vertical and horizontal pathways within the system, and work towards achieving the portability and transparency of Egyptian qualifications vis-à-vis other countries. The process of setting up an NQF, which is just as important as the framework itself, should also provide the basis for informed and influential participation of the private sector in key issues of the reform. The TVET stakeholder community has played an important role in laying the groundwork for this significant development. The adoption of an eight-level national framework and the introduction of the concepts of learning outcomes and competencies will have considerable impact on the hitherto isolated TVET system.

The reform of other segments of the education system, such as higher education, also has implications for postsecondary TVET as it gradually gains in importance and becomes an expanding segment closely linked to new technologies and the labour market demand for medium-skilled technical labour. Finally, TVET is also at the centre of current discussions between the Ministries of Education and Higher Education concerning the creation of vertical pathways linking technical and postsecondary education.

This report analyses the current vision for TVET in Egypt and highlights the main challenges and solutions currently being investigated. The picture that emerges is one of a numerically large sector of growing importance affected in recent years by many changes and innovative projects. What are needed at this point are decisions on which of these pilot projects and programmes should be integrated into the mainstream system and how the lessons learned can be incorporated into the national education reform.

The key reforms can be grouped into the following areas and objectives:

- The contribution of TVET to employment (responding to labour market needs) and an increasingly competitive economy.
- Changing the image of TVET in society.
- Building an integrated governance structure for the TVET system. This will entail a move away from a multiplicity of stakeholders towards coordinated implementation of the reform (a master plan, a national platform for TVET reform, and full participation of the private sector).
- Developing a more cohesive system. This aim will be furthered by the establishment of an Egyptian NQF, the creation of pathways within the education system, and the development of a life long learning system.
- TVET as a quality option: school-based approaches, experimenting with new systems of practical training, revision of curricula and specialities, accreditation and quality assurance, investment in teachers and trainers.

Egypt: ETF key indicators 2010

	Year	Egypt	EU 27
Population, total (million)	2008	81.5	497.7
Dependency rates (%): as % of working age population	2008	58.7	48.7
Dependency rates (%): 0-14 as % of working age population	2008	51.5	23.3
Dependency rates (%): 65+ as % of working age population	2008	7.2	25.4
Life expectancy, years	2008	70.1	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	5.4	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	14.0	1.8
Industry, value added (% of GDP)	2008	36.3	26.4
Services, etc., value added (% of GDP)	2008	49.6	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	70	
Employment rates (%), total	2008	45.7 ⁽²⁾⁽⁵⁾	64.6
Employment rates (%), female	2008	19.8 ⁽²⁾⁽⁵⁾	58.2
Youth unemployment rates (%), total (15-24)	2008	24.8 ⁽²⁾	15.5
Youth unemployment rates (%), female (15-24)	2008	47.9 ⁽²⁾	15.5
Unemployment rates (%), total	2008	8.7 ⁽⁵⁾	7.0 ⁽⁹⁾
Unemployment rates (%), female	2008	19.3 ⁽⁵⁾	7.5 ⁽⁹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	44.5 ⁽²⁾⁽⁵⁾	71.4
Gross enrolment rate, primary	2008	99.7	
Gross enrolment rate, lower secondary	2008	90.1 ⁽⁷⁾⁽⁸⁾	
Gross enrolment rate, upper secondary	2008	68.9 ⁽⁷⁾	104.5
Gross enrolment rate, tertiary	2008	28.4	
Participation in VET in % of upper secondary	2008	61.1	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	12.4 ⁽⁸⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008	12.2 ⁽⁸⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008	5.9 ⁽⁷⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008	8.2 ⁽⁷⁾	13.9
Public expenditure on education as % of GDP	2008	3.7	5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

Israel

During the first few decades of the State of Israel's existence, professional and technological education was regarded as inferior to academic education, mainly because it was based on streaming (sorting students into tracks in which they were not necessarily interested, and in a manner that could preserve the gaps between social classes) and because of the matriculation access restrictions placed on students in these streams. Nonetheless, there was a recognisable and constant increase in the number of students in vocational/technological streams during that period, reaching a level of 52% of all secondary education students during the 1970s.

As a result of the harsh criticism that was directed at vocational education in Israel, in the late 1980s and early 1990s a number of teams and committees were appointed to examine this subject. In line with their recommendations, the MoE began to implement a comprehensive reform. This included cancellation of the track system; organising the vocational and technological tracks into three categories (scientific, technological and occupational) and reducing their number (see Appendix 1); broadening the technological academic base and reducing focused practical training; and allowing greater flexibility in the selection of subjects and access to matriculation examinations.

In the 2001–02 school year the reform was implemented on an experimental basis in only 20 schools. As a result of its success, it was expanded to include 120 schools in the following year. In September 2003 the MoE published a memorandum from the Minister of Education entitled 'Implementation of the Reform in Technological Education throughout the Education System', which outlined the following framework for studies in secondary school.

Group of subjects	Subject	Number of study units
Option A	Technology Sciences subject or science subject (physics, chemistry and biology)	1–5
Option B	Leading subject (main subject in the track selected by the student)	1–5
Option C	Specialisation subject (one of the specialisms within the same track)	1–5

According to the Central Bureau of Statistics, 35% of all 12th-grade students were in technological tracks in 2003, compared with 30% in 1998. In 2008, 36% of all upper secondary students were enrolled in vocational and technological education (34% in MoE classes and 2% in MoITL training classes). This figure is low compared with statistics for EU countries (65% in 2002) and the OECD countries (46%). Nevertheless, the MoE maintains that a comparison of past years is irrelevant because of the implementation of the reforms.

The technological education budget has been reduced over the past decade. However, as a result of the lack of clear separation of the budgets designated for this field it has been very difficult to track the exact extent of the reduction. The cost of technological education is higher than that of academic education, in terms of both the standard number of hours per student and the non-salary expenses. Most of this budget is included in the secondary education tuition fee budget. According to well-informed sources, such as the MAI and the ORT and AMAL technological education networks, the budget has been reduced sharply, by 33–35%, which has led to the closure of technological tracks, a reduction in the number of hours of practical experience in workshops, and an increase in the age profile of the teaching staff (Eisenberg, 2006).

External efficiency in relation to economic and labour market needs

There are three main economic challenges:

- coping with international competition;
- meeting the needs of the local economy by increasing the number of graduates from technological-vocational tracks, including technicians and practical engineers;

- increasing cooperation between industry and the education system.

The proposed solutions include:

- implementation of the Strategic Plan for Strengthening Technological and Vocation Education;
- ongoing update of curricula and their adaptation to innovations in technology;
- increasing the number of students who opt for technological-vocational studies (with the objective of increasing the number of students in these tracks from 34% to 46% of the total number of students);
- reinforcing the tracks that lead to technician and practical engineering certifications;
- training teachers in industry;
- integrating students into industrial workplaces
- establishing a framework for coordination between educational systems and industry – a public committee for the promotion of technological-vocational education.

External efficiency with respect to equality and social demands

There are three main social challenges:

- reducing the gaps between the country's periphery and the centre;
- providing appropriate employment opportunities for all sectors of the population, including specially adapted solutions for Arab, ultra-orthodox and immigrant populations and for women;
- enabling each student and citizen to advance professionally and personally and to make a contribution to society.

The solutions proposed include:

- allocation of resources to advance education in the country's periphery, including infrastructures, equipment and incentives to attract quality teaching personnel;
- development of unique programmes for each sector according to its needs;
- development of programmes and allocation of resources targeting under-achievers;
- operation of a programme enabling students to obtain the matriculation certificate following completion of high school;
- ability to advance in stages along the technician track with partial matriculation, with options to continue to the practical engineer diploma (the equivalent of an Associate's degree) and B.Tech programmes (an academic programme for those who hold a practical engineer certificate);
- development of tracks that combine vocational training with work in industry: lifelong learning tracks.

Internal efficiency, governance and financing

The education system faces those main problems:

- the poor image of technological education;
- the need for higher budget allocations to meet economic, social and competitive goals.

The solutions proposed include:

- increasing the allocation of government resources in order to advance technological education through the Strategic Plan for Strengthening Technological and Vocational Education;
- upgrading the level of studies and updating curricula to attract more students into technological education.

Note: The majority of students in technological education study full-time under the supervision of the MoE, whereas the MoITL supervises students who study and work part-time, as well as adult education.

Operational recommendations

In order to face the challenge of positioning technological and professional education as a quality alternative to the matriculation track, the following measures will be necessary.

There is a need to constantly develop and update curricula, including teaching and study materials.

Initiatives and specialised programmes in schools should be developed.

It is important to develop teacher-training systems and workshops in collaboration with industry, for example, a full year of in-service training courses in industry during a teacher's sabbatical year. The first such courses in industrial enterprises started during the 2010 academic year for technological education teachers from both the AMAL and ORT networks; they were extremely successful and their scope is expected to increase in 2011.

A National Technological Education Council should be established, with the participation of representatives from the MoE, the MoITL, the academic community, the IDF and education professionals, with aim of creating collaboration for the advancement of technological education in Israel. This council will examine the suitability of the study subjects (including teaching methods) in terms of the market's requirements, and the aptitude and skills to be achieved by graduates from the education system in those fields of work; work to improve the image of technological education by increasing student exposure to the world of industry (for example, by dedicating one day a year in the programme to the subject of Israeli industry); consider creating academic creditation with engineering studies by making it possible to accumulate academic credits toward higher engineering studies; and rejuvenate and improve the teaching workforce in collaboration with individuals from the industrial, military and academic worlds.

Special compensation should be considered for technological education teachers to ensure their remuneration is competitive with that available in industry. This could include awarding special compensation to selected teachers for serving as project advisers and developing innovative programmes.

Continued support should be given to participation in and the further development of national competitions, as well as participation in international competitions, as a means of attracting and motivating students, and encouraging innovation and initiative on the part of both students and teachers.

There is a need to continue to support, and even to increase, the budgetary resources dedicated to the ongoing professional development of teachers, the development of up-to-date learning materials, and the development of computerised learning environments.

Israel: ETF key indicators 2010

	Year	Israel	EU 27
Population, total (million)	2008	7.3	497.7
Dependency rates (%): as % of working age population	2008	60.9	48.7
Dependency rates (%): 0-14 as % of working age population	2008	44.7	23.3
Dependency rates (%): 65+ as % of working age population	2008	16.2	25.4
Life expectancy, years	2008	81.0	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	27.9	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008		1.8
Industry, value added (% of GDP)	2008		26.4
Services, etc., value added (% of GDP)	2008		71.8
Global Competitiveness Index (rank, out of 133)	2009/10	27	
Employment rates (%), total	2008	58.8 ⁽¹⁾⁽⁵⁾	64.6
Employment rates (%), female	2008	55.4 ⁽¹⁾⁽⁵⁾	58.2
Youth unemployment rates (%), total (15-24)	2008	14.7 ⁽¹⁾	15.5
Youth unemployment rates (%), female (15-24)	2008	13.9 ⁽¹⁾	15.5
Unemployment rates (%), total	2008	7.7 ⁽¹⁾⁽⁵⁾	7.0 ⁽⁹⁾
Unemployment rates (%), female	2008	7.7 ⁽¹⁾⁽⁵⁾	7.5 ⁽⁹⁾
% of 25-64 years old having participated in lifelong learning, total	2008	8.1	9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	81.3 ⁽¹⁾	71.4
Gross enrolment rate, primary	2008	110.7	
Gross enrolment rate, lower secondary	2008	72.6	
Gross enrolment rate, upper secondary	2008	108.0	104.5
Gross enrolment rate, tertiary	2008	59.7	
Participation in VET in % of upper secondary	2008	37.3 ⁽¹⁾	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	11.0 ⁽²⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	6.2 ⁽⁸⁾	5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

Jordan

The Hashemite Kingdom of Jordan is a constitutional monarchy whose constitution was adopted in 1952. With a population of 5.6 million, Jordan has one of the highest fertility rates in the world – about 3.7% (4.2% in rural areas). There is a high demographic pressure: the under-15s account for some 37.3% of the population and the average age is 20.3 years. It is estimated that 60,000 new entrants join the labour market every year, posing a major challenge for the government and society at large. Participation of women in the labour force is one of the lowest worldwide (14.9%) despite very visible increases in educational attainment. Migration has two significant features: (a) emigration of highly educated people and (b) immigration of people looking for low-skilled jobs.

In the last decade, economic reforms focused mainly on privatisation, deregulation, improving the business climate and developing large public-private projects in the energy and transport sectors. The government has done its best to encourage foreign direct investment and free trade agreements with strategic commercial partners in an effort to further open up the economy.

As a young nation with a rapidly growing population and a lack of natural resources, Jordan considers well-educated human resources as one of its major priorities. Jordan's vision on Employment and Technical and Vocational Education and Training (E-TVET) is that it should facilitate the employment of the Jordanian workforce and contribute to the development of Jordan's human capital based on lifelong learning principles. With this vision, the Jordanian government intends to respond to the many challenges of the TVET sector. Its main goal is to increase employment and reduce the country's dependence on expatriate labour. It also aims to enhance TVET's social image and to upgrade the quality and relevance of its training to labour market requirements.

In order to reach this goal, E-TVET reform is focused on rationalising the TVET system and its training and education programmes, on private sector involvement and on improving the image of TVET careers and education and training programmes.

Since the introduction of the National Agenda reform process, the TVET system is part of a wider E-TVET system which is managed by the E-TVET Council, under the patronage of the Ministry of Labour. However, different bodies and institutions are responsible for different components of the system. The Ministry of Education provides vocational education in grades 11 and 12 in its comprehensive secondary schools; the Ministry of Labour provides vocational training through the Vocational Training Corporation (VTC); the Ministry of Higher Education provides post-secondary, non-tertiary educational programmes and tertiary, professionally oriented programmes through the community colleges.

The ambitious reform programme sets targets for the period 2006 to 2015 and is made up of three phases. Its major objectives for the period 2007 to 2012 are:

- to promote labour-intensive and export-oriented industries and to enable enterprises (particularly small and medium-sized enterprises) to adapt to developments in technology and to produce the quality products required by the global market
- to eradicate structural unemployment, absorb the annual inflow of new job seekers (projected to grow at 4% per annum) and increase women's participation in the labour market
- to significantly expand support for vocational training and employment (treated as a single sector, namely E-TVET)

The National Agenda addresses the restructuring of the institutional framework, including the establishment of an umbrella council, the Human Resources Development Higher Council. This is chaired by the Prime Minister whose role is to coordinate policy frameworks established by the Board of Education (chaired by the Minister of Education), the Council of Higher Education (chaired by the Minister of Higher Education) and the newly established E-TVET Council (chaired by the Minister of Labour).

The last five years have brought many changes. Attempts have been made to reach agreement on a common and coordinated reform process that will result in more demand-driven, qualified and attractive technical and vocational education and training. However, TVET faces major difficulties

related to governance, quality and relevance. Furthermore, stagnation in the reform process is noticeable and changes in policy and vision mean that there seems to be less support at policy level for the vision and strategy set out in 2006.

Several economic and social challenges are facing human resources development (HRD) in the country. The need to diversify the economy and create employment by promoting highly productive, strategic and high-skill sectors is challenged by the low labour market participation rate, the immigration of low-skilled workers and the emigration of highly skilled Jordanians. This calls for a strong HRD policy, including continuing education, in which the roles and tasks of the different stakeholders are coordinated, sufficient investment is made in education quality and the social partners can play a major role in the governance and implementation of TVET.

The main suggestions and recommendations based on the analysis in this report include:

Economic issues

The fragmentation of labour market and human resource information sources prevents education and training from becoming more demand-driven. More efforts are needed to develop a coherent system that is used in a structured and efficient way.

This system could be combined with a career information system. The newly established national sector teams could be an important source of information for both systems.

All sector issues related to skill requirements and national qualifications need to be concentrated within the national sector teams. Stakeholders should avoid duplication of similar initiatives and therefore it is important that the position of the Centre for Accreditation and Quality Assurance, as the central coordinator of the national sector teams, is strengthened.

Sector-based associations and SME representatives should be involved in shaping a demand-driven training and education system and this should be embedded in a legal structure.

Social issues

The expectations mismatch can be resolved by a proper career guidance mechanism that focuses on professional orientation. This should include the introduction of employability and career management skills in the vocational and general secondary school curriculum and at higher education level.

The challenge of increasing female labour market participation can be addressed by strengthening the institutional capacity of TVET stakeholders and by creating a link between current gender initiatives and linking them to the E-TVET reform agenda.

The concept of lifelong learning as stated in the E-TVET vision has not yet led to the development of a coherent system of continuing education that could respond to the training and upskilling needs of the labour force and the private sector. Such a system could also help to reinforce the position of social partners and sectors in the governance and implementation of TVET.

Governance and internal efficiency

As expectations are high for TVET in Jordan, the E-TVET Council and its related bodies should be adequately resourced to achieve their goals.

We recommend exploring the most efficient ways for employers to contribute to and benefit from the E-TVET Fund in order to satisfy the need for an upskilled, more highly qualified Jordanian workforce and comply with the high-level objectives of the Jordanian government.

The Centre for Accreditation and Quality Assurance has become an independent authority under the direct responsibility of the E-TVET Council.

We recommend establishing this higher council or a high-level ministerial committee for HRD, to be chaired by the Prime Minister with the involvement of the Minister of Labour, the Minister of Education and the Minister of Higher Education.

Future actions for addressing the efficiency and quality challenges facing the TVET system should focus on creating the political will to develop a common vision among the various public stakeholders and coordinating progress in the reform process. It might therefore be necessary to revise and strengthen the 2008 E-TVET reform strategy and to combine this with a clear implementation plan that includes the division of roles, a budget and a timeframe. An agreement regarding ownership and leadership of the reform is also needed.

Innovation

A strategy for lifelong entrepreneurial learning could be embedded in an E-TVET policy or strategy. This would ensure that entrepreneurial skills are introduced in the curriculum of secondary and tertiary levels of education. According to the National Agenda strategy, this is to be initiated by the higher council for HRD, a body that has not yet been established. Given these circumstances, the E-TVET Council should take the lead in developing a strategy for entrepreneurial learning.

Jordan: ETF key indicators 2010

	Year	Jordan	EU 27
Population, total (million)	2008	5.9	497.7
Dependency rates (%): as % of working age population	2008	63.2	48.7
Dependency rates (%): 0-14 as % of working age population	2008	57.3	23.3
Dependency rates (%): 65+ as % of working age population	2008	5.9	25.4
Life expectancy, years	2008	72.7	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	5.5	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	3.6	1.8
Industry, value added (% of GDP)	2008	32.3	26.4
Services, etc., value added (% of GDP)	2008	64.1	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	50	
Employment rates (%), total	2008	37.9 ⁽⁴⁾	64.6
Employment rates (%), female	2008	13.3 ⁽⁴⁾	58.2
Youth unemployment rates (%), total (15-24)	2008	4.8 ⁽²⁾	15.5
Youth unemployment rates (%), female (15-24)	2008	3.0 ⁽²⁾	15.5
Unemployment rates (%), total	2008	12.7 ⁽⁴⁾	7.0 ⁽⁹⁾
Unemployment rates (%), female	2008	24.3 ⁽⁴⁾	7.5 ⁽⁹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment rate, primary	2008	96.8	
Gross enrolment rate, lower secondary	2008	94.9	
Gross enrolment rate, upper secondary	2008	74.2	104.5
Gross enrolment rate, tertiary	2008	40.7	
Participation in VET in % of upper secondary	2008	14.8	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	10.4 ⁽²⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	2.3 ⁽³⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008	10.8 ⁽³⁾	13.9
Public expenditure on education as % of GDP	2008	3.9 ⁽²⁾	5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

Lebanon

In order to understand the major human resources development issues in Lebanon, it is important to take into account the country's difficult political and economic situation and the security problems it has faced in recent years. The current political system was set up to recognise the plurality of different religious communities in the country. A new government was formed following the Doha Agreement in May 2008, and this event was followed in June 2009 by successful Parliamentary elections. The new democratic government formed in November 2009 now faces a wide variety of challenges including political reform, economic recovery, and rebuilding the confidence of the Lebanese population in order to revive the economy. Major human resources development challenges can be attributed to both the labour market situation and the critical deterioration of the public education and training system.

Despite these issues, Lebanon is classified as an upper middle income economy with a per capita gross domestic product (GDP nominal) of USD 8,157² (World Bank, 2009) thanks to the strength and resilience of its private sector and the entrepreneurial culture of the population. According to official figures, 85.4% of all workers in Lebanon are employed by private sector companies and institutions and 64% work in the services sector (Chaaban, 2010).

Investing in education has always been of crucial importance for Lebanon and the Lebanese. Consequently, the basic foundations for the country's new National Education Strategy are Lebanese tradition, the close partnership between the public and private sectors, and the unique place occupied by the country in the Arab world and internationally, which derives from its human capital and from its creative and technical power (Ministry of Education and Higher Education [MEHE], March 2010).

A national education strategy framework and a 2010-2015 development plan for the general education sector were approved in March 2010 (MEHE, 2010). The development plan does not deal with the VTE subsector, but it is expected that the MEHE will publish a strategic framework for VTE in 2011 as a part of the national strategy.

The VTE subsector represents about 26% of students in secondary education. The large number of private schools reveals the predominance of a private sector that accounts for about 60% of students. The private sector is further divided into subsidised and wholly fee-supported schools. It is difficult to assess how successful the VTE system has been in addressing economic and social challenges and the extent to which it is providing the skills demanded by the labour market. It is, however, generally accepted that the attraction of the VTE system for both enterprises and individuals is currently quite low.

Despite Lebanon's real GDP growth of 8% in 2009, the labour market has not improved in recent years and the activity rate of the population remains one of the lowest in the Mediterranean region (ETF, 2009). The main challenges for improving the external efficiency of VTE concern the mechanisms for evidence-based policies, the management of the transition from school to work and the related active labour market measures. Indeed, one of the factors responsible for the low quality of VTE education is the lack of labour market information, which has led to outdated curricula and an inability to keep pace with technological developments. The mismatch between the output of the VTE system and the skills needs of industries and services is generally recognised. This situation has given rise to a growing imbalance between the overall supply and demand for labour and to increased unemployment among the young population. The very limited involvement of business interests at national, sectoral and school levels is another weakness that directly affects the system's external efficiency. The main recommendation of this report with respect to the external efficiency of the system and responsiveness to the labour market is that a sector-wide strategic plan should be developed with the involvement of social partners at all levels. The need for better coordination between VTE providers and the labour market at program level is also emphasised.

The main social challenges affecting the demand for skills are access and equity, particularly inequalities between rural and urban areas, the low educational level of some sections of the population, high youth unemployment, high inactivity rates especially among women, the large size of the informal sector, and the growing influx of foreign workers and Palestinian refugees. Due to its very limited resources and capacities, VTE currently has scant provision for skills upgrading, skills

² Data refer to the year 2009. World Development Indicators database, World Bank. Accessed on October 3, 2010.

development for the self-employed, active citizenship or personal development. Moreover, the system fails to promote equal opportunities in the labour market. The few programs led by the National Employment Office (NEO) in partnership with the Directorate-General of VTE (DGVTE) are insignificant, considering the size of the potential target group. They are also unattractive to potential students because of the low quality of the training delivered. Also of interest is the marked increase in the number of initiatives undertaken by civil society organisations and donors in the form of literacy and entrepreneurship courses for young people and job seekers. However, the impact of these initiatives is unclear owing to their fragmentation and the absence of clear policy direction. The policy agenda has recently taken into consideration equity and equal opportunity issues, which now clearly feature in the new education strategy framework in terms of enrolment, continuing education and success. The policy decision to develop a national qualifications framework, with the aim of increasing access to VTE and facilitating the progression of the student population, may also help to improve equity.

The absence of a clear vision or specific strategy for the subsector, the poor quality of the teaching staff, and the weakness of VTE institutions are the three main challenges to the internal efficiency and effectiveness of the subsector. The MEHE is aware of these issues. The National Education Strategy states that: 'The management of education is centralised without partnership with the local community. It is also centred in such a way that school administrations are not given, except in few cases, adequate authority to manage their schools. The school development is not given the authority or responsibility needed for self-management. The MEHE administration of public education suffers from weaknesses in administering its financial, material and human resources. The current structure does not provide modern systems or frameworks for economic analysis, rationalising of expenditure and managing financial resources' (MEHE, 2006). In general, the attractiveness of VTE for individuals, enterprises and society is enhanced by improving the quality and relevance to the needs of the labour market of the education and training provided. It also depends on the existence of pathways between VTE, general education and higher education. In terms of governance, modern VTE systems tend to keep the functions of policy making, monitoring and evaluation at ministry level and delegate the development and delivery of programs to the intermediate institutions and schools. In this context, the involvement of professional associations in VTE governance at national, sectoral and local level (schools) is crucial for the improvement of the system.

Finally, innovation is not a specific objective in the promotion and development of VTE. Nonetheless, innovation and good practice are seen in a number of areas. Several innovative initiatives are discussed, including the development of vocational guidance and the integration of entrepreneurship as a career choice in the guidance services, the importance of the role of civil society in the provision of innovative VTE, such as adult learning and non-formal entrepreneurial learning. The education-business cooperation and partnership projects mentioned are the European Union (EU) supported Qab Elias agro-food school and the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) dual system projects. The agro-food project in particular is a good example of the willingness of stakeholders to form a partnership and develop a demand-driven system. It has not, however been sufficiently supported by political readiness and commitment.

An area in which Lebanon is making progress is the development of entrepreneurship as a key competence in secondary education, including VTE, a project driven by the European Parliament recommendation on key competences (European Commission, 2006). The aim is to promote entrepreneurial learning policy and to support the introduction of an entrepreneurial mindset and skills as key competences for lifelong learning.

Lebanon: ETF key indicators 2010

	Year	Lebanon	EU 27
Population, total (million)	2008	4.2	497.7
Dependency rates (%): as % of working age population	2008	49.5	48.7
Dependency rates (%): 0-14 as % of working age population	2008	38.6	23.3
Dependency rates (%): 65+ as % of working age population	2008	10.9	25.4
Life expectancy, years	2008	72.0	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	11.8	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	5.5	1.8
Industry, value added (% of GDP)	2008	22.0	26.4
Services, etc., value added (% of GDP)	2008	72.5	71.8
Global Competitiveness Index (rank, out of 133)	2009/10		
Employment rates (%), total	2008	35.9 ⁽²⁾⁽⁵⁾	64.6
Employment rates (%), female	2008	16.4 ⁽²⁾⁽⁵⁾	58.2
Youth unemployment rates (%), total (15-24)	2008		15.5
Youth unemployment rates (%), female (15-24)	2008		15.5
Unemployment rates (%), total	2008	9.2 ⁽²⁾⁽⁵⁾	7.0 ⁽⁹⁾
Unemployment rates (%), female	2008	10.2 ⁽²⁾⁽⁵⁾	7.5 ⁽⁹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	45.3 ⁽²⁾⁽⁵⁾	71.4
Gross enrolment rate, primary	2008	103.1 ⁽¹⁾	
Gross enrolment rate, lower secondary	2008	88.6 ⁽¹⁾	
Gross enrolment rate, upper secondary	2008	75.4 ⁽¹⁾	104.5
Gross enrolment rate, tertiary	2008	52.5 ⁽¹⁾	
Participation in VET in % of upper secondary	2008	27.1	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	7.7	
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	56.9	25.2
Share of private general education in total general education (%) in ISCED 3	2008	51.6	13.9
Public expenditure on education as % of GDP	2008	2.0	5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

Morocco

The fact that Morocco allocates 5.8% of its gross national product to education and vocational education and training (VET) is a clear reflection of the country's interest in this area. Importance is attached to VET in Morocco's key strategic documents, namely its Education Charter, National Pact for Industrial Emergence 2009-15 and emergency plan for the overhaul of the education system. Numerous measures have been taken to strengthen VET in Morocco, including the broadening of the skills-based approach to align training more closely with the needs of the job market; the creation of reference profiles for professions and skills in three key sectors; and the development of public-private partnerships, training and work experience validation mechanisms, and financial support instruments. Nevertheless, the vision of VET articulated by the Moroccan government is primarily economic and built on a performance-based model and concern for the competitiveness of formal companies operating in a limited number of buoyant sectors. Greater importance needs to be attached to the social dimension, with a particular focus on poorly educated people and weakly structured sectors of the economy. There is also a need for greater overall coordination.

The main obstacles to the external effectiveness of education and VET and their ability to meet the needs of the economy and the labour market are the insufficient creation of quality jobs (a large proportion of the population is employed in agriculture and the informal sector and there is a need for greater flexibility in the formal sector) and the gap between skills supply and demand.

The VET system has responded to challenges in this area by increasing the number of training places available and implementing measures and instruments aimed at aligning training more closely with the needs of the labour market. Examples of such measures are the creation of interprofessional associations for assistance and advice to enterprises (GIACs), special training contracts to promote on-the-job-training, and government grants for skills training for new entrants to the workforce and the recruitment of these workers in the newly defined sectors termed "Morocco's Global Trades", as well as the implementation of instruments for evaluating the external performance of the VET system, a national qualifications framework, and a work experience recognition and validation of prior learning for pilot sectors.

Despite the progress that has been made in the development of instruments aimed at aligning skills supply and demand, much remains to be done, particularly with respect to harnessing and spreading good practices.

Although the Moroccan government is responsible for developing policies in matters of education and training, companies are playing an increasingly important role by serving on management boards of training establishments and, in some cases, helping to design training programmes for certain professional fields. Obstacles in this area, however, are the lack of human and material resources in professional associations and the limited participation of these associations in training activities.

The main challenges identified in terms of the social demand for education and training are high levels of low literacy, high student drop-out rates, and high unemployment among young graduates, particularly women, with middle and higher education. Several measures have been taken to address these challenges, such as the creation of four literacy programmes, training for children of school-going age out of school, and policies specifically targeting young people.

Despite the advances that have been made in its education and VET system, Morocco has not yet managed to provide the more vulnerable members of its society with equal learning opportunities or to improve their access to the labour market. Its goal of eradicating illiteracy in one million people has not been reached. Factors such as the inability of the VET system to fully meet social demand, unequal access to the labour market among VET graduates, the low participation of girls in VET and the selective nature of profession-oriented higher education are all considered barriers to equal opportunity.

The main problems affecting the internal effectiveness and governance of the VET system are the importance attached to quantity rather than quality and the lack of adequate career guidance.

Several priority measures have been implemented to improve the effectiveness and quality of VET, including the funding of eight studies in this area and the development of projects aimed at upgrading the system financed by donor funds and the state budget.

In general, Morocco's VET quality evaluation system is not sufficiently results-centred, although it is regulated to a certain extent by legislation. Furthermore, quality evaluations are not generally conducted by independent bodies. To address this problem, the Moroccan Education and Vocational Training Evaluation Authority launched a national training evaluation programme in October 2010 to assess the country's VET system as a whole.

Both decentralisation and deconcentration need to play an important role in the improvements made to governance, management and piloting mechanisms in the education system.

Difficulties remain, however. These include a multiplicity of actors and decision-making bodies in the management of training projects, the difficulty of engaging universities in contractual agreements and ensuring the timely promulgation of regulations, and the lack of cooperation between companies and universities in applied research.

The main aims of the reforms being undertaken in the sector are to increase the places available in VET, to increase work-based training programmes and apprenticeships, and to upgrade and develop private training initiatives. The current system, however, is hampered by its partial inability to deliver the quality and skills demanded by the market. Continuous training, for example, does not always meet the expectations of professional sectors and the application of the skills-based approach is limited in real-life situations. Furthermore, the delayed implementation of a legal framework for on-the-job training and the absence of a system to evaluate the impact of such a system on the competitiveness of companies may weaken the current system.

The most important national partnerships are the National Pact for Industrial Emergence and the Emergency Plan. The role played by key donors, and the European Union in particular, is also important as their interventions catalyse innovation by driving pilot experiments.

Morocco: ETF key indicators 2010

	Year	Morocco	EU 27
Population, total (million)	2008	31.6	497.7
Dependency rates (%): as % of working age population	2008	51.8	48.7
Dependency rates (%): 0-14 as % of working age population	2008	43.7	23.3
Dependency rates (%): 65+ as % of working age population	2008	8.1	25.4
Life expectancy, years	2008	71.3	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	4.3	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	16.0	1.8
Industry, value added (% of GDP)	2008	20.0	26.4
Services, etc., value added (% of GDP)	2008	64.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	73	
Employment rates (%), total	2008	48.0 ⁽¹⁾⁽⁶⁾	64.6
Employment rates (%), female	2008	24.7 ⁽¹⁾⁽⁶⁾	58.2
Youth unemployment rates (%), total (15-24)	2008	17.9 ⁽¹⁾	15.5
Youth unemployment rates (%), female (15-24)	2008	16.2 ⁽¹⁾	15.5
Unemployment rates (%), total	2008		7.0 ⁽⁹⁾
Unemployment rates (%), female	2008		7.5 ⁽⁹⁾
% of 25-64 years old having participated in Lifelong Learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment rate, primary	2008	106.9	
Gross enrolment rate, lower secondary	2008	74.3 ⁽²⁾	
Gross enrolment rate, upper secondary	2008	36.7	104.5
Gross enrolment rate, tertiary	2008	12.3	
Participation in VET in % of upper secondary	2008	5.2	48.9
Students/Teachers ratios in VET (%) (ISCED 3)	2008	16.6	
Students/Teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	6.4 ⁽²⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008	5.8 ⁽²⁾	13.9
Public expenditure on education as % of GDP	2008	5.5 ⁽⁸⁾	5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

Occupied Palestinian territory

Palestinians attach high importance to education. Education expenditure as a percentage of gross domestic product (GDP) increased from 7.5% in 2000 to 11.5% in 2003. Technical and Vocational Education and Training (TVET) constitutes an important pillar of the education and human resource development sectors, despite the fact that the output of entry-level basic training institutions in terms of producing skilled workers and craftspeople is quite small in comparison with higher education, with no more than 5,500 graduates compared to more than 25,000 graduates annually, respectively.

The Palestinian vision of the TVET system delineated in the National TVET Strategy is aimed at creating a knowledgeable, competent, motivated, entrepreneurial, adaptable, creative and innovative workforce in Palestine, which will contribute to poverty reduction and social and economic development by facilitating demand-driven, high quality training relevant to all people and all sectors of the economy at all levels. The system is envisaged as unified, relevant, effective, efficient, flexible, crisis-resistant, sustainable, equitable and accessible to all, participatory, lifelong-learning-oriented, permeable, transparent, holistic and attractive. The move towards realising this ambitious vision has been slow. A slight increase in enrolment has been noted (6% of the total number of students in the secondary cycle in 2009/2010, up from 4% in 1999/2000), more females are joining the system and the system is becoming more open-ended. More cooperation and coordination among the various stakeholders has been noted and attempts to revive the National TVET Strategy are underway. Stakeholders are also piloting a variety of measures that support the realisation of this vision. Increasing enrolment and enhancing the relevance of TVET constitute the main priority areas to be addressed. Tackling these priorities requires changing the negative perceptions of TVET and making the TVET track more attractive. It also requires, among other things, better interfacing with business and industry.

In terms of addressing economic and labour market needs, three main interlinked economic challenges are expected to shape the demand for skills in the near future. The first challenge is economic decline. Gross national income (GNI) has decreased by 55% and about 63% of households are living below the poverty line; this has led to an expansion of the public sector, which currently employs 25.2% of the population (17.0% in the West Bank and 48.1% in the Gaza Strip) but requires skilled human resources in sectors such as education and health. The second challenge is represented by the growth of the informal sector, which, in 2008, accounted for 9.2% of all employees (excluding those working in the agriculture sector). There is thus a need for more self-employment and for entrepreneurial and adult training. The third challenge is economic restructuring with the expansion of the services sector, where percentage employment increased from 52.3% in 2000 to 64.4% in 2009. There is thus a need to provide more training in services to meet the rising quantitative demand but also to enhance the productivity of the agricultural and other sectors. The TVET system also has to be ready for anticipated future economic shifts resulting from planned governmental strategies, including export orientation and the boycotting of work at, and products of, Israeli illegal settlements in the Occupied Palestinian Territory. To date, the TVET system has not been very successful in addressing these challenges. In terms of ensuring the availability of skills for the economy, changes in TVET offerings have not matched the needs identified in public sector education and health, for further training for the self-employed in the informal economy and for training for services, agriculture, tourism, etc as potential leading economic sectors in the future. Only 27% of 2004-2006 Ministry of Education and Higher Education vocational school graduates were employed and 55% of those were working in fields not related to their training. Nor has the system been very successful in providing adult training and in involving the private sector adequately. However there have been tangible successes in the provision of career guidance and in providing opportunities for TVET students at higher levels of education, with 51% of male graduate and 57% of female 2004-2006 graduates in vocational secondary schools continuing higher education in colleges or universities.

A number of issues block the current TVET system from better responding to changing economic needs. The system is rigid, traditional non-modular curricula are used, choices for opening or closing specialism are centralised and inflexible, trainers have few opportunities to interact with businesses and management is disempowered in terms of responding effectively to needs in a timely fashion. Labour market monitoring is sporadic and information systems are defective. A variety of actions are foreseen for overcoming these obstacles and for addressing the challenges. Considered crucial is the official adoption and implementation of the National TVET Strategy, which foresees TVET institutions offering programmes relevant to the local market in their governorates, complementing each other and

avoiding duplication. TVET centres will be able to offer services to the economy, train trainers and provide other services to the local community. TVET institutions will also have clear mandates based on a more decentralised approach. The management approach will be democratic, participatory and cooperative and unified management procedures will be used to enable decision making on key issues like the adaptation of curricula, financial and personnel management, sectors of involvement, etc. A labour market information system (LMIS) will be developed to provide the TVET system and decision makers with relevant data. The decentralised structure will be based on the LMIS, e.g., to justify new programmes and courses.

In terms of promoting equity and addressing social education and training requirements, three main challenges shape the demand for skills. Firstly, demographic pressures in the form of high fertility and population growth exert pressure on the whole education and training system in terms of catering for increasing numbers of youth in need of preparation for life and work. The labour force has been increasing by 4.2% annually, placing a large burden on a labour market that is already suffering from a lack of opportunities and weak economic growth. Secondly, unemployment is extremely high (in 2009 it was 24.7%, 24.3% for males and 26.6% for females), particularly in the Gaza Strip (38.6% in 2009). The Occupied Palestinian Territory is also characterised by its low labour force participation rate, which stood at 43.3% in 2009 (for females as low as 16.3%). The question, therefore, is what the TVET system can do to address the high unemployment and inactivity rates. Thirdly, the isolation of Jerusalem and internal migration to the city of Ramallah requires tailored TVET interventions to cater for isolated and migrating populations. The TVET system has been relatively successful in addressing the social challenges shaping the demand for skills. Efforts have been made to increase the capacity of the system by establishing new institutions and expanding the intake capacity of existing institutions, to align outputs as much as possible with labour market needs and to deliver training tailored to the needs of the local communities. Huge efforts have been made to have the TVET system cater for the needs of Palestinian detainees released from Israeli prisons following the Oslo Agreement. The diverse spectrum of TVET providers in the Occupied Palestinian Territory has also enabled the provision of services for various disadvantaged groups (refugees, the poor, orphans, etc) in a specialist and effective manner. A wide range of activities have been undertaken to improve the attractiveness of TVET at the national and institutional levels. Despite these efforts, TVET is still seen as a second- or last-choice track for those unable to continue in the academic track. The TVET system has been relatively successful in providing learning opportunities for the young and the most vulnerable sectors of the population but has been less successful in providing opportunities for skill upgrades, active citizenship and personal development. A variety of actions are foreseen for addressing the aforementioned challenges. These include enhancing the relevance of training, enhancing the LMIS and supporting employment creation interventions.

The three main problems concerning internal efficiency and effectiveness are fragmentation, underutilisation of facilities and poor quality training provision. Dropout rates of 20% at Ministry of Labour vocational training centres and under-utilisation of information and communication technologies (ICT) constitute other challenges to internal efficiency and effectiveness. Several TVET providers offer the same specialisms in the same geographic area with varying standards and in competition with each other. The majority of TVET institutions in the OPT are used only in the morning period and are closed for several months of the year. Improvements in the quality and effectiveness of the system are urgently required; one study revealed that 44% of employed graduates, 42% of training providers and 60% of employers believed that the training received at secondary vocational schools was inadequate. Improvements are necessary at the level of all inputs affecting quality, namely, teachers and trainers, curricula and material resources. A variety of governance and finance mechanisms are envisaged to improve the efficiency and the quality of the TVET system. At the system governance level, system unification/integration and the involvement of social partners are mechanisms proposed to enhance efficiency and quality. At the school governance level, decentralisation at the levels of the Ministry of Labour, the Ministry of Education and Higher Education and UNRWA, coupled with the provision of more autonomy to school management, is seen to be vital to efficiency and quality enhancement. In terms of financing mechanisms, providing a sustainable financing base for TVET institutions to support better use of TVET facilities and thus address poor institutional efficiency is of the utmost importance. To date, the TVET system has not been successful in involving the main stakeholders in the design and management of TVET policies; neither has it been successful in developing the capacities of these stakeholders. The most significant actions foreseen for enhancing quality include setting up a national qualification framework (NQF) and a quality assurance system, improving teacher training, modernising curricula and diversifying and improving the TVET infrastructure.

In terms of innovation, partnership and entrepreneurship, several initiatives have surfaced in the last couple of years (One-Stop Shop, Local Employment and Training Councils, Know About Business, Apprenticeship Training Scheme). Innovation has been supported so far by donor and national projects through the piloting of a variety of programmes. However, for innovation to take place, systems and an institutional culture are needed that would allow innovation to flourish and this is not lack of adequate evaluation, documentation and dissemination procedures constitute the main obstacles to up-scaling and mainstreaming innovation. In sum, no clear measures are stated or foreseen to support innovation in the TVET sector in the OPT.

Many of the above challenges are being tackled by the proposed National TVET Strategy although some need further addressing. Specifically, the TVET system needs to be more geared towards providing further training and retraining, needs a better understanding of and better data regarding the cost of training and requires systems that foster innovation at the institutional and system levels and to document, internalise and disseminate knowledge. These are all priority issues that need to be addressed in the near future. Moving from planning and strategising to tangible implementation seems to be the most important demand of stakeholders. Within the TVET system, developing systems for (1) adult training, (2) training cost calculations, (3) innovation fostering and (4) knowledge management seem to be quick-win areas in relation to the aforementioned priorities that can shift the change process from planning to implementation.

Occupied Palestinian territory: ETF key indicators 2010

	Year	OPT	EU 27
Population, total (million)	2008	3.9	497.7
Dependency rates (%): as % of working age population	2008	92.7	48.7
Dependency rates (%): 0-14 as % of working age population	2008	87.1	23.3
Dependency rates (%): 65+ as % of working age population	2008	5.7	25.4
Life expectancy, years	2008	73.5	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008		
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	4.8 ⁽¹⁾	1.8
Industry, value added (% of GDP)	2008	14.6 ⁽¹⁾	26.4
Services, etc., value added (% of GDP)	2008	80.6 ⁽¹⁾	71.8
Global Competitiveness Index (rank, out of 133)	2009/10		
Employment rates (%), total	2008		64.6
Employment rates (%), female	2008		58.2
Youth unemployment rates (%), total (15-24)	2008	38.9 ⁽¹⁾	15.5
Youth unemployment rates (%), female (15-24)	2008	46.9 ⁽¹⁾	15.5
Unemployment rates (%), total	2008	24.7 ⁽¹⁾⁽⁵⁾	7.0 ⁽⁹⁾
Unemployment rates (%), female	2008	26.6 ⁽¹⁾⁽⁵⁾	7.5 ⁽⁹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	34.6	71.4
Gross enrolment rate, primary	2008	79.6	
Gross enrolment rate, lower secondary	2008	92.8	
Gross enrolment rate, upper secondary	2008	79.0	104.5
Gross enrolment rate, tertiary	2008	47.2	
Participation in VET in % of upper secondary	2008	5.6	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	16.6	
Students/teachers ratios in general education (%) (ISCED 3)	2008	20.8	
Share of private VET education in total VET education (%) in ISCED 3	2008	4.7	25.2
Share of private general education in total general education (%) in ISCED 3	2008	4.1	13.9
Public expenditure on education as % of GDP	2008		5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

Syria

Syria's vision for VET and the current state of play cannot be understood without consideration of the socio-economic context. The 10th FYP (2006-2010) sets priorities and targets for the move from a planned economy towards a social market economy. The FYP focuses mainly on economic growth largely led by the private sector, the creation of social safety nets and health and education reform. The Government is committed to educational reform and efforts to reduce the mismatch between available skills and labour market skill requirements. Education planning must consider supply and demand in VET as well as general secondary and HE. The soon to be finalised 11th Five Year Plan reflects Syria's vision for the future and these issues are expected to be high on the agenda.

The Government of Syria has tried to reduce public sector influence in recent years by removing barriers to the private sector on most industries and services in order to create new dynamics for economic growth and boost these undeveloped areas (Aita, 2009). These efforts encourage Syrian enterprises and employees to be more competitive and use higher levels skills and competences. However, the size and importance of the informal sector (around 60% in 2010) renders cooperation and policy interventions difficult. The situation is further aggravated by the fact that the public sector is still the preferred employer for HE graduates (Kabbani and Kamel, 2007). Graduates have only recently started looking for jobs in the private sector in emerging fields such as ICT or banking.

The country has high youth unemployment (23.1% in 2008) with deep inequalities between urban and rural areas. The education system appears to compound this situation by failing to provide the skills and competences demanded by the labour market (Huitfeldt and Kabbani, 2006). Enterprises appear content with the role of passive users and they need to play a more active role in getting the right skills mix from the education system. The majority of the population complete only basic education, while a small number complete HE. The qualifications acquired in school go only part of the way toward satisfying employer requirements but in most cases personal networking is more important than qualifications in securing a job. Syria faces situation where the high proportion of younger people demands significant investment in education, while ongoing growth of the labour force increases pressure on the labour market.

The government has achieved major success in expanding access to education and producing workers for the public sector. Recent socio-economic developments make reform to the VET sector essential in order to make it attractive for young people and the business sector. The major challenges lie in strengthening weak links between education and work and in improving the current social perception of VET as unattractive. The entire reform process is hampered by complex governance structures involving lengthy decision-making procedures and restrictive financing models. There are plans to establish an Independent VET Authority in the near future to take the lead role.

VET is expected to produce a highly qualified labour force able to compete on an international level (10th FYP). Laws, strategies and structures are all being developed: the new labour law stipulates cooperation between education and business and the Public Employment Services are under review. A new VET strategy is in the pipeline and proposals are in place for a wider roll-out of apprenticeship schemes and career guidance centres.

Initial VET is largely the preserve of the formal sector but many NGOs are active in encouraging entrepreneurship and offering up-skilling courses for young people. An emerging private sector is providing training courses in IT and foreign languages. There are reports of widespread company-based training for upgrading the skills of employees, but no comprehensive data is available. The Ministry of Labour and Social Policies in cooperation with UNDP and Siliatech is preparing to fulfil an observatory function on data analysis for policy-making,

A variety of programmes and assessments in education and VET have been undertaken with national funding and cooperation from the international community, including the EU, World Bank, UNDP, International Labour Organization (ILO), European Investment Bank and bilateral donors. These have involved both public and private sectors and have focused on education, the labour market and economic developments. All the interventions to date have remained at the pilot level and will require commitment and funding from stakeholders in the education and work sectors if they are to move forward. National authorities need to undertake further discussion of the details and Syria could benefit from the experience of other countries in the region and the EU in this process.

This report proposes a number of measures to further develop and improve the system on the basis of available evidence on the key challenges of VET system in a lifelong learning context (both quantitative data and qualitative information collected from the Syrian partners). The authors believe the following key issues should be considered for the next steps through policies determined by the government:

- Closer coordination and cooperation between the education and private sectors: in particular in working toward an Independent VET Authority to lead closer cooperation and effective implementation of VET strategy through the development of indicators, databases, analyses and other tools. Reform of governance structures and further capacity building for better coordination among institutions would be helpful and the Chambers of Commerce and industry could play a more active role.
- Extended regular monitoring of skill needs in the labour market and improved matching of skill shortages to reduce mismatch by providing a better supply of required skills. The Ministry of Labour and Social Affairs is looking into further development of the Labour Market Information System (LMIS: including a Labour Force Survey (LFS), labour demand surveys, public employment service registers, labour market observatory) and more effective use of the output by the community of experts and policy-makers. A database for all job vacancies, jobseekers and training opportunities would be useful.
- Continued reform of the VET system providing greater flexibility to meet changing demands in the labour market. This will present more opportunities for lifelong learning to develop and for innovations in training content and methods to encourage practical enterprise-based training in VET schools. The Ministry of Education is currently modernising VET curricula to foster flexibility and encourage an on-going competency-based approach. Opportunities for up-skilling and continuing adult training could also be covered in the current reform effort.
- Encouraging and creating easier access through pathways between VET and HE. The aim is to attract better-informed students who will have the benefit of career guidance and counselling, curriculum change with active private sector involvement and flexible curriculum options for more ambitious students who wish to continue in HE. These measures will increase the attractiveness of VET within the system. Examples from the European Union and countries working on National Qualification Frameworks in the region could be helpful.
- Developing a teacher training system that is regularly updated on professional developments, providing training opportunities on technical and pedagogical issues for all teachers, possibly through the creation of a new teacher training centre. Better knowledge is needed along with greater interaction between teachers and employers.
- Alternative sources of VET financing: establishing a National VET Fund under the umbrella of the Independent VET Authority, exploring public-private partnerships in financing through increased contributions from the private sector, tax-exemptions for company training and income-generation opportunities for VET schools through training delivery for adults, companies or use of student activities.

Syria: ETF key indicators 2010

	Year	Syria	EU 27
Population, total (million)	2008	20.6	497.7
Dependency rates (%): as % of working age population	2008	62.7	48.7
Dependency rates (%): 0-14 as % of working age population	2008	57.5	23.3
Dependency rates (%): 65+ as % of working age population	2008	5.2	25.4
Life expectancy, years	2008	74.2	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	4.6	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	20.0	1.8
Industry, value added (% of GDP)	2008	35.0	26.4
Services, etc., value added (% of GDP)	2008	45.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	94	
Employment rates (%), total	2008	40.3 ⁽¹⁾⁽⁴⁾	64.6
Employment rates (%), female	2008	2.6 ⁽¹⁾⁽⁴⁾	58.2
Youth unemployment rates (%), total (15-24)	2008	16.8 ⁽¹⁾	15.5
Youth unemployment rates (%), female (15-24)	2008	41.7 ⁽¹⁾	15.5
Unemployment rates (%), total	2008	8.3 ⁽¹⁾⁽⁴⁾	7.0 ⁽⁹⁾
Unemployment rates (%), female	2008	35.7 ⁽¹⁾⁽⁴⁾	7.5 ⁽⁹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment rate, primary	2008	124.4	
Gross enrolment rate, lower secondary	2008	98.0	
Gross enrolment rate, upper secondary	2008	34.7	104.5
Gross enrolment rate, tertiary	2008		
Participation in VET in % of upper secondary	2008	21.4	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	8.0	
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	5.1 ⁽²⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	4.9 ⁽²⁾	5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

Tunisia

The reform of the Tunisian system of vocational training began in the early 1990s. The reform process entails complex and multidimensional changes. These changes relate not only to the organisation of the training system but also to instructional methods and the behaviour patterns of players within the system. The purpose of the reforms is to move from a system that is detached from the productive structure to a system that is receptive to its environment through the development of effective partnership with the business world. The training system needs to become highly responsive to the changing skill requirements of economic operators. It has to evolve from an organisation in which initiative, decision-making and responsibility are typically centralised to an organisation in which results-driven management is the norm. The challenge is to create a system which is tuned in to the needs of the economy and in which professional bodies and the players within the training system are involved in every stage of the training process.

The job market has come under heavy pressure from the influx of ever-increasing numbers of graduates. In fact, the number of new graduates of institutions of higher education trebled from 21 442 in the 1999-2000 academic year to 65 630 in 2009-2010. The education system is not satisfying the needs of the labour market, which is simultaneously producing a surfeit of graduates and a shortage of skilled technicians.

Since 1996, partnership agreements have been signed with the sectoral federations of professional bodies. These agreements have served as a framework for dialogue focused on training projects. The creation of training-support units within professional bodies serves to capitalise on their involvement in the channelling of the training system and to promote partnership between businesses and vocational-training centres.

The reform is changing the way in which training programmes are designed and delivered. In 2009, 61% of specialisations were covered by target outcomes defined in accordance with the skills-based approach with the aid of methodological support provided through international cooperation. A total of 84% of trainees are undergoing in-house training in the form of sandwich courses or apprenticeships.³

The National Centre for Training of Trainers and Training Course Design (Cenaffif) can boast a full spectrum of course-design resources, ranging from assistance in the formulation of a skills requirement to audits of training centres and including the compilation of curricula and of various organisational and assessment guides for training staff as well as instructor training, training and coaching of management teams and training of in-house tutors.

The strengthening the capacity of players and structures to assimilate the concepts underlying the reforms will be one of the strategic priorities of the next stage in the development of vocational training. It is a matter of improving the practical ability of those operating in the various sectors of the economy to express their sectoral skill requirements and the ability of the training system to ensure that training organised jointly with businesses is delivered in an educationally sound manner. The image of vocational training in Tunisian society does not yet reflect the achievements in that field over the last decade, and its status is lower than it should be in a society that aspires to develop a competitive economy.

Following the January events and the high priority given to job creation, the Tunisian government has recently adopted Roadmap for Employment. The document identifies four priority areas:

- unemployment and activation of unemployed through training;
- protection of existing jobs;
- job creation through public-private partnerships and regional and sector tailored approaches;
- promotion of entrepreneurship and support to micro-enterprises.

An important priority for action will be the support and institutional capacity building for a participatory and evidence based monitoring of the implementation of the Action plan. Support for setting up smart objectives, define indicators, monitor and evaluate progress, and improving the capacities of National

³ Ministry of Education and Training, *Statistiques de l'éducation et de la formation*, session 2008-2009, p. 32.

Observatory of Jobs and Qualifications to fulfil its monitoring will be part of the key areas in need of support.

Linked to the poor image of VET mentioned above and to the need for improving the attractiveness of VET as a quality option within the education system is also a priority for the Ministry. Support on communication strategies and tools to achieve this goal has also been presented as a key priority.

Another key priority of the Tunisian government is social cohesion and regional development. This will imply developing regional policies integrating vocational education and training and employment, with a strong focus on producing “skills for jobs”. Development of capacities for labour market skills needs assessment, support to institutional capacities for providing an offer of skills that is in line with those requirements and supporting the definition of a decentralised Tunisian model for VET governance, are part of the key priorities.

Tunisia: ETF key indicators 2010

	Year	Tunisia	EU 27
Population, total (million)	2008	10.3	497.7
Dependency rates (%): as % of working age population	2008	43.7	48.7
Dependency rates (%): 0-14 as % of working age population	2008	34.1	23.3
Dependency rates (%): 65+ as % of working age population	2008	9.6	25.4
Life expectancy, years	2008	74.3	79.2 ⁽²⁾
GDP per capita, PPP (current international \$,000)	2008	7.9	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	10.0	1.8
Industry, value added (% of GDP)	2008	28.4	26.4
Services, etc., value added (% of GDP)	2008	61.6	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	40	
Employment rates (%), total	2008	43.1 ⁽²⁾⁽⁵⁾	64.6
Employment rates (%), female	2008	22.5 ⁽²⁾⁽⁵⁾	58.2
Youth unemployment rates (%), total (15-24)	2008	31.4 ⁽²⁾	15.5
Youth unemployment rates (%), female (15-24)	2008	30.9 ⁽²⁾	15.5
Unemployment rates (%), total	2008	16.9 ⁽²⁾⁽⁵⁾	7.0 ⁽⁹⁾
Unemployment rates (%), female	2008	21.9 ⁽²⁾⁽⁵⁾	7.5 ⁽⁹⁾
% of 25-64 years old having participated in lifelong learning, total	2008	6.2 ⁽²⁾⁽⁵⁾	9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	31.7 ⁽²⁾⁽⁴⁾	71.4
Gross enrolment rate, primary	2008	107.1	
Gross enrolment rate, lower secondary	2008	117.9	
Gross enrolment rate, upper secondary	2008	74.2	104.5
Gross enrolment rate, tertiary	2008	33.7	
Participation in VET in % of upper secondary	2008	9.8	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008	14.1 ⁽²⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008	8.8 ⁽²⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	5.4	5.0 ⁽²⁾

Notes: (1) 2009. (2) 2007. (3) 2005. (4) age 15+. (5) age 15-64. (6) age 15-59. (7) 2004. (8) 2006. (9) age 15-74.

3. EASTERN EUROPE

Armenia

Armenia was one of the most rapidly growing economies of the former Soviet Union during the last decade. Before the global crisis started to affect all macro-economic sectors and foreign trade, economic growth peaked at 10% in 2008. As growth has been largely based on remittances, the employment rate has remained at a low level (53%) and unemployment has remained persistently high at around 30% (2008). The transformation of the economy is still ongoing and will shape the demand for skills.

Since it is a resource-poor country that is relatively isolated from key neighbouring markets, Armenia's educated and entrepreneurial labour force and potential support from the Diaspora are considered to be the country's main competitive advantages. While education in general and higher education in particular received some policy attention and resources in the last decade, VET has not been a priority and reforms have been rather donor-dependent. Only recently were a number of national policy documents adopted that focus on initial VET, lifelong learning and social partnership. The overall vision of VET by stakeholders covers both initial and continuing VET and is linked to the competitiveness agenda and an overall modernisation of the VET system. Employers' organisations in particular want to see the VET system become less academic and better suited to the requirements of companies. Until now, strategic mechanisms to translate the vision into policy measures have not been in place. However, a recent Memorandum of Understanding and Cooperation in the field of VET, signed between the Ministry of Education and social partners in 2009, is promising. Social partners also confirm that some progress has been made in recent years in making VET more attractive and increasing its relevance to labour market needs – for example, through their involvement in the colleges' management boards. Still, the challenges the Armenian VET system is facing today are manifold and to a large extent inherited from the Soviet period.

- VET still has the image of being a less attractive option when compared to general secondary education and higher education. The perception of VET is of a second-chance education for less privileged pupils with no other options, leading neither to university nor to attractive jobs in the labour market. In theory there is access from VET to tertiary education, but in practice, even if secondary VET required more years of study than secondary general education, it would be difficult to pass the entrance examination to tertiary education without tutoring classes, and pupils from low-income families would not be able to afford it.
- The VET infrastructure is very poorly developed and inadequate due to lack of funds available or allocated for VET in the past. School buildings and other facilities do not provide appropriate learning conditions and in some cases even pose security risks for vocational students. Moreover, there is a huge disparity between VET and general education schools, which further negatively impacts on the attractiveness of VET. The EU started to address this problem in 2006 through sector policy programmes that also included support for the rehabilitation of school buildings and supply of equipment. Nevertheless, there is still a lot to be done in this area.
- The low quality of VET provision is a major concern of all stakeholders and relates to a wide range of issues, from outdated curricula and learning materials to low quality of teaching and a lack of vocational guidance and counselling that will need to be addressed more seriously in the future. Through EU support, a first cycle of revised VET curricula has been elaborated for a few professions and will be piloted in most vocational schools in 2010/11. The Ministry of Education and Science should monitor these pilots carefully and develop plans for mainstreaming.
- Last but not least, ownership and mobilisation of (national) funds for VET remain two crucial challenges for successful and sustainable VET reform in Armenia. The recent policy documents concerning VET prepared with the support of international experts will need to be fully 'owned' by national policy makers and sufficiently resourced in order to be put into practice. The piloting of

new initiatives will require strong inter-institutional cooperation and – despite the need for external resources – the mobilisation of national resources in order to mainstream and sustain the reform.

Armenia: ETF key indicators 2010

	Year	ARM	EU 27
Population, total (million)	2008	3.1	497.7
Dependency rates (%): as % of working age population	2008	47.3	48.7
Dependency rates (%): 0-14 as % of working age population	2008	30.2	23.3
Dependency rates (%): 65+ as % of working age population	2008	17.0	25.4
Life expectancy, years	2008	73.5	79.2 ⁽⁹⁾
GDP per capita, PPP (current international \$,000)	2008	6.1	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	18.0 ⁽¹⁾	1.8
Industry, value added (% of GDP)	2008	36.0 ⁽¹⁾	26.4
Services, etc., value added (% of GDP)	2008	46.0 ⁽¹⁾	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	97	
Employment rates (%), total (15-64)	2008	52.8	64.6/53.7 ⁽⁶⁾
Employment rates (%), female (15-64)	2008	42.4	58.2/46.6 ⁽⁶⁾
Youth unemployment rates (%), total (15-24)	2008	57.4	15.5
Youth unemployment rates (%), total (25-34)	2008	28.3	
Youth unemployment rates (%), female (15-24)	2008	67.5	15.5
Youth unemployment rates (%), female (25-34)	2008	38.7	
Unemployment rates (%), total (15+)	2008	29.4 ⁽²⁾	7.0 ⁽¹⁸⁾
Unemployment rates (%), female (15+)	2008	36.4 ⁽²⁾	7.5 ⁽¹⁸⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	88.1 ⁽³⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	105.1	
Lower secondary (ISCED 2)	2008	94.8	
Upper secondary (ISCED 3)	2008	74.8	104.5
Higher (ISCED 5+6)	2008	34.2 ⁽⁹⁾	
Participation in VET in % of upper secondary	2008	5.0 ⁽⁴⁾	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	7.3 ⁽⁴⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008	1.4 ⁽⁴⁾	13.9
Public expenditure on education as % of GDP	2008	2.8 ⁽⁵⁾	5.0 ⁽⁹⁾

Notes: (1) Data refer to 2009. (2) Population 15-64. (3) Data refer to 2000. (4) Data refer to 2008/2009. (5) Data refer to 2006/2007. (6) Population 15+. (7) Total VET. (8) Age group 25-29. (9) Data refer to 2007. (10) Data refer to 1999; Educational levels included are 'higher', 'secondary vocational', 'primary vocational' and 'secondary general' education. (11) Data refer to 2002. (12) Data refer to 2004/2005. (13) Data refer to 2007/2008; total ISCED 3 considered. (14) Data refer to 2007; total ISCED 3 considered. (15) Population 15-72. (16) Data refer to 2006. (17) Population 15-70. (18) Total ISCED 3. (19) Population 15-74

Azerbaijan

The attention for vocational education and training (VET) has increased during recent years. In comparison to general education and higher education (HE), the vocational education sector is still in an early phase of reforms. The programme on VET development (2007-12) has been looking at the optimisation of the network of VET institutions mainly by updating the infrastructure. School after school is being modernised. A new model of relationships between schools and enterprises is on the agenda; as is the content of vocational training, staff development policies and the management in the field of VET. The results so far have been mainly noticeable at the local level. In 2009 a Centre for the Development of Vocational Education (CDVET) was established in the Institute of Educational Problems to support reforms at a national level. It has not been very effective yet due to a limited mandate and staff capacities.

In September 2009 a new law on education was adopted and a new law on VET is in preparation. In tourism education both the British Council skills@work projects, a Unesco education reform project and the EU funded Tacis VET reform project have brought innovation, indicating directions of reforms and stronger partnership with local businesses. Moreover through a policy working group, the Tacis project has formulated recommendations for strengthening capacities for policy development and implementation, for a National Qualifications Framework (NQF), a more learner-centred approach, staff development, the use of Information and Communication Technologies (ICT) and the funding of VET. A new relationship with businesses is emerging, with a handful of larger companies taking more interest in the VET sector.

The new law on education (September 2009) has provided a more comprehensive framework for education policies in Azerbaijan, and outlines the general principles, the use of educational standards, the structures and quality assurance principles of the education system, the objectives and principles for subsectors (including general education, initial vocational education (IVET), secondary specialised vocational education, HE and continuing education and training (CET) (Əlavə təhsil = additional education). It also regulates admission, and the management of the education and training (E&T) system. The law on education needs to be succeeded by new laws for initial vocational education, secondary specialised education and adult learning. New implementation rules have been formulated and the VET law is on the agenda for 2011.

Lifelong learning is an implicit goal of the E&T reforms in Azerbaijan. The new law dedicates special attention to the development of CET, including non-formal learning. The national curriculum for general education includes well defined learning outcomes. It is gradually introduced year by year since 2007. In general a move towards a more result-oriented education system is becoming visible. But there remains a gap between policy in the making and implementation. The main challenges are limited implementation capacities at national level and at school level. Moreover, inter-linkages between the subsectors within the education and training system remain weak and the new law has reconfirmed existing divisions. The law provides an overall framework and echoes international developments, but there is no shared vision yet about how the E&T systems will need to be reshaped and developed. A vision is developing to move the country from black gold to human gold, but how the E&T system can assist to this important challenge is not clear. Education reforms are still too far detached from the economy and the labour market.

Azerbaijan has been less affected by the global economic crisis than other countries, although the pace of growth has slowed down to approximately 10% per year. Fossil energy revenues have been the main source of growth, providing an unprecedented wealth. Recent growth and stability have led to a steady improvement of life expectancy, a reduction of poverty, improving education attainment levels and lower unemployment. According to indicators, people never have had it as good as now in Azerbaijan. In spite of a faster growing workforce than in any other country in Eastern Europe, most young people seem to be able to find some form of employment.

Macro-indicators do not provide the full picture. Poverty has not been eradicated yet. Jobs in the formal sector are limited. Wage employment is only a small share of the labour market and the fast majority of the workforce work in small companies, in agriculture and family businesses. The energy sector is good for two thirds of the GDP, but employs less than one in seventy workers. The international performance of other economic sectors and their share in the GDP is decreasing. This could undermine the sustainability of the many jobs that have been created recently. A worrying phenomenon is the gradually deteriorating situation of women on the labour market. Moreover as a

consequence of the Nagorno Karabakh conflict Azerbaijan has one of the highest levels of internally displaced persons. They have moved to different parts of the country, with many of them living in and around Baku but with a considerable number living in settlements close to the occupied territories. Many of them came from rural areas and have been deprived of their land and livestock. With a final settlement pending, they still face an uncertain future.

The development opportunities for school graduates are limited, considering that less than 40% specialises after completing general secondary education. The majority of them disappear in the large informal sector (good for two third of the work force). Those who enter into salary employment find themselves at the bottom of the company ladder, learning on the job. Informal apprenticeship is the main pathway for skills development. Those who study to specialise themselves are often ending up without a job in their field of specialisation. Higher education has been traditionally a pathway in public sector jobs. The contribution of vocational and higher education to private sector development is weak.

Entrepreneurship is important and Azerbaijan seems to have good macro business indicators, but not in relation to the skills of the workforce. For the majority of employers the skills of their employees are not decisive for growth. There is lack of trust in the formal training systems among employers, and lack of confidence in the value of VET qualifications among students and parents. The disparity between what schools can supply and what enterprises need has widened considerably. There are early signs of change, through ad hoc cooperation at the local level of schools and individual companies but also gradually at the system level. The appropriate mechanisms for a systemic change have not been identified yet. The main difficulty seems to be how to organise purposeful self-sustainable partnerships between the world of work and the education system. The Tacis TVET reform project has made many recommendations in this area but these are hard to implement given the informal character and the modest degree of organisation of the business world. Under these circumstances it is very difficult to identify sector representatives for a meaningful dialogue. Moreover, labour market information does not provide systematic indications of skill needs.

With support of Unesco an ambitious vision for a diversification strategy has been formulated "Converting Black Gold into Human Gold" but how the economy could be transformed from dependency on oil revenues and a developed informal culture into a formal economy based on more internationally competitive sectors remains unanswered. 500 students a year receive scholarships from the State Oil Fund to study abroad, but this is far from enough to develop the skills that are needed for diversification. What seems to be missing is a much stronger strategic emphasis on how the E&T system can be used to ensure the needed skills and competences for emerging sectors. Currently the diversification strategy's link to the E&T system is not very clear, in spite of projects such as the TVET Tourism project, and the Twinning project for TVET in Agriculture

Current reforms include important innovations, in each segment of the education system in bringing Azerbaijan in line with European and international changes, but lack system-wide mechanisms that can take account of regional, sectoral and national skills needs for general, vocational and higher education and adult learning. The mentioning of adult learning in the new law on education is encouraging but needs to be further developed. A positive breakthrough is the on-going work of a working group on the NQF that should complete its work by the end of 2011 and strengthen links between qualifications and the way they are formulated and used. An important start has been made to improve the facilities in schools with the national programme for VET reform 2007-2013. These are highly needed as the majority of schools can not offer the conditions for quality education with poor facilities, and basic infrastructure. According to the Ministry of Education (MOE) 78 out of the 107 current VET schools need restructuring.

Innovations in VET curricula and VET system development have been elaborated by the Tacis TVET project through a policy group of different stakeholders. These provide indicative directions for further reform with only a few recommendations ready for immediate implementation. This means that we are still at the start of the most important reforms. The pilot curricula developed with the support of Tacis and Unesco projects are being tested. A consolidated approach to curriculum development is missing. VET is divided in three policy areas for IVET, postsecondary college education and CET. The connections between these different policy areas are weak, although it is hoped that they might be strengthened through the NQF and multi-purpose vocational centres. The brand new Tourism VET School in Ismayilli is an example of a new regional VET Centre that is developing in close cooperation with local and regional authorities and businesses.

Capacities for reform are limited. The VET Department in the MOE remains very small. The CDVET is not yet very effective, as it also struggles with capacity limitations. There is also a big problem with an aging workforce in the VET sector, among teachers and instructors. The start of the Twinning Project in VET in Agriculture offers continued assistance to VET reform but there is a need of more integrated approaches that look at the relevance of the education and training provision as a whole. The Ministry of Labour (MLSPP) is developing 200 occupational and training standards with support of the World Bank for the priority sector of tourism, food processing, construction and alternative energy but the approach has not been well connected with the VET provision.

Until the level of full secondary education (after 11 years, rather than 12) participation in education is high. The dropout rate in secondary education is not very high. The problem is not school attendance but the quality of education as the recent results of the PISA study clearly show, with Azerbaijan being among the lower performing participating countries. Moreover the fact that so few secondary school graduates care to specialise by going to VET, colleges or universities and the difficulties that those who do have in finding appropriate employment shows that there important questions about the relevance of education. National school leaving exam and university entrance exams have been introduced successfully, but they have not strengthened relevance, because they are only emphasizing academic skills. The demand from families for HE is much higher than the offer. Colleges are seen as a second option, as they are more connected to HE than to VET. The new law foresees the introduction of a sub-bachelor degree and arrangements for a better transition for college graduates to bachelor programmes. The focus of reform has been on general education and HE. These reforms lack links to the labour market and VET has so far had only limited support.

The college and university systems have been able to attract substantial private contributions. HE has 60% fee paying students, colleges 45%, while initial VET depends completely on state financing. The state funding modalities for education are changing. HE is moving this year to a per capita funding system, strengthening the development of the system towards student preferences. State funding is being opened to private and public providers which need to compete for funding. In spite of substantial nominal increases, public investment in education is only 2.8% GDP (according to SSCAR), far below the EU average of 5,0 %.

Salaries form a large part of the education budget although the salary levels are low. As a consequence the teaching population is ageing, while the labour market is getting younger. Older teachers seem to cling on to their jobs, as the safety net for retiring teachers is far from adequate. The teacher student ratio is still low with around 13 students per teacher in VET, and 7 students per teacher in general education. For young people the teaching profession is not sufficiently attractive. Moreover, retraining systems for teachers, in particular for vocational education and training have not kept up with the needs of today, in spite of regulations to ensure regular retraining. There are plans for an overhaul of the VET teacher retraining system, following reforms for teacher retraining in primary education.

Many schools are trying to innovate at a local level. Nevertheless a 2009 British council survey in the South Caucasus Countries interviewing more than 125 students and 59 enterprises in Azerbaijan, established that only 20% employers consider that vocationally qualified students are sufficiently competent. Moreover many students are afraid that they are not able to find a job if they have they do not have the right contacts and emphasise the need for more practical training.

Earlier evidence from ETF **2005 tracer study** already showed how poor schools and companies were linked, with only 28% of VET school students finding appropriate employment after graduation. In order to improve the cooperation with companies participants in the Torino Process seminar recommended that regulation is needed to force companies to improve links with schools. But even those companies that are cooperating with schools are not happy with what VET school graduates offer. The PISA results may have strengthened insights that education needs to enhance competences and not only knowledge. There is a willingness to start working with employers who are currently relying on their own informal training practices. Given that 64% of employers in the British council survey thought that their training needs will change in the next five years this may come at the right time.

Concluding remarks

There is a clear intention to strengthen the links with the labour market and there are some early indications that things are starting to change. The different individual efforts by stakeholders and projects to improve and develop VET need to be transformed into a systemic approach and rendered more sustainable. The formulation of occupational standards and the reform of qualifications linked to the introduction of the NQF could offer a new approach to introduce more relevant quality assured qualifications. There is especially a need for systematic work to strengthen the links with businesses, with economic sectors and with social partners at school, regional, sectoral and national level. In order to facilitate a more meaningful dialogue the quality of labour market information needs to be improved. Beyond the administration of VET institutions, the new VET law should dedicate more attention to the results of VET, creating a new legislative basis for the links between schools and enterprises and clarifying the role of VET as a pathway to the labour market and further learning.

Many of the ideas for reform are already identified, but need to be adapted for implementation. The VET Department in the MOE and the CDVET are very small. The capacities for reform and implementation need to be strengthened. The upgrading of facilities in VET schools needs to continue. The implementation of reforms in schools is hampered by an aging workforce. The VET sector struggles with both a surplus and a shortage of teachers. Some reforms have started, but bigger changes are needed to improve the quality and relevance of IVET, college education, HE and CET. Without more attention to the reform of education diversification in the economy will not happen. It requires that much more students specialise for the labour market than today. IVET and college education need to become more attractive and HE needs to become relevant for the labour market. Moreover, adult learning needs to be developed within a lifelong learning concept.

Azerbaijan: ETF key indicators 2010

	Year	AZ	EU 27
Population, total (million)	2008	8.9 ⁽¹⁾	497.7
Dependency rates (%): as % of working age population	2008	41.6 ⁽¹⁾	48.7
Dependency rates (%): 0-14 as % of working age population	2008	32.1 ⁽¹⁾	23.3
Dependency rates (%): 65+ as % of working age population	2008	9.6 ⁽¹⁾	25.4
Life expectancy, years	2008	70.2	79.2 ⁽⁹⁾
GDP per capita, PPP (current international \$,000)	2008	8.8	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	6.0	1.8
Industry, value added (% of GDP)	2008	71.0	26.4
Services, etc., value added (% of GDP)	2008	23.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	51	
Employment rates (%), total (15-64)	2008	60.0 ⁽⁶⁾	64.6/53.7 ⁽⁶⁾
Employment rates (%), female (15-64)	2008	55.9 ⁽⁶⁾	58.2/46.6 ⁽⁶⁾
Youth unemployment rates (%), total (15-24)	2008	14.0 ⁽⁹⁾	15.5
Youth unemployment rates (%), total (25-34)	2008	7.9 ⁽⁹⁾	
Youth unemployment rates (%), female (15-24)	2008	10.5 ⁽⁹⁾	15.5
Youth unemployment rates (%), female (25-34)	2008	7.3 ⁽⁹⁾	
Unemployment rates (%), total (15+)	2008	6.6 ⁽²⁾⁽⁹⁾	7.0 ⁽¹⁸⁾
Unemployment rates (%), female (15+)	2008	5.3 ⁽²⁾⁽⁹⁾	7.5 ⁽¹⁸⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	88.6 ⁽⁹⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	116.2	
Lower secondary (ISCED 2)	2008	100.9	
Upper secondary (ISCED 3)	2008	115.7	104.5
Higher (ISCED 5+6)	2008	15.8	
Participation in VET in % of upper secondary	2008	38.40	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	12.3 ⁽⁷⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	80.8	25.2
Share of private general education in total general education (%) in ISCED 3	2008	0.5	13.9
Public expenditure on education as % of GDP	2008	2.7 ⁽⁹⁾	5.0 ⁽⁹⁾

Notes: (1) Data refer to 2009. (2) Population 15-64. (3) Data refer to 2000. (4) Data refer to 2008/2009. (5) Data refer to 2006/2007. (6) Population 15+. (7) Total VET. (8) Age group 25-29. (9) Data refer to 2007. (10) Data refer to 1999; Educational levels included are 'higher', 'secondary vocational', 'primary vocational' and 'secondary general' education. (11) Data refer to 2002. (12) Data refer to 2004/2005. (13) Data refer to 2007/2008; total ISCED 3 considered. (14) Data refer to 2007; total ISCED 3 considered. (15) Population 15-72. (16) Data refer to 2006. (17) Population 15-70. (18) Total ISCED 3. (18) Population 15-74

Belarus

Over the last years, there has been a rapid growth in socio-economic development of Belarus resulting in an increase in the well-being of the Belarusian population. Together with economic growth, the employment rate has risen. In turn, this has led to a greater focus of national policy on human resources development where education at all levels plays a leading role.

The Belarusian education system, centrally managed and controlled by the state, still bears many features of the Soviet system. Transformational processes in education are aimed at bringing the system into compliance with the changes in the economy and society, being evolutionary reforms rather than drastic changes. The most drastic change in education has been the recent shift to mass higher education.

It should be stressed that the educational reforms carried out by the Belarusian Government are systematic. State policy is summarised in the major legal acts, regulating education, and is implemented through the State programmes for the development of technical vocational and secondary special education.

The reason for being cautious in the implementing reforms is a strong position of the education system in the social and economic policies and a guarantee of the government support. Belarus has kept high enrolment rates in secondary school and especially in institutions of higher education since independence, thereby is maintained a high educational level of the population.

The latest legislative initiatives such as the Code of Education of the Republic of Belarus are a positive phenomenon. The draft Code of Education aims at “improving the system gradually and smoothly rather than reforming it”. The purpose of the Code is to create a unified national system of education and provide a unified strategy of its development, regulating relations between all levels of education. The Code is based on the educational legislation of the Republic of Belarus, international agreements of the Republic of Belarus in this area as well as core agreements of the United Nations, UNESCO and other international organisations.

The Belarusian labour market is characterized by low levels of registered unemployment, and an increase in the number of employed population. As many other countries with transition economy, Belarus suffers a demographic decline, with a reduction of around 40,000 people per annum. The Belarusian labour market also faces the challenges of an aging population and labour.

The growth of new jobs in industrial sectors required a more knowledgeable and highly skilled workforce in such areas as modern production and new technologies. Employers are also interested in key competences of their workers, such as information technologies, initiative taking and operational independence. Economic development towards new technologies in industry and the increasing need for higher qualifications requires that education system responds accordingly.

The main priorities in the development of vocational education and training system are to increase its relevance to the labour market and innovative perceptiveness, revise curricula, renovate educational buildings and equipment, upgrade teachers' and trainers' skills and increase their salaries.

The Ministry of Education is putting a lot of effort into strengthening cooperation between vocational education stakeholders and participants and employers in order to involve the latest in vocational education development. In order to make the vocational education system more attractive for students and parents and increase the youth access to higher education, the Ministry of Education is enlarging its structure and merging colleges with higher education institutions. As in many other CIS countries, students prefer higher education to other levels of vocational education, which is proven by declining enrolment in technical vocational education and rapidly growing enrolment in higher education over the last years.

Employers' understanding of the need to invest in human capital and their growing interest in participation in vocational education policy development are beneficial. For example, there has been held a joint collegium between the Ministry of Education and the Ministry of Architecture and Building, as well as a meeting of the SME Directors Club, a meeting between Bellegprom concern directors and the representatives of the Ministry of Education, etc. The purpose of these events was better information exchange and improvement of communication between the education community and labour market, employers' associations, etc. Social partnership development in education is a key priority, stated in all the strategic documents. New units have been developed under the Ministry of

Education, such as the Coordination Council for VET and Cross-Sectoral Council for Secondary Special Education, with a view of strengthening cooperation between national and local administrations, public organisations and education institutions.

The Belarusian education community as well as the education authorities regard international cooperation in education and training highly. The experience they gained through education projects has had a positive impact on the capacity building of local experts, development of new approaches and mechanisms for educational reform and strengthened cooperation between education workers and institutions in different countries. Last years the Republic of Belarus had limited possibilities to participate in international cooperation. Improving relations with the EU provides an opportunity for Belarus to review its achievements in the education system once again, by comparing them with best examples and practices of other countries.

There is a growing awareness in the society that it is necessary to improve access of young people and adults to all levels of education, diversify curricula, improve quality of foreign language teaching and modernize qualification structure of the trained specialists. International cooperation is valued as an important means of achieving these objectives.

Belarus: ETF key indicators 2010

	Year	BEL	EU 27
Population, total (million)	2008	9.7	497.7
Dependency rates (%): as % of working age population	2008	40.2	48.7
Dependency rates (%): 0-14 as % of working age population	2008	20.8	23.3
Dependency rates (%): 65+ as % of working age population	2008	19.4	25.4
Life expectancy, years	2008	70.6	79.2 ⁽⁹⁾
GDP per capita, PPP (current international \$,000)	2008	12.3	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	8.5	1.8
Industry, value added (% of GDP)	2008	38.6	26.4
Services, etc., value added (% of GDP)	2008	52.8	71.8
Global Competitiveness Index (rank, out of 133)	2009/10		
Employment rates (%), total (15-64)	2008	55.6 ⁽⁶⁾	64.6/53.7 ⁽⁶⁾
Employment rates (%), female (15-64)	2008	54.1 ⁽⁶⁾	58.2/46.6 ⁽⁶⁾
Youth unemployment rates (%), total (15-24)	2008	2.4 ⁽⁹⁾	15.5
Youth unemployment rates (%), total (25-34)	2008	1.1 ⁽⁹⁾⁽⁸⁾	
Youth unemployment rates (%), female (15-24)	2008	3.3 ⁽⁹⁾	15.5
Youth unemployment rates (%), female (25-34)	2008	1.4 ⁽⁹⁾⁽⁸⁾	
Unemployment rates (%), total (15+)	2008	1.1 ⁽⁹⁾	7.0 ⁽¹⁸⁾
Unemployment rates (%), female (15+)	2008	1.31 ⁽⁹⁾	7.5 ⁽¹⁸⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	85.8 ⁽¹⁰⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	99.2	
Lower secondary (ISCED 2)	2008	113.5	
Upper secondary (ISCED 3)	2008	72.3 ⁽⁹⁾	104.5
Higher (ISCED 5+6)	2008	72.8	
Participation in VET in % of upper secondary	2008	43.9 ⁽⁹⁾	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	5.8 ⁽⁹⁾	5.0 ⁽⁹⁾

Notes: (1) Data refer to 2009. (2) Population 15-64. (3) Data refer to 2000. (4) Data refer to 2008/2009. (5) Data refer to 2006/2007. (6) Population 15+. (7) Total VET. (8) Age group 25-29. (9) Data refer to 2007. (10) Data refer to 1999; Educational levels included are 'higher', 'secondary vocational', 'primary vocational' and 'secondary general' education. (11) Data refer to 2002. (12) Data refer to 2004/2005. (13) Data refer to 2007/2008; total ISCED 3 considered. (14) Data refer to 2007; total ISCED 3 considered. (15) Population 15-72. (16) Data refer to 2006. (17) Population 15-70. (18) Total ISCED 3. (18) Population 15-74

Georgia

The Government of Georgia has presented a new strategy on vocational education and training (VET). The major challenges that remain for Georgia's VET system following the 2005 reform include the variations in quality and the deadends that exist in initial VET. All other education subsystems have also been subject to considerable reform efforts with a view to delivering improved educational outcomes. However, a holistic VET reform at secondary and post-secondary levels is still pending. The 2005 VET reform was driven mainly by the emerging skill needs of the post-Soviet economy. Costly and unsuitable VET centres were closed down and others improved. Many VET schools operated too inefficiently for a labour market that required a smaller number of well-trained VET graduates. These graduates had to attain their skills in a reduced number of training centres.

The government considered that the main and most urgent problems of the changing demand for human capital could be solved with improvements to the remaining VET centres: 17 have been improved and the remainder are to undergo the same process. There have been a number of changes in the past two years as regards the attractiveness of VET; these are the result of an increasing demand for labour-market-relevant programmes at secondary level and in adult training. Georgia has made enormous progress since the end of the Soviet era, though serious problems remain. The diversity of training programmes and their fragmentation from other education subsystems reflects the overall neo-liberal framework and affects nearly all systemic components of VET, including teachers' education and salaries, curricula, the duration of courses, infrastructure and methods of cooperation with the business sector. These components partly follow the specific institutional priorities (generating income, demand from the private sector) of the 38 public centres for initial VET (at higher secondary level) and 4 higher education institutes offering post-secondary training programmes. Commonly agreed new standards or objectives, such as labour market relevance, have resulted in shorter durations for the programmes, which focus exclusively on technical content.

A great deal of experience has been gained in adjusting VET programmes to the specific business requirements of certain economic sectors or to the needs of enterprises, and there is a legal base that permits such cooperation in order to increase the incomes of VET centres. Up to a certain limit, additional income compensates for the modest levels of public investment. A great deal of experience has also been gained in other areas, such as the adaptation of curricula, institutional initiatives in teacher and instructor in-service training, and supplementing public funds with fees from private contributions to educational services delivered by VET centres. However, Georgia has not managed to set up a mechanism that is driven by social partners, to systematically examine the consequences, experiences, good practice examples and failures of institutional initiatives that contribute to innovations and that include education and business cooperation. This is a precondition for the implementation of substantial reform that takes into account the main problems of the current VET system. The VET system is still in transition. From 2005 onwards, public expenditure on VET fell considerably as ineffective training centres were closed. However, more needs to be done to develop sound, country-specific HRD strategies. The improvement of VET currently relies mainly on a decision being made on the size and character of the new reform and on the policies that need to be implemented in the system. This has consequences for an updated strategy, which should include the following issues as major steps towards modern VET delivery and a more comprehensive education system:

- the attractiveness of high-quality training programmes and their links with other educational alternatives, particularly the higher education sector;
- educational spending, including per capita financing, tax rebate schemes for private investments, and the further improvement of VET centres (in terms of infrastructure and personnel) for initial and adult training;
- the reform of teacher and instructor education and in-service training, and the transparency of professional qualifications, which still need to be designed for specific professional areas of the Georgian economy;
- institutionalised cooperation with the social partners in VET reform and implementation, and in financing and execution of programmes;

- labour market research as a relevant source of information for further decisions and improved professional guidance.

Georgia: ETF key indicators 2010

	Year	GEO	EU 27
Population, total (million)	2008	4.3	497.7
Dependency rates (%): as % of working age population	2008	46.1	48.7
Dependency rates (%): 0-14 as % of working age population	2008	25.0	23.3
Dependency rates (%): 65+ as % of working age population	2008	21.1	25.4
Life expectancy, years	2008	71.5	79.2 ⁽⁹⁾
GDP per capita, PPP (current international \$,000)	2008	5.0	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	10.0	1.8
Industry, value added (% of GDP)	2008	24.0	26.4
Services, etc., value added (% of GDP)	2008	66.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	90	
Employment rates (%), total (15-64)	2008	52.3 ⁽⁶⁾	64.6/53.7 ⁽⁶⁾
Employment rates (%), female (15-64)	2008	44.9 ⁽⁶⁾	58.2/46.6 ⁽⁶⁾
Youth unemployment rates (%), total (15-24)	2008	35.5	15.5
Youth unemployment rates (%), total (25-34)	2008	25.9	
Youth unemployment rates (%), female (15-24)	2008	40.7	15.5
Youth unemployment rates (%), female (25-34)	2008	28.2	
Unemployment rates (%), total (15+)	2008	16.5	7.0 ⁽¹⁸⁾
Unemployment rates (%), female (15+)	2008	16.1	7.5 ⁽¹⁸⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	89.5 ⁽¹¹⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	107.4	
Lower secondary (ISCED 2)	2008	90.4	
Upper secondary (ISCED 3)	2008	89.5	104.5
Higher (ISCED 5+6)	2008	34.3	
Participation in VET in % of upper secondary	2008	2.6 ⁽⁴⁾	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008	7.8 ⁽⁴⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008	27.1 ⁽⁴⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008	6.4 ⁽⁴⁾	13.9
Public expenditure on education as % of GDP	2008	3.0 ⁽¹²⁾	5.0 ⁽⁹⁾

Notes: (1) Data refer to 2009. (2) Population 15-64. (3) Data refer to 2000. (4) Data refer to 2008/2009. (5) Data refer to 2006/2007. (6) Population 15+. (7) Total VET. (8) Age group 25-29. (9) Data refer to 2007. (10) Data refer to 1999; Educational levels included are 'higher', 'secondary vocational', 'primary vocational' and 'secondary general' education. (11) Data refer to 2002. (12) Data refer to 2004/2005. (13) Data refer to 2007/2008; total ISCED 3 considered. (14) Data refer to 2007; total ISCED 3 considered. (15) Population 15-72. (16) Data refer to 2006. (17) Population 15-70. (18) Total ISCED 3. (18) Population 15-74

Republic of Moldova

VET-related legislation in the Republic of Moldova generally lacks a lifelong learning perspective and few active measures are taken to ensure progression and continuity, different entry points, non-formal and informal education, easy access and diversification of learning styles and approaches. Recent education-related legislation and other policy documents have largely concentrated on school-based secondary vocational education while tertiary formal levels and continuous training have generally been omitted from the VET category. Work-based learning is not envisaged as an acceptable option for legally recognised certification processes.

In contrast, VET stakeholders consulted through a focus group methodology for this report provided a more comprehensive picture. School directors, employers and employees, ministerial representatives, district and municipal staff, education specialists and parents described VET as a system that should entail: social dialogue, adult learning, anticipation of skill needs, secondary and tertiary level qualifications, a combination of theoretical and practical learning, learning within enterprises and the development of public-private partnerships. All of the constituent groups viewed changes in this direction as positive.

VET users in particular recommended changes to address the existing mismatch between the qualifications provided and labour market requirements. Many of the course profiles offered by professional institutions are no longer in demand and some of those that are demand-oriented do not contain adequate content to provide graduates with the skills and competences they need. Employers and employees alike are dissatisfied with the quality of training as they believe the relevance and quality of education and training should go hand in hand.

Skill demand in Moldova is shaped by the requirements of an economy marked by three main challenges:

- economic restructuring where services have replaced agriculture as the main contributor to GDP (many of the jobs created during the economic recovery demand high or medium level skills that were not required under the old economic structure);
- foreign investors continue to operate in niches where they tend to employ a qualified workforce with specific key competences that most jobseekers cannot offer due to their poor preparation (foreign investors show a higher propensity for corporate training than Moldovan enterprises);
- most companies make limited investments often associated with low productivity and unattractive salaries, as a consequence the skill levels demanded are generally low and employees are offered no opportunities to upgrade their competences.

Social challenges also have an impact on skill demand. Perhaps the strongest negative tendencies are generated by the economic divide between rural and urban areas, where the widening gap is depriving the rural youth of opportunities. Meanwhile, a positive challenge can be seen in the value of education as leverage for social mobility where more families are realising their aspirations by supporting their children in education through to university graduation. Unfortunately, the decline in quality and low social prestige of VET have made it unattractive for families despite the fact that VET brings returns in terms of employability and decent salaries on the labour market where employers are in need of middle level skills. Finally, emigration has a huge impact in Moldova where large numbers of skilled-workers have been attracted to jobs in the Russian Federation and European countries often leaving their families behind. International labour migration has become a key trait of Moldovan development over the last decade, bringing positive and negative aspects with it. This now presents an economic challenge as much as a social one.

There is concern about the overall efficiency of education given that the quality of provision remains poor in spite of expenditure equivalent to 9% of GDP (2009). The main indicators of this can be seen in the impoverished infrastructure, high turn-over of teachers and decreased staff re-training, unfilled vacancies (especially in rural schools), poor involvement of key actors including social partners, outdated teaching methods and lack of school management expertise. Quality continues to be defined according to input indicators, such as the number of teaching hours, rather than output in policy and planning documents.

The VET governance structure is characterised by the concentration of policy processes and implementation functions within the Ministry of Education. Intermediary bodies have been created over the years but they are not operating effectively. There is ample room for greater involvement of the labour market and social actors in governance within clearly defined roles.

The draft Education Code under discussion in 2010 envisages desirable innovations and, if approved, the Code could provide VET with a renovated legal basis to underpin important changes including the involvement of social partners, work-based learning and the promotion of public-private partnerships.

Policy priorities identified in this analysis can be summarised as follows: (i.) a clearer role for social partners in system governance (bringing education and training closer to actual demands, making regular use of labour market need assessments and developing work-based learning approaches); (ii.) the expansion of adult learning services and opportunities, to respond to present and expected gaps in the labour market (enhancing adult learning would indirectly benefit initial education, through improved status, capacities and resourcing in VET schools); (iii.) a new funding structure for the system (re-thinking the relationship between public and private, and consolidating new partnerships). The ultimate aim of all the policies outlined here is an improved quality of education and training.

Republic of Moldova: ETF key indicators 2010

	Year	MOL	EU 27
Population, total (million)	2008	3.6	497.7
Dependency rates (%): as % of working age population	2008	39.5	48.7
Dependency rates (%): 0-14 as % of working age population	2008	24.0	23.3
Dependency rates (%): 65+ as % of working age population	2008	15.5	25.4
Life expectancy, years	2008	68.4	79.2 ⁽⁹⁾
GDP per capita, PPP (current international \$,000)	2008	3.0	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	11.0	1.8
Industry, value added (% of GDP)	2008	15.0	26.4
Services, etc., value added (% of GDP)	2008	74.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010		
Employment rates (%), total (15-64)	2008	43.0 ⁽⁶⁾	64.6/53.7 ⁽⁶⁾
Employment rates (%), female (15-64)	2008	40.1 ⁽⁶⁾	58.2/46.6 ⁽⁶⁾
Youth unemployment rates (%), total (15-24)	2008	14.4	15.5
Youth unemployment rates (%), total (25-34)	2008	5.8	
Youth unemployment rates (%), female (15-24)	2008	12.4	15.5
Youth unemployment rates (%), female (25-34)	2008	3.7	
Unemployment rates (%), total (15+)	2008	4.0	7.0 ⁽¹⁸⁾
Unemployment rates (%), female (15+)	2008	3.4	7.5 ⁽¹⁸⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	82.6	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	94.0	
Lower secondary (ISCED 2)	2008	90.1	
Upper secondary (ISCED 3)	2008	82.8	104.5
Higher (ISCED 5+6)	2008	40.0	
Participation in VET in % of upper secondary	2008	34.5	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	12.1 ⁽¹³⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	2.1 ⁽¹⁴⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	8.2	5.0 ⁽⁹⁾

Notes: (1) Data refer to 2009. (2) Population 15-64. (3) Data refer to 2000. (4) Data refer to 2008/2009. (5) Data refer to 2006/2007. (6) Population 15+. (7) Total VET. (8) Age group 25-29. (9) Data refer to 2007. (10) Data refer to 1999; Educational levels included are 'higher', 'secondary vocational', 'primary vocational' and 'secondary general' education. (11) Data refer to 2002. (12) Data refer to 2004/2005. (13) Data refer to 2007/2008; total ISCED 3 considered. (14) Data refer to 2007; total ISCED 3 considered. (15) Population 15-72. (16) Data refer to 2006. (17) Population 15-70. (18) Total ISCED 3. (18) Population 15-74

Russia

What is the official position in terms of vision and perception with regards to VET?

The key points identified as potential barriers for the modernisation of the country's economy are the deficit of human capital and the lack of qualified engineers and a regular labour force. These will be addressed as defined by the Concept Paper for Socioeconomic Development until 2020 (approved by Decree No. 1662-p on 17 November 2008) and **Principal Directions of the Russian Government until 2012** (approved by Decree No. 1663-p on 17 November 2008).

On 31 August 2010, a joint meeting was held by the State Council of the Russian Federation and the Presidential Commission for Modernisation and Technological Development of Russia's Economy, regarding the key priorities for the development of VET in Russia. One of the main issues identified was the excessive demand for higher vocational education, in comparison to elementary and secondary VET. Therefore, a goal has been set to increase the attractiveness of elementary and secondary VET.

The VET system, as developed and implemented during the industrial period of extended development in a non-competitive environment, is in need of fundamental changes. The key conditions for the development of the VET system are as follows:

- Relevancy of the VET system to the economy and the economy needs;
- Joint efforts by the state, the employers and the society;
- Cooperation amongst various authorities, irrespective of their authority level;
- Incentives for the population to continue lifelong VET;
- Incentives for educational institutions to enhance the quality of VET based on ratings recognised both nationally and internationally.

Even more relevant are the following directions:

- Development of public, organisational and economic mechanisms for the management of the VET system;
- Review of the content of VET according to professional standards, with direct involvement of employers associations;
- Introduction of an independent quality assessment system for VET, including qualification assessment and certification of graduates;
- Development of a re-training and professional development system for academics and teachers in the VET sector in order to accrue human capital capable of leading modernisation of the system;
- Development of management devices that would ensure that the VET system is included as a solution for the human resource problems faced by companies;
- Establishment of a vocational guidance system for young people in order to re-educate society and change perceptions of certain sought-after professions, technical vocational training and complex scientific professions;
- Increase influence regarding integrated modernisation of VET in districts.

What actions have been undertaken to ensure VET policy implementation?

State VET policy is implemented by the Ministry of Education and Science, the scientific institutions reporting to it and dedicated federal and departmental programmes and via the National Priority Project on Education. The major state-funded projects currently are as follows:

- Development of VET strategy and modernisation programmes aimed at implementation of the project titled Strategies for the Socioeconomic Development of Russian Federation Districts;
- Modernisation of training programmes aimed at the services sector;
- Development of a vanguard VET system that takes into account any potential technological economy growth and increase in productivity;
- Development of an independent quality assessment system for educational and academic activity in priority economy fields that ensures objective and transparent assessment of results.

A total of 300 innovative resources centres were created as a part of the National Priority Project on Education (see the Annex to Chapter B for additional data on the results of this project for the period 2007–2009) in various Russian Federation constituencies to enable the implementation of the elementary and secondary VET programmes. The material and technical infrastructures of the leading elementary, secondary and higher VET institutions were also refurbished. Another important development was the identification of leading institutions, as a kind of ‘growing point’, capable of offering support by the establishment of territorial-economic branches and the modernisation of the regional VET system. The national project has also, in accordance with the goals set for an innovative economy, reviewed the issues of providing incentives to innovation within education and supporting the initiatives of educational and public organisations, employers associations, local authorities and constituencies of the Russian Federation in order to update and improve the educational process and the educational system as a whole.

In higher education, a network of 36 leading universities has been set up (7 federal and 29 doing scientific research). The remaining higher education institutions will also undergo modernisation in the next five years. An effective network of VET institutions that could act as centres for socioeconomic growth for the districts will need to be developed, followed by the establishment of integrated research parks that include VET institutions of different levels.

The range of VET programmes is being expanded based on different objectives and focuses (e.g. applied bachelor programmes are currently being piloted). New mechanisms of ensuring continuous VET are being devised by means of successive VET programmes. The new Federal State Educational Standards, based on a modular competency approach, are currently being finalised and approved. New federal state standards have also been introduced in higher education (154 bachelor degree and 163 master degree standards). Some departments (107) have preserved the continuous five-year training format based on the traditional Russian higher education system. The same continuous five-year (minimum) training format has been preserved for certain specialisations critical for state security and the wellbeing of citizens (engineers, doctors, architects, etc). As of 2011, new Federal State Educational Standards will be introduced to 567 specialisations and professions, on offer at elementary and secondary VET institutions.

The definitions used by the new educational standards regarding the requirements for the outcomes of a basic VET programme are the ones set by the NQF, developed by the Ministry of Education and Science and the Russian Union of Industrialists and Entrepreneurs (for additional information on the NQF, see the Annex to Chapter C).

The relevant regulatory framework is now in place for the implementation of the new operational form of educational institutions called on to increase their financial independence and expand their potential for attracting additional extra-budgetary resources.

The modernisation processes to develop VET in Russia require changes in the legislation and the education regulatory framework. To this end, a new draft Federal Law on Education has been published on the website of the Ministry of Education and Science and is currently undergoing public scrutiny.

What are the current priorities?

Establishment of an innovative economy constitutes the main priority for the next decade and poses a major challenge for the VET system. The key points for modernisation of the VET system are as follows:

- Alignment of the VET system with the requirements of developing labour markets and socioeconomic growth;

- Further decentralisation of VET system management with simultaneous reinforcement of the federal role in the field of market regulation to ensure high quality educational services (distribution of authority between the federal centre and the constituencies is governed by Chapter III of the Federal Law on Education of 10 July 1992 (reviewed 17 June 2010) and by the clause on the Ministry of Education and Science of the Russian Federation);
- Establishment of an integrated federal and regional network of VET institutions faced with similar challenges;
- Integration of Russian Federation and constituency efforts for the development of VET;
- Modernisation of the vocational guidance system and creation of a professional accompaniment system within educational institutions;
- Development of human resources for VET;
- Establishment of an independent and external assessment system for VET quality;
- International integration of VET so as to increase export of Russian educational services.

Russia: ETF key indicators 2010

	Year	RUS	EU 27
Population, total (million)	2008	141.8	497.7
Dependency rates (%): as % of working age population	2008	38.9	48.7
Dependency rates (%): 0-14 as % of working age population	2008	20.4	23.3
Dependency rates (%): 65+ as % of working age population	2008	18.5	25.4
Life expectancy, years	2008	67.8	79.2 ⁽⁹⁾
GDP per capita, PPP (current international \$,000)	2008	15.9	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	4.8 ⁽⁹⁾	1.8
Industry, value added (% of GDP)	2008	38.6 ⁽⁹⁾	26.4
Services, etc., value added (% of GDP)	2008	56.8 ⁽⁹⁾	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	63	
Employment rates (%), total (15-64)	2008	56.7 ⁽⁶⁾	64.6/53.7 ⁽⁶⁾
Employment rates (%), female (15-64)	2008	51.3 ⁽⁶⁾	58.2/46.6 ⁽⁶⁾
Youth unemployment rates (%), total (15-24)	2008	14.5 ⁽⁹⁾	15.5
Youth unemployment rates (%), total (25-34)	2008		
Youth unemployment rates (%), female (15-24)	2008	14.7 ⁽⁹⁾	15.5
Youth unemployment rates (%), female (25-34)	2008		
Unemployment rates (%), total (15+)	2008	6.3 ⁽¹⁵⁾	7.0 ⁽¹⁸⁾
Unemployment rates (%), female (15+)	2008	6.1 ⁽¹⁵⁾	7.5 ⁽¹⁸⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	88.0 ⁽¹¹⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	96.8	
Lower secondary (ISCED 2)	2008	85.2	
Upper secondary (ISCED 3)	2008	84.2	104.5
Higher (ISCED 5+6)	2008	77.2	
Participation in VET in % of upper secondary	2008	47.0	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	1.5 ⁽⁹⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008	0.6 ⁽⁹⁾	13.9
Public expenditure on education as % of GDP	2008	3.9 ⁽¹⁶⁾	5.0 ⁽⁹⁾

Notes: (1) Data refer to 2009. (2) Population 15-64. (3) Data refer to 2000. (4) Data refer to 2008/2009. (5) Data refer to 2006/2007. (6) Population 15+. (7) Total VET. (8) Age group 25-29. (9) Data refer to 2007. (10) Data refer to 1999; Educational levels included are 'higher', 'secondary vocational', 'primary vocational' and 'secondary general' education. (11) Data refer to 2002. (12) Data refer to 2004/2005. (13) Data refer to 2007/2008; total ISCED 3 considered. (14) Data refer to 2007; total ISCED 3 considered. (15) Population 15-72. (16) Data refer to 2006. (17) Population 15-70. (18) Total ISCED 3. (18) Population 15-74

Ukraine

In 2010, as part of its mid-term support strategy, the European Training Foundation (ETF) conducted a first-time cycle of reviews of vocational education and training (VET) policies and systems in all its partner countries and territories. Called the Torino Process, this exercise was led and supported by the ETF, and was meant to launch regular, evidence-based policy assessments in the ETF partner countries, repeated every couple of years and aiming to: a) document the analysis of the national VET systems' internal efficiency; and b) look at the contribution of VET policies and systems to broader policy objectives of sustainable economic and social development in each partner country, allowing the policy makers to assess future policy options and propose the national VET policy support actions.

Ukraine was among the ETF partner countries who fully supported the idea of a joint, evidence-based VET policy assessment, as well as the use of its results for further development of policies of VET system modernisation at the national level. After discussing with ETF the Torino Process policy assessment approach and methodology, the Ministry of Education and Science of Ukraine has made a decision to take the responsibility for both the collection of the required evidence and the preparation of the Torino Process report as part of its own effort of developing the National Concept of VET System Reform in Ukraine. The Torino Process report preparation by the Government of Ukraine has been facilitated by the ETF through a participative methodology, based on the collection and analysis of evidence on the key policy objectives, trends, challenges and needs.

It has been envisaged that in the long term, across all ETF partner countries, the Torino Process will become a guided self-assessment tool for policy makers to support national policy developments, monitoring of policy implementation and evaluation of policy effectiveness. Ukraine and several other ETF partner countries have made a decision to conduct the Torino Process in the self-assessment format from the outset. Both the Torino Process report and the National Concept of VET System Reform have been prepared during 2010 in parallel, and had clear cross-references to each other, mainly related to the analysis of system reform needs, and to the key recommendations for VET reform actions.

The current self-assessment by Ukraine under the Torino Process has been supported by the European Training Foundation in the course of analysis, draft report preparation, through a series of consultations, seminars and bilateral discussions between the Government, national experts, social partners - on the one side - and the ETF – on the other. The European Training Foundation's experts have reviewed the draft Torino Process report on several occasions and provided comments and feedback to the authors. ETF believes that the Torino Process exercise has a great value due to the fact that policy analysis of the national VET system requires collection of and looking at hard evidence before the new policies could be proposed or before the changes would be introduced to the existing policies effecting the VET system. It also triggers the internal process of evidence-based policy (EBP) evaluation in terms of its effectiveness, and efficiency of the use of public funds allocated to the education and training system.

ETF realises that government self-assessments might be – and it is in some way true for the presented here self-assessment Torino Process report by Ukraine – a reflection of an existing (inherited) tradition of strategy planning in the partner countries, and the instruments of analysis of available evidence used in such self-assessments might not always allow the Governments to draw the reform priorities and implementation actions from the hard evidence. To support evidence-based policy analysis and policy formulation, ETF will continue its program assistance to Ukraine in the process of implementation of reforms in the VET sector and will work jointly with Government counterparts, employers, national experts and other stakeholders on defining EBP methods and tools, and helping the policy makers in Ukraine to incorporate them into the everyday policy process.

The Torino Process Report has been for the ETF a great next step in cooperation with the Government of Ukraine, and an invaluable experience of supporting the drive for evidence-based policies in improving the VET system and ensuring its quality, efficiency, effectiveness and relevance to the demands of the modern transition economy in Ukraine.

Summary of Torino Process report recommendations for VET policy reform in Ukraine according to the self-assessment report

The report emphasizes the critical need to redirect VET towards the economy and labour market demand and acquisition of new skills, which requires improvement of quality, relevance and efficiency of VET provision, enhancement of cooperation between the educational services' market and the labour market. The paper calls for the enhancement of the balance between supply and demand at the labour market and first of all, through effective cooperation between educational institutions and the employers. Among the key priority steps in this area, the Government self- assessment report highlighted the following priority reform actions:

- Creation of a quality assurance system in VET (through the development of quality models, new generation of competence-based educational standards, quality monitoring and evaluation, etc.);
- Development of new generation of occupational and educational standards, and the development of the national qualifications framework;
- Revision of VET content, development and implementation of modular, competence-based education curricula;
- Improvement of the teacher training system for VET institutions;
- Achievement of an effective social partnership by regular involvement of social partners in VET development;
- Introduction and piloting of the new instruments of skill needs anticipation in order to create an interface with the VET system development and adjustment of supply of education services to the needs of economy and the labour market;
- Recognition of informal and non-formal learning as part of continuous professional development and training;
- Update of the current regulatory and legal framework (through the improvement of current legislation and development of new regulatory acts); in particular, to create framework conditions for effective involvement of social partners in developing new occupational and education standards, provision and quality assurance of education supply;
- Improving the [tracer] monitoring system regarding the work placement of graduates;
- Development of new organizational and legal forms of VET provision based on the principles of autonomy of educational institutions;
- Optimization of existing VET network in accordance with the long-term economic priorities;
- Improvement of VET governance based on public-private partnership;
- Diversification of financing mechanisms and sources (through decentralization of management and financing functions to the local level, per capita financing, etc.);
- Social advertising measures for increasing the prestige of obtaining a working profession (vocational career guidance services, cooperation with Public Employment Service on the development of promotional and information materials, equipping general secondary schools with information terminals, carrying out professionals skills' contests, etc.);
- Introducing relevant international experience (through implementation of international projects and analysis of work experience of other countries).

Ukraine: ETF Key indicators 2010

	Year	UKR	EU 27
Population, total (million)	2008	46.2	497.7
Dependency rates (%): as % of working age population	2008	43.5	48.7
Dependency rates (%): 0-14 as % of working age population	2008	20.2	23.3
Dependency rates (%): 65+ as % of working age population	2008	23.3	25.4
Life expectancy, years	2008	68.3	79.2 ⁽⁹⁾
GDP per capita, PPP (current international \$,000)	2008	7.3	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	7.8	1.8
Industry, value added (% of GDP)	2008	35.5	26.4
Services, etc., value added (% of GDP)	2008	56.7	71.8
Global Competitiveness Index (rank, out of 133)	2009/2010	82	
Employment rates (%), total (15-64)	2008	59.3 ⁽¹⁷⁾	64.6/53.7 ⁽⁶⁾
Employment rates (%), female (15-64)	2008	54.0 ⁽¹⁷⁾	58.2/46.6 ⁽⁶⁾
Youth unemployment rates (%), total (15-24)	2008	13.3	15.5
Youth unemployment rates (%), total (25-34)	2008	7.0 ⁽⁸⁾	
Youth unemployment rates (%), female (15-24)	2008	13.6	15.5
Youth unemployment rates (%), female (25-34)	2008	7.1 ⁽⁸⁾	
Unemployment rates (%), total (15+)	2008	6.4 ⁽¹⁷⁾	7.0 ⁽¹⁸⁾
Unemployment rates (%), female (15+)	2008	6.1 ⁽¹⁷⁾	7.5 ⁽¹⁸⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	89.7 ⁽⁹⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	98.4	
Lower secondary (ISCED 2)	2008	95.9	
Upper secondary (ISCED 3)	2008	91.5	104.5
Higher (ISCED 5+6)	2008	79.4	
Participation in VET in % of upper secondary	2008	24.9	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	0.5 ⁽¹⁸⁾	25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	5.3 ⁹	5.0 ⁽⁹⁾

Notes: (1) Data refer to 2009. (2) Population 15-64. (3) Data refer to 2000. (4) Data refer to 2008/2009. (5) Data refer to 2006/2007. (6) Population 15+. (7) Total VET. (8) Age group 25-29. (9) Data refer to 2007. (10) Data refer to 1999; Educational levels included are 'higher', 'secondary vocational', 'primary vocational' and 'secondary general' education. (11) Data refer to 2002. (12) Data refer to 2004/2005. (13) Data refer to 2007/2008; total ISCED 3 considered. (14) Data refer to 2007; total ISCED 3 considered. (15) Population 15-72. (16) Data refer to 2006. (17) Population 15-70. (18) Total ISCED 3. (18) Population 15-74

4. CENTRAL ASIA

Kazakhstan

Kazakhstan is a middle income country, and one of the most successful ex-soviet Republics in the transition from a centralized to a free market economy. Since 1996 stable economic growth and high economic dynamism caused significant changes in the structure, size and kind of the labour market; however, this economic growth has been highly dependent on the energy sector.

Kazakhstan is a diverse country, with significant regional and sectoral differences. As of August 2010 Kazakh population is put at 16.17 M (Agency of Statistics of the Republic of Kazakhstan, 2010), of which 46% is rural and 54% urban. There are 63.6% Kazakhs, 23% Russians, 2.9% Uzbeks, 2.0% Ukrainians, 1.4% Uygurs, 1.2% Tatars, 1.1% Germans, and 4.8% other cultural groups. The creation of a multi-cultural state with a Kazakh national identity is often expressed. Official languages are Kazakh and Russian. State language is Kazakh. The population is spread over nearly 3 M square kilometres; there is a very low population density of about 5.5 persons per km² in an area of the size of Western Europe (Agency of Statistics of the Republic of Kazakhstan, 2010). Despite the fact that a large part of the country is difficult for economic development, the Kazakh government intends to maintain population in all regions "at a certain level" in order "to increase economic opportunities", "maintain genetic and cultural potential of Kazakhstan among the neighbouring nations of the world" and "overcome unwanted differentiation between regions" (Ministry of Education and Science of the Republic of Kazakhstan).

To respond better to demographic, technological and international changes, make better use of the richness and the geography of the country and address society and labour market demands, important policy making actions have been implemented in the past to reform the vocational education and training system.

Summary

One of the main strengths of the country is the awareness and high commitment for common efforts and cooperation with national and international partners to develop and implement the completely new and coherent National Qualification System.

Vocational Education and Training (VET) in the Republic of Kazakhstan is a constituent part of secondary educational level and is aimed at training of qualified specialists in the area of techniques and services, according to the main lines of public oriented vocational activities.

VET implies the training of specialists

- on wide spread of simple professions of techniques and services by providing young people the obtained level of qualification (category) on a concrete profession;
- on professions and specialties of higher category by providing young people the higher level of qualification on a concrete specialty;
- by providing qualifications of middle level specialists.

Despite of the measurements taken for VET development, the rapidly growing demand for skilled and specialized workers cannot be provided as necessary. The educational sector now suffers from the lack of up-to-date qualification requirements and occupational standards. Students are losing their motivation. VET teachers express dissatisfaction with their working conditions. High objectives are set but resources are not provided to reach these objectives. The reality is, that VET does not correspond to the expectations that the labour market, society, students and parents express.

The main problem is the lack of coherent inter-sectoral mechanisms for training of specialists based on an adequate structure, flexible pathways and quality in VET.

Efforts of all actors are called for, but also constructive criticism and permanent feedback of partners and clients, so that well directed, substantiated measurements for quality development in VET can be evolved. VET management and organisation needs to be more agile, flexible and reactive in relation to altering expectations from pressure groups. Authorities need to foresee in advance their experiences and perception. They need to gather information and assess it. Systemic implementation of VET policy, strategies, operative aims and planning needs to be assured by clear structured and integrated processes. Decision taking processes need to be reflected and reviewed.

There is a wealth of experience in many small and large scale projects. However, proceedings are slow and measures often remain of stand alone activities. During the focus group meeting, policy makers, social partners and policy implementers quote the

- lack of formal strategies and channels to bring together research, education and business at all levels to cooperate in VET
- lack of qualification of workforce represents an obstacle to business development
- imbalance between supply and demand on a poorly structured labour market
- transition and permeability between general and vocational education at secondary, upper secondary and tertiary level
- misdirected and misguided young people to scientific educational programmes
- monopolism in providing employment and vocational training
- strict regulations of state education standards limit the ability of schools to quickly respond to changes on the labour market
- too academic and abstract content of VET curricula, outdated education technology and material, methodologies which allows only rote learning
- lack of pedagogic competences of VET staff and their awareness about the role and power VET could have to strengthen the reform processes of the country

For the main actors in the field of VET it becomes urgent to understand the interconnection of processes.

From the country review carried out in 2010 it can be concluded that the design and implementation of a national qualification system needs to be based on three priorities:

Down-up policy for policy making, policy implementing and governance: top down processes and bottom up processes need to meet

Dynamic and increasing complexity makes the forecast and diagnosis of future developments difficult. Essential precondition for the acceptance of new planning and changes is the involvement of staff at all levels of VET. The active exchange between different VET staff levels and areas and the improvement of reference taking should be a main objective. Connection between national, regional, local, sectoral and institutional initiatives and knowledge, and different thematic core areas with the activities of superior and higher ranking levels like national plans, programmes, and legal directives should be strengthened. The contents related exchange of experience to consolidate decision making processes needs to be improved. Down-up policy, that uses the advantages of both, the top down system and the bottom up system, would be the priority. This governance and VET management model based on regionalisation, sectoralisation, institutionalisation and shared responsibility makes VET planning to a permanent process.

Discussion of “ability”, “talent” and “giftedness”- terminology in VET as well as its diagnostic needs to be encouraged

A precondition for the creation of a new extensive VET infrastructure with different types of institutions like vocational lyceums, colleges, higher technical schools, inter-regional and inter-industrial, and in-company VET centres, as called for by all actors, is the reflection and discussion of “ability”, and “giftedness” as a terminology in VET. Vocational ability includes the disposition, the special ability, and

the multilateral intersection of different intellectual, artistic, psycho-motoric, social and creative competences as well as motivational factors. The importance of these factors needs to be examined and linked to different VET channels. It is necessary to involve VET staff at all levels and sectors in the discussion. There is a need for more information about differentiation in VET. Based on these discussions and combined with efficient use of resources the optimization of selecting procedures, of access to different levels of VET, of guidance and pedagogic know how will lead to overcoming and reduction of obstacles and structural and institutional improvement.

Professionalisation of VET staff: VET is a distinct field of work, as opposed to general education, and therefore special skills and competences are called for from all staff involved at all levels and from both sides, education and business. Different VET staff groups need to be respectively professionalized for cooperative VET, so that responsibility can be agreed and shared at all levels of education and training and obstacles of cumbersome structures and processes can be removed. Special attention should be given to VET teachers and in-company trainers who are the key to implement policy, strategies, operational objectives and planning.

The high dynamic of the labour market in Kazakhstan results in the demand for more collaboration between teachers and trainers, between schools and companies and between the education and business sectors generally, and for more participation in bottom up processes. Professionalisation of VET staff is intrinsically connected to the quality and the attractiveness of VET. VET staff needs to be rewarded in a way that creates commitment and loyalty to the organisation. By supporting the self initiative of teachers and trainers, school- and enterprise management, their potential and active participation will be maximized. Apart from having expertise in specific pedagogic methodologies, VET staff needs to be able to innovate in education and training as well as their vocational domains, it needs to adapt to rapidly changing situations and interact. Two related areas need to learn from one another by joint educational arrangements.

Kazakhstan: ETF key indicators 2010

	Year	KZ	EU 27
Population, total (million)	2008	15.7	497.7
Dependency rates (%): as % of working age population	2008	45.0	48.7
Dependency rates (%): 0-14 as % of working age population	2008	34.3	23.3
Dependency rates (%): 65+ as % of working age population	2008	10.7	25.4
Life expectancy, years	2008	66.4	79.2 ⁽¹¹⁾
GDP per capita, PPP (current international \$,000)	2008	11.3	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	6.2	1.8
Industry, value added (% of GDP)	2008	41.9	26.4
Services, etc., value added (% of GDP)	2008	51.9	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	67	
Employment rates (%), total (15-64)	2008	66.4 ⁽²⁾	53.7 ⁽²⁾
Employment rates (%), female (15-64)	2008	61.4 ⁽²⁾	46.6 ⁽²⁾
Youth unemployment rates (%), total (15-24)	2008	7.4	15.5
Youth unemployment rates (%), total (25-34)	2008		
Youth unemployment rates (%), female (15-24)	2008	8.2	15.5
Youth unemployment rates (%), female (25-34)	2008		
Unemployment rates (%), total (15+)	2008	6.6	7.0 ⁽¹⁾
Unemployment rates (%), female (15+)	2008	7.9	7.5 ⁽¹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	94.0 ⁽³⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	108.5	
Lower secondary (ISCED 2)	2008	104.3	
Upper secondary (ISCED 3)	2008	66.1	104.5
Higher (ISCED 5+6)	2008	46.9	
Participation in VET in % of upper secondary	2008	26.0	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008	2.7	25.2
Share of private general education in total general education (%) in ISCED 3	2008	0.9	13.9
Public expenditure on education as % of GDP	2008	4.0	5.0 ⁽¹¹⁾

Notes: (1) Population 15-74. (2) Population 15+. (3) Data refer to 2004; population 15+. (4) Population 15-34. (5) 'Initial VET' is considered as ISCED 3B and 'Complete secondary' as ISCED 3A. (6) Data refer to 2008/2009; Initial VET considered. (7) Data refer to 2008/2009; total secondary general education (5-11 class) considered. (8) Data refer to 2004; population 15-70. (9) The percentage is the sum of 'secondary education general', 'secondary education technical' and 'higher education'; data refer to 2007; population 15+. (10) Total secondary (no difference between lower and upper secondary education - ISCED 2 and 3). (11) Data refer to 2007.

Kyrgyzstan

Introduction: the Kyrgyz Republic is a low income country with a young and diverse population in terms of ethnic, linguistic and religious make-up. While the country has since its independence in 1991 experienced a mixed economic performance, the general trend since 2003 has been one of growth. This trend was discontinued as of spring 2010 with the outbreak of violent clashes which have led to a humanitarian crisis, economic disruption and a surge in internal and external migration.

The country is one of marked differences in geographic as well as socio-economic terms. Though poverty levels have consistently declined over a number of years, poverty continues to be widespread, and is particularly high in the southern regions and generally in rural areas and areas that have experienced a marked industrial decline. While employment in the agricultural sector has been declining over the years, it continues to be the most important sector both for formal and informal employment with large numbers of rural families surviving on subsistence agriculture.

Outward migration, especially to the Russian Federation and Kazakhstan and remittances have been playing an increasingly important role as a means to ease the pressure on the national labour market and as important economic factors.

Challenges facing the education and training system: The education and training sector has been a key priority over the last decade and expenditure on the sector has been rising steadily, from 3.9% of GDP in 2001 to 6.5% in 2007. However, while expenditures as a percentage of GDP is high by international standards, expenditure per student as a percentage of GDP remains low, due to demographic pressure, as those below 18 years of age represent 37% of the population.

Formally, and despite the socio-economic challenges it faces, the country has improved its overall education attainment, as documented by an increase of complete secondary education and higher education and a decrease in lower education level attainments (primary and basic). Yet, it is also generally recognised that the quality of provision is poor at all levels of the system. The outcomes of the international PISA 2006 and 2009 studies, in which the Kyrgyz Republic ranked last on both occasions, but also the 2007 National Sample-Based Assessments (NSBA) show that the problem originates at the lower education levels, with the majority of students in grade 4 and 8 scoring below the basic level in reading and mathematics during the NSBA. Poor quality, in combination with high poverty levels, contribute to the rising number (estimated at 4-5%) of school-age children who do not attend compulsory education, while another 30,000 students leave school after basic education, without having acquired labour-market relevant skills and thus face poor prospects.

Challenges facing VET: Initial VET in the Kyrgyz Republic has a strong social mandate and typically serves the lower income population segments and constituencies requiring special support. It is state funded, providing a first VET education free of charge, covering in addition meal programmes and stipends for students. The Kyrgyz Republic has managed to maintain a comprehensive network of Initial VET schools, including in remote and rural areas, but the quality of education and training provided by these differs markedly. VET provision in rural areas and VET school capacity to support local populations on income generation and skills development supporting rural re-generation can be seen as a special challenge.

Initial VET has an increasing number of potential additional clients: those who have left the education system after the basic level or have dropped out, but also younger or older adults (employed or unemployed), requiring re-training. Yet at this point in time it is not sufficiently equipped to develop and deliver adapted services for such diverse groups.

A lot of emphasis has been put over the last years on increasing the number of shorter courses privileging more narrowly defined technical skills. The role of Initial VET in providing also general knowledge, basic skills and broad-based competences should be explored further. These elements can be seen as sound foundations for lifelong learning and future growth opportunities of learners, and would avoid that Initial VET becomes a dead-end road for its graduates.

The Initial VET sector has inter-acted intensively with the international donor community and national civil society organisations over the last years. This has led to a wealth of innovative practices within pilot projects. So far new approaches and materials could not be disseminated systematically, as no institution(s) exists at national level with this responsibility.

The labour market continues to suffer from an imbalance between demand and supply. Due to several factors, such as the size and structure of the economy and the demographic challenge of an overwhelmingly young population, the economy is unable to absorb the existing workforce. As a result of very low wages in many sectors, those working often cannot make a decent living from their wages alone. Consequently the informal economy continues to represent a relevant option, as do internal and international migration. This situation has also resulted in high youth unemployment and a crowding out of those with low skills by those with higher skills.

The unrest and outbreak of violence in the first half of 2010 has had a strong negative impact on the economy, especially in the south of the country, leading among others to further internal migration and therefore enhanced pressure on the labour markets in urban areas.

For both Initial and Secondary VET employers continue to be dissatisfied with the kind of knowledge, skills and competences delivered by schools and express a lack of confidence in the quality of the training provided to young specialists. VET providers in their turn stress the difficulty to get timely information from employers on skills requirements and to engage employers in the work of schools. At VET Agency and Ministerial level a general lack of information on labour market needs overall and at sector level in particular is recognised.

This is to some extent due to the limited and unsystematic involvement of social partners, and employers in particular. All parties are aware of this challenge, which is exasperated by the overall economic situation, the large number of small and micro-enterprises and fact that employers' organisations do not cover all regions and sectors and are still at an early development stage. However, a number of steps to strengthen the inter-action between the parties have been initiated at different levels of the system.

International migration has over the last years become an important factor for the economy, with remittances accounting for 27% of GDP in 2007. Migration has also eased the pressure on the national labour market. It is therefore understandable that the labour market outside Kyrgyzstan has become an important consideration for both education and training as well as employment policies, while especially employers deplore the loss of staff they have trained, to migration.

Equity and equal access are identified as goals in all education and training related strategies, though in practice disparities continue to grow and in particular affect rural and remote areas and low income households. Different levels of education and training provision also demonstrate marked gender-based differences. Thus Initial VET continues to attract many more male (67%) than female students (the opposite applies for Secondary VET), while the unemployment rate for women with Initial VET is double the rate of their male peers. Education and training provision for persons with special needs and disabilities is available only in a very limited manner. The equity challenge is closely linked to the challenge of providing quality education.

Measures proposed to reform the education and training system at national level: Reform efforts on the education and training system have been ongoing for many years, though little is known as to how progress on reforms is being monitored by the responsible ministries. A number of important and inter-related strategic documents have been under preparation since 2009 and are expected to be finalised by 2011 or 2012, such as the new Country Development Strategy, the Education Development Strategy (EDS) 2011-2020 and Concept for the Development of Initial VET 2011-2020.

The EDS and the Concept on Initial VET share the view of the importance of education and training for social, political and economic development of the country and stress the necessity to ensure equal access to high quality education and training. Both intend to progress with the introduction of new financing mechanisms and to enhance school/provider autonomy. For the vocational sub-sector, both recognise the need to improve the responsiveness of education and training to labour market needs and therefore also to gain a better understanding on expected labour market developments, among others through improved inter-action with social partners and a more systematic collection and use of evidence.

Priority areas: the following priorities have been identified as a result of consultations with stakeholders while working on this report, taking into account the draft version of the EDS 2011-2020 and the Draft Concept for the Development of Initial VET 2011-2020:

- Ensure that the Education Development Strategy 2020 covers the whole education sector, including Initial VET and continuing vocational education and training (CVET). The EDS should be seen in a lifelong learning perspective. It should consider the continuum of education and training

provision and take into consideration the necessity to ensure pathways between levels. Such an approach is likely to require an enhanced inter-action between the Ministry of Education and Science and the VET Agency.

Emphasis should be put on the development of more flexible formats and approaches so that learners with different needs can access relevant education and training opportunities. This will require active support to VET schools through capacity building, for VET schools to implement such approaches.

- Build up more systematically labour market intelligence in order to be able to assess career opportunities and dead-end roads for young school graduates and to better understand how the education and training system can supply labour market entrants and adult learners with the competences and skills needed on the labour market.
- Progress with the reform of governance and finance mechanisms, in particular with VET school decentralisation, considering that this could provide strong incentives for change. Successful implementation will however require the timely building up of school-level capacity, involving school leaders, teachers and trainers/masters. Furthermore, considerations for equity should be a central feature of the reviewed mechanisms
- Enhance the use of evidence to inform policy making but also as a means to harness existing good practice. The EDS and the Initial VET Concept are ambitious and all encompassing in their outlook. It will be important to set priorities among the foreseen areas of work. The definition of both quantitative and qualitative indicators will be crucial for the responsible institutions to monitor progress and evaluate whether the chosen routes deliver the desired outcomes. The definition of qualitative indicators requires an enhanced inter-action between the Ministry of Education and Science and the VET Agency, but also with social partners and civil society. Key issues could centre on building a shared understanding on quality and equity and on the inter-action and pathways between the different education and training levels. This would also represent an important step forward in promoting a lifelong learning strategy.
- Strengthen the capacity building potential of those organisations that can provide in-service training and can serve as resource centres/focal points to disseminate good practice. Enhance the use of good practice, by ensuring that new approaches are evaluated in a systematic manner and suitable ones disseminated.

Kyrgyzstan: ETF key indicators 2010

	Year	KG	EU 27
Population, total (million)	2008	5.3	497.7
Dependency rates (%): as % of working age population	2008	54.1	48.7
Dependency rates (%): 0-14 as % of working age population	2008	45.8	23.3
Dependency rates (%): 65+ as % of working age population	2008	8.3	25.4
Life expectancy, years	2008	67.4	79.2 ⁽¹¹⁾
GDP per capita, PPP (current international \$,000)	2008	2.2	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	29.8	1.8
Industry, value added (% of GDP)	2008	19.7	26.4
Services, etc., value added (% of GDP)	2008	50.6	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	123	
Employment rates (%), total (15-64)	2008	60 ⁽²⁾	53.7 ⁽²⁾
Employment rates (%), female (15-64)	2008	49.7 ⁽²⁾	46.6 ⁽²⁾
Youth unemployment rates (%), total (15-24)	2008	11.0 ⁽⁴⁾	15.5
Youth unemployment rates (%), total (25-34)	2008		
Youth unemployment rates (%), female (15-24)	2008		15.5
Youth unemployment rates (%), female (25-34)	2008		
Unemployment rates (%), total (15+)	2008	8.2	7.0 ⁽¹⁾
Unemployment rates (%), female (15+)	2008	9.4	7.5 ⁽¹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	94.7	
Lower secondary (ISCED 2)	2008	92.3	
Upper secondary (ISCED 3)	2008	67.9	104.5
Higher (ISCED 5+6)	2008	52.0	
Participation in VET in % of upper secondary	2008	2.9 ⁽⁵⁾	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	9.0 ⁽⁶⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008	16.0 ⁽⁷⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008	2.0	13.9
Public expenditure on education as % of GDP	2008	5.2	5.0 ⁽¹¹⁾

Notes: (1) Population 15-74. (2) Population 15+. (3) Data refer to 2004; population 15+. (4) Population 15-34. (5) 'Initial VET' is considered as ISCED 3B and 'Complete secondary' as ISCED 3A. (6) Data refer to 2008/2009; Initial VET considered. (7) Data refer to 2008/2009; total secondary general education (5-11 class) considered. (8) Data refer to 2004; population 15-70. (9) The percentage is the sum of 'secondary education general', 'secondary education technical' and 'higher education'; data refer to 2007; population 15+. (10) Total secondary (no difference between lower and upper secondary education - ISCED 2 and 3). (11) Data refer to 2007.

Tajikistan

Economic and social problems in general: Tajikistan is a low income country. After the initial economic collapse which followed independence (1991) and the civil war (1992-1997) recovery started again in 1998 and since then the country has experienced continuous high growth rates until 2008. The global financial and economic crisis affected the Tajik economy in 2008 and 2009, first of all in terms of decreasing of remittances due to the return of migrants especially from the Russian Federation. However in 2009, despite a 31% decline in remittances, and difficult markets for aluminium and cotton exports, the economy registered a real GDP growth of 3.4%. However, the general economic situation is still very unfavourable. Decreasing activity rates and high unemployment levels led to serious poverty and social exclusion among the most vulnerable segments of the population. Subsistence agriculture and small-scale self-employment activities have expanded as one coping strategy against poverty.

VET as part of the solution: Problems of unemployment, migration, low wages (in particular in the education sector) and low quality of education cannot be solved immediately. Any long-term solution should be linked to a new human capital development policy. The Government's recognition of education as a tool for social and economic development puts VET high in this reform agenda. Reforms and new institutions aim to better coordinate and manage the education sector as a whole in line with a more comprehensive lifelong learning approach, as also shown by the creation of an adult education system. However, an efficient implementation process has to overcome the challenges of the economic crisis, high poverty rates, the slow implementation of institutional reforms and limited resources.

Problems facing VET at the moment: Initial VET in Tajikistan to date has basically fulfilled a social protection function in the country. The system does not deliver the kind of knowledge, skills and competences that would enable its students to find or create gainful and decent employment. Private companies that have jobs to offer are dissatisfied with the skills that VET school graduates possess. Young graduates with traditional vocational qualifications, such as those provided by initial VET, have big difficulties in finding employment in the country, and most of them become migrants.

The labour market currently suffers from an imbalance between demand and supply. One of the main reasons why vacancies are not filled is that the skills of workers do not correspond to their diploma/certificate of education. The lack of employer confidence in the quality of the training given to young specialists due to the fact that employers are not involved in defining the standards for professional education nor do they participate in the practical training of young specialists. The system of professional education is isolated from the training of young specialists. In other words, the system of vocational education is not linked to employers' needs.

Migration a benefit: Tajik migration abroad has many disadvantages (family, low skilled jobs, xenophobia) but can also be seen as having social and economic benefits for the country, with 40% of GDP made up of remittances. In addition, given the seasonal character of migration, returning migrants also bring home new skills that often are used for creating new jobs. In this case the development of a live entrepreneurial environment could support job creation with an impact on poverty reduction. To do that not only an open business environment is required, but also strong entrepreneurial skills that could be provided by the VET system.

Equity: The Tajik Government aims at eliminating inequity in access to education both for urban and rural areas. However, there are still many challenges such as the large presence of low income households in rural areas, where the majority of the population lives (73%). This leads to high levels of illiteracy and employment related difficulties, especially for young people and girls, jeopardizing the development of social mobility.

The government's proposed measures to reform the education system: The current government's intention is to work on the modernisation and improvement of vocational schools, as part of its National Development Strategy and Poverty Reduction Strategy. Quality in education, governance and financing are considered to be among the key challenges facing the Tajik education system. A package of measures aims at improving the education management system including the methods and personnel within the system. These measures are described in the Poverty Reduction Strategy mid-term programme 2010-12.

Recommendations

The following broad recommendations are made in the light of the above strategy, in relation to VET:

- Build on national consensus on reform priorities, developing a dialogue with social partners involved in education
- Reform the financing of education, as a revised financing system could create strong incentives for change, so that some degree of self-regulatory mechanisms could be built into the way funds are allocated to schools
- Consider schools as the main focus for reform, investing in the training of school leaders to be able to manage their schools more professionally, and in teacher training as an overriding key to educational success (incentives for teachers)
- Reform curricula and update the profiles/classification system

Detailed recommendations

- Decentralise and allow flexibility in the provision of training programmes for specific local needs and community development. Permit the development of a more flexible programme of study;
- Revitalise the skills development and qualification role of VET by streamlining numerous specialisations into a manageable number of broad occupations or career paths;
- Adopt an approach that promotes capacity development in the management of education institutions. This approach should upgrade curricula and text books; upgrade skills and competences of teachers, school principals and administrative staff; promote stronger links and cooperation between school and enterprises/work-places; encourage the use of the educational infrastructure for initial and continuing training;
- Develop social partnership in education at national, regional and school level, by involving the various social partners in linking learning with labour and as a consequence, with skills, competences and qualifications;
- Promote entrepreneurial learning developments in order to create synergies between education and enterprise policies - increased competitiveness associated with more open trade systems will stimulate the enterprise performance necessary to meet the challenges of an increasingly unpredictable economic market;
- Promote a national lifelong learning strategy covering all systems and levels of education, linking traditional education with informal and non-formal learning. The development of a national qualification mechanism could be a tool for this. Incentives for learning should be created to improve access to education, guarantee gender balance and equity, in particular in rural remote areas;
- Improve the quality and relevance of study programmes so as to target gaps in the labour market, and make vocational, professional and higher education institutions more accountable for quality results. Key elements of this process are the strengthening of quality assurance mechanisms and the recognition of qualifications at national level.

Tajikistan: ETF key indicators 2010

	Year	TJ	EU 27
Population, total (million)	2008	6.8	497.7
Dependency rates (%): as % of working age population	2008	70.2	48.7
Dependency rates (%): 0-14 as % of working age population	2008	63.9	23.3
Dependency rates (%): 65+ as % of working age population	2008	6.3	25.4
Life expectancy, years	2008	66.7	79.2 ⁽¹¹⁾
GDP per capita, PPP (current international \$,000)	2008	1.9	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	18.1	1.8
Industry, value added (% of GDP)	2008	22.9	26.4
Services, etc., value added (% of GDP)	2008	59.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/10	122	
Employment rates (%), total (15-64)	2008	55.4 ⁽²⁾	53.7 ⁽²⁾
Employment rates (%), female (15-64)	2008	50.7 ⁽²⁾	46.6 ⁽²⁾
Youth unemployment rates (%), total (15-24)	2008		15.5
Youth unemployment rates (%), total (25-34)	2008		
Youth unemployment rates (%), female (15-24)	2008		15.5
Youth unemployment rates (%), female (25-34)	2008		
Unemployment rates (%), total (15+)	2008	7.4 ⁽⁸⁾	7.0 ⁽¹⁾
Unemployment rates (%), female (15+)	2008	8.5 ⁽⁸⁾	7.5 ⁽¹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008	68.5 ⁽⁹⁾	71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	102.2	
Lower secondary (ISCED 2)	2008	94.8	
Upper secondary (ISCED 3)	2008	58.8	104.5
Higher (ISCED 5+6)	2008	20.2	
Participation in VET in % of upper secondary	2008	10.2	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008	7.0 ⁽¹⁰⁾	
Students/teachers ratios in general education (%) (ISCED 3)	2008	17.0 ⁽¹⁰⁾	
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008	3.5	5.0 ⁽¹¹⁾

Notes: (1) Population 15-74. (2) Population 15+. (3) Data refer to 2004; population 15+. (4) Population 15-34. (5) 'Initial VET' is considered as ISCED 3B and 'Complete secondary' as ISCED 3A. (6) Data refer to 2008/2009; Initial VET considered. (7) Data refer to 2008/2009; total secondary general education (5-11 class) considered. (8) Data refer to 2004; population 15-70. (9) The percentage is the sum of 'secondary education general', 'secondary education technical' and 'higher education'; data refer to 2007; population 15+. (10) Total secondary (no difference between lower and upper secondary education - ISCED 2 and 3). (11) Data refer to 2007.

Turkmenistan

Turkmenistan has not yet confirmed its participation in the Torino Process. This summary is based on existing studies, reports and on programming documents of the EC project for VET reform.

Turkmenistan is a natural resources rich country which is expected to benefit from vast inflows of gas and oil revenues. A main development challenge is to effectively channel these earnings toward investments in key economic sectors to ensure diversification and sustainable development of the economy beyond gas and oil industry and to ensure that decent employment and development opportunities are created for the population at large. A high level of domestic human capital is essential to meet this challenge rather than relying on importing a qualified labour force in key economic sectors as has been the case during the last decade. A well functioning and modern education and training system covering all levels from primary school to post-graduate studies is a prerequisite for building human capital in Turkmenistan.

During the last decade the education and training system in Turkmenistan underwent a number of changes which no longer made it internationally comparable, hence the President called for upgrading the education and training system to ensure international recognition. The reduction of primary and secondary education to 9 years and limited opportunities for further studies in post-basic education have resulted in the fact that close to 70% of a year group did not continue any form of education or training after compulsory general education. Though general education included a basic introduction to occupational training it was not sufficient to equip young people with skills required for the challenges of rapidly developing economy in Turkmenistan.

For those who continue after compulsory general education (now 10th grade) there are three options:

- Initial vocational training of a few months up to 18 months duration providing a 'workers' qualification; 131 accredited vocational schools and training centres
- Secondary vocational education of two to four years duration providing a qualification for nurses, teachers, and technicians; 18 training institutions
- University education which has recently been extended to 5 years of studies; 17 higher education institutions

During the period from 1997 to 2007 the last two years of studies in general education included some vocational training. In accordance with the Decree of the president of Turkmenistan "About Improvement of Operations of Educational Institutions" of 04th March of 2007, disciplines of vocational training have been excluded from academic curriculum.

Opportunities of young people to study in public vocational institutions after compulsory post-basic education have considerably reduced in the course of last 10-15 years and the quality of vocational education has not been able to catch up the technological change and increasing needs of (highly) skilled workers in Turkmenistan.

The overall provision of training courses in initial VET is planned based on the demand of line ministries to which they subordinate as well as that of the students. Private sector demand is not taken into account in planning of education delivery and private employers report that the current VET system cannot supply the skills and competences required in their enterprises. The rapid economic development coupled with the introduction of new technologies urge to elaborate a comprehensive national human resources development strategy for Turkmenistan. Due to the absence of systematic labour market monitoring and a high reliance on students' demand vocational training in fashionable fields such as accountancy has generated a variety of courses across most vocational schools whereas their quality varies due to the lack of national standards and guidance.

Although most vocational schools at initial level formally belong to the line ministries, which also appoint their principals, the schools do not receive regular financial support from them. International analysts report that the predominant fee based provision of VET has considerably reduced the equal access of rural population and students from low income families to their studies in the current VET system. This has also condensed the current VET programmes into a narrow skills focus with reduced curricula and education content enhancing life skills and key competences which are internationally considered important for young people for their future studies and career on unstable labour markets.

The following priorities for VET reform have therefore been identified and covered under an EC funded project which will start in the 2nd half of 2011:

- To improve the capacity for planning and strategy implementation at national, regional and institutional through the introduction of a common coordination system and mechanism overseeing all vocational schools;
- To improve the content of vocational education: through the revision of curricula and study programmes based on the assessment of skills needs;
- To modernise teacher training system in order to make VET more effective;
- To introduce a mechanism for quality assurance system.

Turkmenistan: ETF key indicators 2010

	Year	TM	EU 27
Population, total (million)	2008	5.0	497.7
Dependency rates (%): as % of working age population	2008	52.5	48.7
Dependency rates (%): 0-14 as % of working age population	2008	45.9	23.3
Dependency rates (%): 65+ as % of working age population	2008	6.6	25.4
Life expectancy, years	2008	64.8	79.2 ⁽¹¹⁾
GDP per capita, PPP (current international \$,000)	2008	6.6	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	12.3	1.8
Industry, value added (% of GDP)	2008	53.7	26.4
Services, etc., value added (% of GDP)	2008	34.0	71.8
Global Competitiveness Index (rank, out of 133)	2009/10		
Employment rates (%), total (15-64)	2008	58.3 ⁽²⁾	53.7 ⁽²⁾
Employment rates (%), female (15-64)	2008	53.7 ⁽²⁾	46.6 ⁽²⁾
Youth unemployment rates (%), total (15-24)	2008		15.5
Youth unemployment rates (%), total (25-34)	2008		
Youth unemployment rates (%), female (15-24)	2008		15.5
Youth unemployment rates (%), female (25-34)	2008		
Unemployment rates (%), total (15+)	2008		7.0 ⁽¹⁾
Unemployment rates (%), female (15+)	2008		7.5 ⁽¹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment rate			
Primary (ISCED 1)	2008		
Lower secondary (ISCED 2)	2008		
Upper secondary (ISCED 3)	2008		104.5
Higher (ISCED 5+6)	2008		
Participation in VET in % of upper secondary	2008		48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008		5.0 ⁽¹¹⁾

Notes: (1) Population 15-74. (2) Population 15+. (3) Data refer to 2004; population 15+. (4) Population 15-34. (5) 'Initial VET' is considered as ISCED 3B and 'Complete secondary' as ISCED 3A. (6) Data refer to 2008/2009; Initial VET considered. (7) Data refer to 2008/2009; total secondary general education (5-11 class) considered. (8) Data refer to 2004; population 15-70. (9) The percentage is the sum of 'secondary education general', 'secondary education technical' and 'higher education'; data refer to 2007; population 15+. (10) Total secondary (no difference between lower and upper secondary education - ISCED 2 and 3). (11) Data refer to 2007.

Uzbekistan

VET in Uzbekistan is seen as one of the drivers of economic development that supports skilled workers and as a major tool against youth unemployment vis-à-vis the sustained population growth. Uzbekistan is indeed the transition country that has invested by far the most in education in general, and in secondary specialised vocational education in particular. Public expenditure on education in Uzbekistan as a proportion of the GDP is high. Over the last few years it has constantly exceeded 10% of the GDP. Government expenditure as a proportion of total expenditure on education has always exceeded 80% testifying to the government's commitment to support the education system.

The reforms of the VET system started in 1997 with the adoption of the new Law on Education and the National Programme of Personnel Training (NPPT). The reform aimed at delayed entry of youth into the labour market until after 18 years of age to avoid social problems with young people leaving school at the age of 15-18 without any qualification. The NPPT extends compulsory education from 9 to 12 years. After primary and basic general education of 9 years, students continue either in academic lyceums to get secondary specialised education or in vocational colleges to get secondary specialised vocational education. In practice 90% of students are steered to vocational colleges while 10% access academic lyceums through competitive selection exams. The priority has been a 100% enrolment rates in secondary specialised education or vocational training and the increase in the number of vocational colleges across the country. Both lyceums and colleges provide their graduates with equal rights for higher education.

Currently the system of secondary specialised vocational education comprises 1508 schools with 1 473 860 students. Out of these, 103 726 students are enrolled in 138 academic lyceums and 1 370 134 in 1370 vocational colleges. Training in vocational colleges is provided for 264 occupations covering 704 specialisations. The specialisation of professional colleges is decided on the basis of actual needs of the labour market and recommendations from the regions. Adjustments are made every year in the areas of training of vocational colleges. VET curriculum comprises 40 % general education and 60% vocational education subjects and internship. Each college develops curricula in line with the standard curricula approved by the SSVE Centre. According to the national education standard, colleges have the right to introduce changes and amendments up to 15% of "flexibility hours", including "electives" (120 hours) and a "college component" (120 hours).

The relevance of curricula remains an issue in current public VET system. The Welfare Improvement Strategy of Uzbekistan for 2008-2010 recognises that the quality of the workforce does not meet the occupation and qualification requirements of employers, and that changes need to be introduced in the training of workers at colleges. Involvement of private sector businesses in curriculum development is still limited.

The vocational college graduate of is awarded a diploma and qualification of "junior specialist" in respective field which should be recognized by any institution in Uzbekistan and provides the right to enter university. However, existing VET structure is flat and does not consider multilevel qualification framework. In particular there is no provision for further professional education for "technician" level. Therefore there is a lack of bridges to higher professional qualification after the professional college

The high enrolment rates in primary and secondary education indicate how effectively the education reforms have been implemented in Uzbekistan. Legally speaking all the citizens have the same opportunities and rights to attend school and to get education and training. In practice however, inequalities may exist between urban and rural areas regarding equal access to education which is relevant in a country where 60% of the population lives in rural areas. This is due to costs related to schooling, transport, distance of schools and the higher poverty rates in rural areas.

Furthermore, informal economy and informal employment are challenges in the Uzbek economy. Over 35% are employed in the informal sector. Informal employment is common for the rural area and among the rural-urban migrants. In addition to the redundancy, high annual increase of the working age population contributes to the growth of informal employment. The demographic pressure is high. About 60 % of the population is under 25 years of age. Every year between 450.000 and 500.000 young graduates from vocational colleges (and academic lyceums) join the labour force.

The general level of unemployment was 5% in 2009 (Ministry of Labour and Social Protection). The Government declared the year 2010 as the "Year of Harmoniously Developed Generation". The Action

Plan of the Ministry of Labour and Social Security foresees the creation of 950.000 new jobs with focus on the youth.

VET system can be said to have successfully responded at least partly to the requirements of economy, in particular of a number of public companies and holdings. However the overall effectiveness of VET is difficult to assess when a significant part of the economy and demand for skills is informal. To make the economy and the labour market less informal, knowledge is required of what kind of skilled workers are in demand in companies and which qualifications and skills will help reduce informality. Quite often the SMEs do not know how to formulate their needs in labour and skills. SME development is a challenge and opportunity in Uzbekistan. SMEs in Uzbekistan have the potential to further develop, as it has natural resources, skilled and educated workforce, and favourable geographic location.

Education and business cooperation has a long tradition in Uzbekistan, a heritage from the Soviet period. In all the academic lyceums and vocational colleges School Boards comprise representatives of enterprises. Through the School Boards practical training in companies is organised and employers are involved in final qualification exams. The final attestation commissions comprise representatives of employers (70%) and staff of the college (30%). The head of an attestation commission is a representative of the concerned industry. However, there is a need for a platform for formally involving private sector in the development of the educational system and the curriculum in particular and to develop the capacity of the private sector for skill needs assessment.

The training of the teachers takes place in 43 higher education institutions. Provision of qualified teachers meeting the state education standards to the academic lyceums and vocational colleges is ensured through regular training and professional development. However, it is difficult to attract young professional teachers to the vocational colleges located in remote rural areas. While planning enrolment (and a number of graduates respectively) of higher education institutions, geographical factors regarding the needs of academic lyceums and vocational colleges for teaching staff should be better considered. Furthermore, often the facilities of the universities specialized in improving qualifications of teachers do not meet the required equipment level of corresponding academic lyceums or vocational colleges.

VET quality assurance issues have been addressed by the Government in a number of Decrees and Regulations. Overall responsibility for attestation and accreditation of VET institutions and teaching staff stay with the Centre for Evaluation under the Cabinet of Ministers. This organization arranges regular monitoring of the performance of all educational establishments in Uzbekistan and vocational colleges in particular. The main tool for quality assurance is the State Final Attestation of graduates. The attestation content should be directly linked to job descriptions for relevant occupational profiles. Examination of skills related to production and technologies must be arranged in the workshops and training fields.

The focus group meetings organised by the ETF in Uzbekistan in June 2010 with the support of the SSVE Centre demonstrated high commitment of both education and business representatives to continue with the reforms. Issues that were addressed included among other:

- A most urgent requirement is to ensure a better match between VET provision and labour market needs. Therefore it is crucial to start working in defining and setting up a certification/national qualifications framework recognised by all the stakeholders, including employers in the private sector.
- There is a lack of capacity of skills needs assessment. Employers, in particular SMEs need incentives and capacity building through training and retraining for skills need analysis and training provision.
- The service sector is developing and growing. The service sector should be further integrated in the VET system (and classifier of occupations).
- There is a need for a more flexible education system to facilitate transition from general education to VET and a multilevel qualification framework.

Uzbekistan: ETF key indicators 2010

	Year	UZ	EU 27
Population, total (million)	2008	27.3	497.7
Dependency rates (%): as % of working age population	2008	53.0	48.7
Dependency rates (%): 0-14 as % of working age population	2008	46.0	23.3
Dependency rates (%): 65+ as % of working age population	2008	7.0	25.4
Life expectancy, years	2008	67.8	79.2 ⁽¹¹⁾
GDP per capita, PPP (current international \$,000)	2008	2.7	
GDP by economic sector (%)			
Agriculture, value added (% of GDP)	2008	21.4	1.8
Industry, value added (% of GDP)	2008	30.8	26.4
Services, etc., value added (% of GDP)	2008	47.9	71.8
Global Competitiveness Index (rank, out of 133)	2009/10		
Employment rates (%), total (15-64)	2008	57.5 ⁽²⁾	53.7 ⁽²⁾
Employment rates (%), female (15-64)	2008	52.5 ⁽²⁾	46.6 ⁽²⁾
Youth unemployment rates (%), total (15-24)	2008		15.5
Youth unemployment rates (%), total (25-34)	2008		
Youth unemployment rates (%), female (15-24)	2008		15.5
Youth unemployment rates (%), female (25-34)	2008		
Unemployment rates (%), total (15+)	2008		7.0 ⁽¹¹⁾
Unemployment rates (%), female (15+)	2008		7.5 ⁽¹¹⁾
% of 25-64 years old having participated in lifelong learning, total	2008		9.4
Percentage of the population aged 25 to 64 having completed at least upper secondary education	2008		71.4
Gross enrolment rate			
Primary (ISCED 1)	2008	92.8	
Lower secondary (ISCED 2)	2008	96.4	
Upper secondary (ISCED 3)	2008	113.5	104.5
Higher (ISCED 5+6)	2008	9.9	
Participation in VET in % of upper secondary	2008	81.0	48.9
Students/teachers ratios in VET (%) (ISCED 3)	2008		
Students/teachers ratios in general education (%) (ISCED 3)	2008		
Share of private VET education in total VET education (%) in ISCED 3	2008		25.2
Share of private general education in total general education (%) in ISCED 3	2008		13.9
Public expenditure on education as % of GDP	2008		5.0 ⁽¹¹⁾

Notes: (1) Population 15-74. (2) Population 15+. (3) Data refer to 2004; population 15+. (4) Population 15-34. (5) 'Initial VET' is considered as ISCED 3B and 'Complete secondary' as ISCED 3A. (6) Data refer to 2008/2009; Initial VET considered. (7) Data refer to 2008/2009; total secondary general education (5-11 class) considered. (8) Data refer to 2004; population 15-70. (9) The percentage is the sum of 'secondary education general', 'secondary education technical' and 'higher education'; data refer to

ANNEX. COUNTRY ABBREVIATIONS FOR KEY INDICATORS

AL – Albania
AM – Armenia
AZ – Azerbaijan
BA – Bosnia and Herzegovina
BY – Belarus
DZ – Algeria
EG – Egypt
GE – Georgia
HR – Croatia
IL – Israel
JO – Jordan
KG – Kyrgyzstan
KZ – Kazakhstan
LB – Lebanon
MA – Morocco
ME – Montenegro
MD – Republic of Moldova
MK* - former Yugoslav Republic of Macedonia
OPT* – Occupied Palestinian Territory
RS – Serbia
RU – Russian Federation
SY – Syria
TJ – Tajikistan
TN – Tunisia
TM – Turkmenistan
TR – Turkey
UA – Ukraine
UZ – Uzbekistan
XK* - Kosovo (under UNSCR 1244)

* The two letter codes for the former Yugoslav Republic of Macedonia, Kosovo (under UNSCR 1244) and occupied Palestinian territory are yet to be defined. The provisional code MK does not affect the definitive denomination of the country to be attributed after the conclusion of the negotiations currently taking place in the United Nations. XK is the provisional code used by Eurostat, and OPT is commonly used in European Commission documents.

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