

TORINO PROCESS 2014

SOUTH EASTERN EUROPE AND TURKEY



Manuscript completed in April 2015.

The contents of this paper are the sole responsibility of the ETF and do not necessarily reflect the views of the EU institutions.

© European Training Foundation, 2015
Reproduction is authorised provided the source is acknowledged.

TORINO PROCESS 2014 SOUTH EASTERN EUROPE AND TURKEY



PREFACE

The Torino Process is a participatory programme leading to an evidence-based analysis of vocational education and training (VET) policies in a given country, promoted by the European Training Foundation (ETF). Its aim is to build consensus on the possible ways forward for VET policy and system development, taking into account the contributions of VET to enhanced competitiveness, and sustainable and inclusive growth. This includes determining the current status of VET in each country, defining a vision for improvement and assessing the progress made in achieving the desired results. More specifically, the Torino Process is a vehicle for:

- developing a common understanding of a medium/long-term vision, priorities and strategy for VET development, exploring possible options for implementing this vision and/or making further progress;
- designing and evaluating home-grown and affordable VET policies, based on evidence or knowledge and collaboration;
- updating the analyses and achievements at regular intervals;
- providing opportunities for capacity development and policy learning within and among partner countries and with the European Union (EU);
- empowering countries to better coordinate the contributions of donors to achieve agreed national priorities.

Introduced by the ETF in 2010 as a biennial review mechanism for its partner countries based on country ownership, participation and a holistic, evidence-informed policy analysis, the Torino Process exercise was conducted in 2014 for the third time. This last round of the Torino Process was designed to monitor policy progress since 2010 and to address the wish of the partner countries to move forward from the diagnosis of problems to the formulation of optimal policy solutions.

The Torino Process proposes a common framework to analyse VET reforms at both national and cross-country levels. The objective is twofold: to facilitate national policy-making, while at the same time fostering dialogue and peer learning across borders. All ETF partner countries from South Eastern Europe and Turkey took part in the 2014 Torino Process and produced national reports. This report takes a cross-country perspective towards VET development in South Eastern Europe and Turkey (SEET), aiming to identify the main issues, constraints and priorities for the further modernisation of VET policies and systems in the region. It is addressed to policy-makers and practitioners in the partner countries, but also to officials, researchers, experts and those in the donor community who are interested in learning more about the partner countries in terms of VET or related policy fields.

This document was prepared by Evgenia Petkova, ETF expert, drawing on the information in the national reports. Valuable support was provided by Lucia Vergano and Martiño Rubal Maseda, ETF statistical officers. This report and the Torino Process are the result of a team effort. The ETF would like to take this opportunity to thank all their counterparts from the partner countries who contributed to the national reporting process in 2014, as well as the ETF country desks which facilitated the process within the countries. The ETF is also grateful to the internal peer reviewers and the ETF editorial board members who provided valuable input, comments and suggestions on the final draft of this report.

Contents

Preface	3
Executive summary	7
1. Policy vision for VET	11
1.1 Introduction to vocational education and training systems in SEET	11
1.2 Vision for the VET systems.....	13
1.3 Capacity for innovation and change in VET	17
1.4 Drivers of innovation and change in VET	19
1.5 Action and assessment of progress since 2010	20
2. Effectiveness and efficiency in addressing economic and labour market demand.....	21
2.1 Economic and labour market factors that shape demand for skills	21
2.2 Mechanisms for identifying demand for skills and matching skills supply	26
2.3 The potential of the VET system to influence economic and labour market needs	28
2.4 Action and assessment of progress since 2010	29
3. Effectiveness and efficiency in addressing demographic, social and inclusion demand.....	31
3.1 Demographic and social factors that shape demand for VET	31
3.2 Delivering to the individual demands and aspirations of learners: access, participation, progression	34
3.3 Delivering to inclusion demand.....	41
3.4 Action and assessment of progress since 2010	42
4. Internal efficiency of VET systems	43
4.1 Quality and quality assurance	43
4.2 Policies for VET teachers, trainers and directors	46
4.3 Teaching and learning	47
4.4 Action and assessment of progress since 2010	50
5. Governance and policy practices in the VET system.....	51
5.1 Towards participatory, multilevel governance approaches	51
5.2 Assessment of progress since 2010.....	53
Conclusions	55
Annexes.....	57
Annex 1. South Eastern European countries and Turkey and EU benchmark – labour market	57
Annex 2. South Eastern European countries and Turkey and EU benchmark – education	58
Acronyms.....	59
References	61

EXECUTIVE SUMMARY

This cross-country report covers South Eastern Europe and Turkey. It has been developed from an analysis of the national 2014 Torino Process reports for Albania, Bosnia and Herzegovina, Kosovo¹, the former Yugoslav Republic of Macedonia, Montenegro, Serbia² and Turkey. It also takes into account evidence of policy progress arising from the participation of the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey in the 2014 Bruges Communiqué reporting exercise.

This report provides an overview of the main developments in the region, including a review of trends since the initial 2010 Torino Process regional report. It follows the analytical framework of the national reports, and thus is organised in line with the following building blocks: the vision for and current status of VET; external efficiency in meeting economic and labour market needs; external efficiency in addressing demographic, social and inclusion demands in VET provision; internal quality and efficiency of initial and continuing VET delivery; and governance and policy practices in the VET system.

The analysis finds that in all countries VET has grown in importance as a policy area. It is seen as an integral part of the national skills generation systems and as a tool for addressing social exclusion, while less emphasis is placed on the potential of VET to contribute to medium-term economic growth and competitiveness. Progress has been made in ensuring a participatory, collaborative development process for VET strategies and visions through inter-ministerial and multi-stakeholder consultations, as well as public debates. Although the use of evidence in VET policy-making in the region has been strengthened, countries still face a number of constraints and challenges, mainly relating to the availability and reliability of data. The gap between policy formulation and policy implementation has not yet been closed, and the effective delivery of VET strategies remains the most serious challenge for VET reforms in the region.

Against a challenging European economic backdrop, the SEE countries and Turkey have experienced mixed economic and labour market trends in recent years. While 2013 saw economies beginning to recover from the 2012 recession, the countries in this region (with the exception of Turkey) have generally failed to translate economic recovery into jobs creation. With foreign direct investment (FDI) and competitiveness levels remaining low, most countries still find themselves in a situation marked by low productivity and low skills, while at the same time experiencing higher levels of informality and precariousness in their economic activities. There are still significant gaps between EU averages and the region's figures in terms of activation policy implementation and employment, although efforts to better reflect demand in VET planning and delivery have been made. The main priority of recent VET reforms in the SEE countries and Turkey has been to strengthen its responsiveness to employment trends and the demands of the economy in a context where lagging employment and high unemployment prevail, especially among young people. Countries' capacities (at the national, regional and local levels) still need further consolidation to deploy a systematic approach to skills anticipation and matching. The emerging export-driven growth pattern and the need for improving economic competitiveness call for improving the key competences and enhancing the skills of the population.

The 2014 round of the Torino Process has revealed and/or confirmed negative demographic trends (e.g. ageing populations and outward migration) in the SEE countries and Turkey that pose mid- to long-term challenges for VET provision in terms of developing adult learning, improving and increasing the provision of medium- to high-end skills, and the validation of non-formal and informal learning. In

¹ This designation is without prejudice to any position on status and is in line with UNSCR 1244 and the International Court of Justice's Opinion on Kosovo's declaration of independence – hereinafter 'Kosovo'.

² These countries will be further referred to in the report as "the South Eastern European" (SEE) countries.

response, all the countries under discussion have begun to address these challenges. The period since 2010 has seen an expansion of post-secondary non-tertiary and higher VET provision in the SEE countries, along with improvements in the tertiary education attainment of those aged 30–34, but more efforts are needed. In general, however, CVET provision has remained underdeveloped, although there have been a number of innovative developments (e.g. preparations for distance learning and e-learning) in some countries.

Turkey and Albania have made considerable progress in increasing enrolments in secondary VET, while numbers have remained stable and high in the rest of the SEE countries, with a clear shift towards technical (at the expense of vocational) programmes. All countries have made progress in reducing early leaving from education and training since 2010, with Montenegro, Bosnia and Herzegovina, and Serbia outperforming the EU average (2013) and the ET 2020 benchmark. Albania and Turkey need to consolidate their actions in this area and make further progress, since their current levels, although decreasing, are still alarmingly high. Modest headway has been made in improving vulnerable groups' access to and participation in VET programmes, and their educational attainment; however, a great deal more remains to be done.

VET infrastructure in South Eastern Europe calls for major investment and optimisation of resources. Albania intends to increase organisational efficiency by closing down some schools and opening instead multifunctional VET centres. Although improvements have been achieved in terms of information and communication technology (ICT), school workshops in South Eastern Europe still use obsolete equipment, which prevents students from acquiring relevant practical skills. Efforts have been invested in improving work-based learning in secondary VET, including new legislation in the former Yugoslav Republic of Macedonia to establish apprenticeship schemes; however, more engagement is needed from businesses in this area.

The recruitment, training and continuous professional development (CPD) of high-quality teachers in South Eastern Europe remains a big challenge. There is considerable room for improvement in the pedagogical and technical skills of VET subject teachers, and in the related funding, governance and demand-driven provision of in-service teacher training.

The SEE countries and Turkey have been making efforts to assure better quality in VET: while Albania, Bosnia and Herzegovina and Kosovo are still at the phase of experimentation and pilot projects, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey have established national quality assurance approaches with clear procedures and actors, taking the EQAVET Recommendation as their reference.

Progress has also been made in the development of comprehensive national qualifications frameworks (NQFs), which encompass all qualification levels for general, vocational and higher education, based on learning outcomes and referring to the eight European Qualifications Framework (EQF) levels. Employers are formally involved in the identification of qualifications, but collaboration remains generally weak, especially in South Eastern Europe. Progress in the assessment and recognition of skills, independently of how they are acquired, is limited, with the exception of Turkey.

The SEE countries and Turkey have continued to make efforts to decentralise the governance of their VET systems and policies. The results achieved are more visible at the national level (e.g. in multi-stakeholder councils and institutional building) and in the sectoral dimension (sector skills councils in some countries have been set up or revived, within the NQF context), while the engagement of regional and local actors remains low and requires considerable improvement.

Driven by national efforts, inspired by EU cooperation in VET and supported by the Instrument for Pre-Accession Assistance (IPA), the SEE countries and Turkey have continued to dedicate efforts to reforming their VET systems. Progress has been made in areas such as: improving VET curricula to

make them more outcome focused and broad-based, thus ensuring the acquisition of sector-specific rather than narrow occupation-oriented skills; developing comprehensive NQFs; reducing early leaving from education and promoting entrepreneurship and ICT competences. Yet the challenges at system level remain significant.

The major challenges that have been targeted by the SEE countries and Turkey as priorities for future action at the national level by the Torino Process 2014 relate to:

- implementation of policy visions and intentions;
- delivery of skills that are relevant and required by the labour market;
- ensuring equitable access and participation in VET.

1. POLICY VISION FOR VET

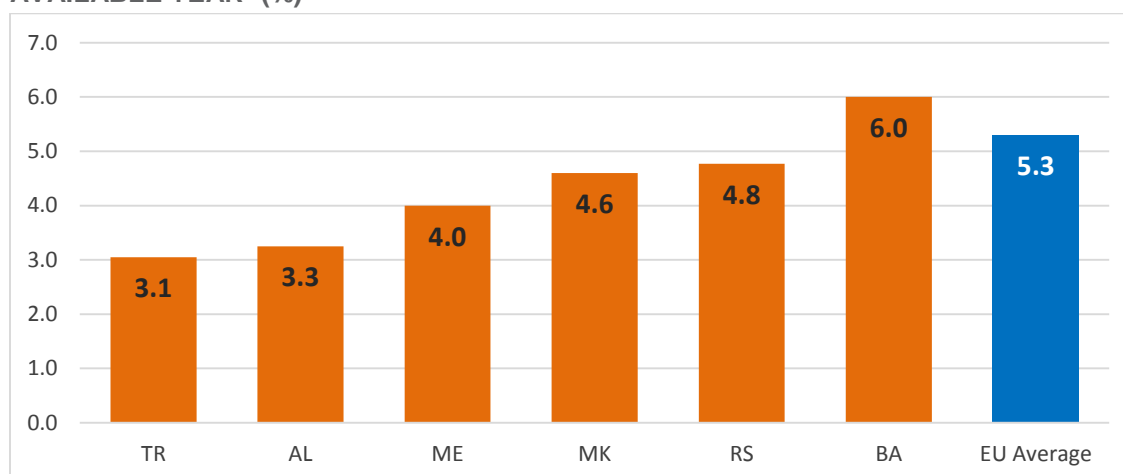
1.1 Introduction to vocational education and training systems in SEET

The SEE countries (comprising Albania, Bosnia and Herzegovina, Kosovo, the former Yugoslav Republic of Macedonia, Montenegro and Serbia) and Turkey are diverse in terms of geographical size, population, economy, employment and education trends, but they all see their future in an enlarged European Union (EU). In terms of meeting the accession requirements, each country is following its own path, at its own pace. Currently five countries – Albania, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey – enjoy the status of EU candidate countries, while Bosnia and Herzegovina and Kosovo are potential candidates. Turkey is also a member of the Organisation for Economic Cooperation and Development (OECD) and the Group of Twenty (G20).

Over the last decade, education and training provision in South Eastern Europe and Turkey, or in the Enlargement countries³, has undergone a process of **profound systemic reforms** as part of the overall political, economic and social transformations of these nations on their way to EU membership. The reforms aim to bring educational philosophy, legal frameworks, institutional settings, and learning content and outcomes in line with the evolving democratic values and market orientations in these societies, while drawing inspiration from European and broader international practice.

The recent **public spending on education** in South Eastern Europe and Turkey as a share of GDP is illustrated in **FIGURE 1.1**. Data for Kosovo are unavailable, while the data for Bosnia and Herzegovina go back to 2007, that is, to the pre-crisis situation, and therefore are not comparable with the 2011–13 data for the other countries. With these reservations, it might be concluded that the proportions of GDP spent on education in the SEE countries and Turkey in 2011–13, ranging from 3.1% in Turkey to 4.8% in Serbia, remain below the EU average of 5.3% (2011).

FIGURE 1.1 PUBLIC EXPENDITURE ON EDUCATION AS SHARE OF GDP, 2013 OR LAST AVAILABLE YEAR⁴ (%)



Notes: BA (2007); ME (2011 – forecast); RS (2011); TR (realisation estimate of GDP taken from the Draft Central Budgetary Law 2014); EU Average (2011).

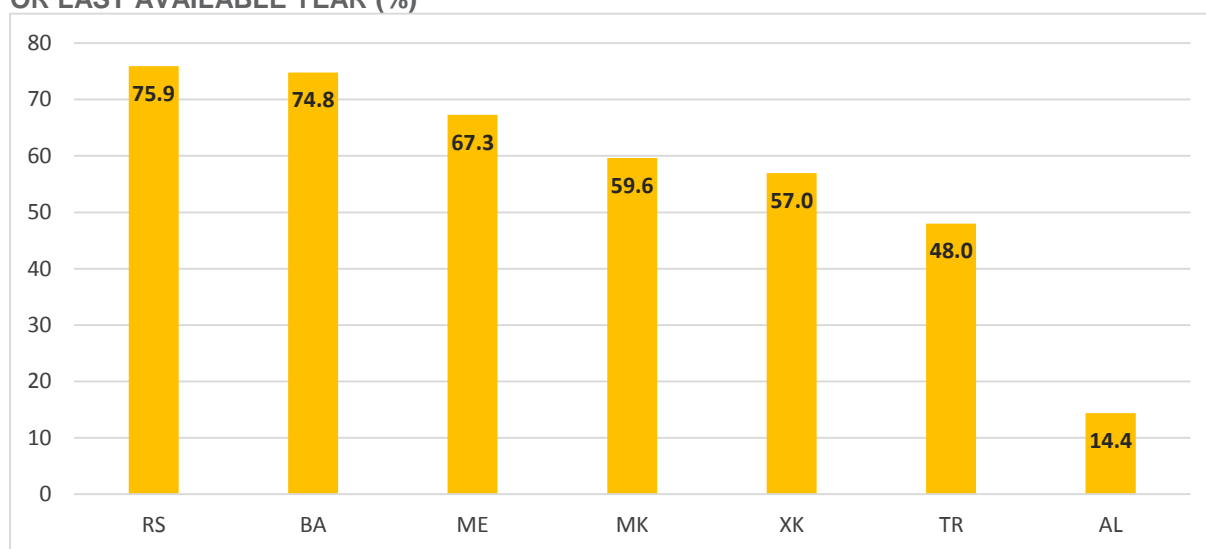
Sources: National statistical offices for all countries except RS and EU (Eurostat).

³ For the purpose of this report, the terms 'Enlargement countries' and 'SEE countries and Turkey' will be used as synonyms.

⁴ While respecting the fact that some of the SEE countries and Turkey maintain updated sets of statistical data, this report sticks to 2012–13 data, which were the latest available figures in all countries at the time of drafting the Torino Process national and regional 2014 reports.

Vocational education and training (VET) in South Eastern Europe and Turkey covers diverse national systems, embedded in specific economic and social contexts. **Initial VET** is usually part of secondary education but also includes post-secondary non-tertiary or tertiary level courses and institutions. The proportion of students enrolled in secondary VET in all countries except Albania is high: around half of all secondary education students in Turkey (48%) and the majority of those in Kosovo, the former Yugoslav Republic of Macedonia, Montenegro, Bosnia and Herzegovina and Serbia in 2012–2013 (between 57% and 75.9%) chose VET streams, while in Albania this share amounted to 14.4% (see **FIGURE 1.2**).

FIGURE 1.2 SHARE OF VET STUDENTS IN UPPER SECONDARY EDUCATION (ISCED 3), 2013 OR LAST AVAILABLE YEAR (%)



Note: Last available year is 2012 for RS, BA, MK, TR and AL.

Source: ETF calculations based on UNESCO Institute for Statistics, except ME (Ministry of Education).

Most of the SEE countries have two different VET pathways at upper secondary level (three-year vocational and four-year technical programmes), and although the overall enrolment in VET has remained stable in recent years, the focus is shifting steadily towards the four-year technical option. One of the main reasons for this is that technical pathways allow students to continue their studies in higher education. Faced with high unemployment and the difficult transition from school to work, the vast majority of graduates from four-year VET programmes opt for continuing their education at a higher level. As a consequence, in the SEE countries there are increasingly fewer secondary vocational graduates directly entering the labour market.

Higher vocational education is developed in Turkey, Serbia, the former Yugoslav Republic of Macedonia and Albania. **Post-secondary non-tertiary VET** programmes exist currently in Albania, Bosnia and Herzegovina (Republic of Srpska), the former Yugoslav Republic of Macedonia and Montenegro.

Continuing vocational education and training (CVET) has been neglected over the past decade in South Eastern Europe and is primarily focused on functional literacy and low-skills training for the unemployed, while the in-company training of employees is underfunded and sporadic. Turkish employers are much more engaged with CVET provision, viewing it as important in updating and renewing their workers' knowledge, skills and competences, and in helping their businesses adapt to fast-changing technological and socio-economic developments.

Up to now, **VET reforms** have been targeted mainly at secondary VET, with much less consideration given to post-secondary, higher or continuing VET. The main driver behind the reform processes in VET, substantially supported by the EU pre-accession assistance funds, has been the need to

develop VET systems that are more demand-driven and oriented towards a learning-outcome-based logic. The results achieved so far have been mixed. New VET legislation has been introduced, but either its enforcement has been delayed or it has proved ineffective despite the new governance institutions and/or bodies that have been set up for its execution (e.g. VET centres, VET and adult education councils, etc.). Improved curricula, new occupational profiles and qualification standards have been initiated (often with the involvement of employers) and piloted, but remain at different stages of development and implementation. Progress has been made in adjusting VET provision to labour market and social needs, especially in the business education, IT, construction and tourism sectors, and efforts have been made to modernise and better equip VET schools, often supplementing scarce public funding with donor assistance. However, VET systems are not yet fully geared up for the preparation of immediately employable graduates.

1.2 Vision for the VET systems

The 2014 round of the Torino Process has confirmed that **VET is perceived as an important policy area** in South Eastern Europe and Turkey with a potential role to play in improving the economic growth and competitiveness of the region, as well as contributing to social cohesion and a better quality of life for its citizens through rewarding careers and personal development. The vision of the former Yugoslav Republic of Macedonia, for example, reads:

‘VET will become a key factor in the development of the workforce, in the establishment of an economy that makes better use of its human capital and evolves towards information and knowledge; in strengthening individual and social productivity; in economic development and growth of the country; in the improvement of quality of life; in achieving full social participation; in employment, in strengthening the employability and professional development of young people and adults, and realisation of mobility on a national and international level.’ (VET Strategy 2013–2020)

All the countries have adopted policy documents articulating their **visions for the mid- to long-term development of their VET systems** (TABLE 1.1) and stating clear strategic objectives. A common practice in SEET is to develop sectorial VET strategies, yet in some countries the current VET perspectives have been embedded in broader strategic documents to ensure better synergies and complementarities across sectors (e.g. in Albania the VET vision is part of the National Employment and Skills Strategy) or within the education sector (in Kosovo and Serbia, for instance, VET priorities have been integrated into the education strategies) (see Table 1.1). Often the perspectives set out in the VET strategies are supplemented by statements in related strategies, such as life-long learning strategies (e.g. Turkey) or entrepreneurial learning strategies (as in the former Yugoslav Republic of Macedonia).

Most of the VET visions in SEET express **a holistic perspective on the development of both initial and continuing VET** (IVET and CVET). In some countries (e.g. Serbia and Turkey) there are separate visions for IVET and CVET, formulated either in different sections of the same strategy (in the case of Serbia), or in different papers (as in Turkey, where the VET Strategy 2014–2018 includes the vision for IVET, and the Lifelong Learning Strategy 2014–2018 the vision for CVET). However, the crucial factor is that CVET is no longer overlooked in the process of designing VET reforms (as it was some years ago), but has re-gained the attention of policy-makers in the Enlargement region.

TABLE 1.1 KEY POLICY DOCUMENTS RELATING TO THE VISION FOR VET DEVELOPMENT IN THE NATIONAL SYSTEMS OF SOUTH EASTERN EUROPE AND TURKEY

Country	Policy document
Albania	National Employment and Skills Strategy (2014–2020) and Action Plan (2014–2020)
Bosnia and Herzegovina	Strategic Lines of Development of Education in Bosnia and Herzegovina and Implementation Plan (2008–2015) VET Development Strategy (2007–2013) New VET Strategy (2015–2020) under preparation
Kosovo	Kosovo Education Strategic Plan (2011–2016) and Joint Annual Review
The former Yugoslav Republic of Macedonia	VET Strategy (2013–2020) and Action Plan Entrepreneurial Learning Strategy (2014–2020) and implementation roadmap National Action Plan on Youth Employment (2012–2015)
Montenegro	VET Development Strategy (2010–2014), Action Plans (2010–2012) and (2013–2014) VET Development Strategy in Montenegro (2015–2020) and Action Plan for 2015
Serbia	Strategy for the Development of Education in Serbia (2012–2020) and Action Plan (adopted in January 2015)
Turkey	Tenth Development Plan (2014–2018) VET Strategy and Action Plan (2014–2018) Lifelong Learning Strategy (2014–2018) National Employment Strategy (2014–2023)

Source: ETF, Torino Process 2014 country reports.

The contribution of VET to the overarching mission of national policies to develop human capital is well recognised across the region and reflected in the policy documents. All Enlargement countries see **the main role of VET as being to deliver the right skills** – that is, those required by the labour market – to young people and adults. As a consequence, ensuring the relevance of VET provision and its responsiveness to employment trends remains a priority for VET reform in SEET. The vision of VET as a key part of national skills generation systems has been further strengthened since the 2012 round of the Torino Process as a result of the FRAME (Skills for the Future) initiative, implemented in 2013 and 2014 by the ETF in South Eastern Europe and Turkey under the 2013 IPA multi-beneficiary envelope. FRAME has supported the development of comprehensive long-term visions for skills development as far as 2020, including roadmaps for achieving their targets.

Furthermore, the current visions of the Enlargement countries include **high expectations placed on VET as a force to enhance inclusion and cohesion in society**, that is, VET is seen as a vehicle for overcoming marginalisation and enabling citizens' integration into the workforce and other spheres of social participation. This explicit focus on VET as a tool for tackling social exclusion is a new trend in the countries' perspectives that is worth noting.

Other strategic goals for mid- to long-term VET development in SEET include:

- making VET more accessible and improving its general inclusiveness and quality (Kosovo, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Turkey);
- developing a stronger focus on adult training within a lifelong perspective (Albania, Bosnia and Herzegovina, Serbia, Turkey);

- enhancing the attractiveness of VET (Albania, the former Yugoslav Republic of Macedonia, Turkey);
- improving VET governance (the former Yugoslav Republic of Macedonia, Serbia and Turkey).

The visions and strategic objectives for VET in the Enlargement region are **aligned with EU policies** and are **relevant to the current socio-economic context** in each of the countries and to their needs. Countries report that they have tried to bring their VET visions into line with other national strategies, namely those for economic development, employment and education. Thus the 2014 Turkey country report gives an interesting account of the process of elaborating the new VET Strategy (2014–2018), indicating that it has been coordinated with the relevant existing national, regional and sectorial strategies and plans, specifically: the Lifelong Learning Strategy (2009–2013 and 2014–2018); the Industry Strategy Document (2010–2014); the Action Plan for Strengthening the Relationship between Employment and Vocational Education (2010–2014); the National Youth Employment Action Plan and the Information Society Action Plan; the Export Strategy 2023; the Tourism Strategy of Turkey 2023; the Agriculture Strategic Plan (2010–2014); and the Regional Development Plans for implementing Vision 2023.

The **elaboration of VET strategies** in South Eastern Europe and Turkey usually begins with the formation of inter-ministerial and multi-stakeholder working groups to advise the experts and officials responsible for developing the strategy documents; this also ensures coordination with other relevant papers and policies. Collecting feedback through online public consultations and open workshops on the final drafts of strategy documents has also become a common practice, as recorded in the 2014 country reports of Albania, the former Yugoslav Republic of Macedonia and Montenegro. However, there remains room for improvement, in particular with regard to stakeholder engagement. For example, the country report for Serbia contains a concern that, despite the public debates organised prior to the adoption of the Strategy for the Development of Education in Serbia (2012–2020), its vision has not been sufficiently shared among all stakeholders (e.g. employers and parents) and participants in the system (education professionals and students).

The 2014 Torino Process review has shown that the SEE countries and Turkey have begun to invest serious efforts in **making sure their VET strategies and perspectives are informed by evidence and credible analyses**. The evidence-based policy-making process has improved over recent years, but still faces a number of constraints and challenges. On the one hand, both the availability of data (especially regarding Roma, people with disabilities and adult learning) and its reliability compared with EU statistical standards remain an issue; on the other hand, in spite of evidence providers perceiving the government as their main client, existing research and evaluations are not having sufficient impact on the policy-making process, as mentioned in the Torino Process 2014 report for Serbia. Therefore, the level of mutual trust and collaboration between policy-making bodies and research/evidence-generating organisations needs to be improved (as highlighted in the Torino Process 2014 report for the former Yugoslav Republic of Macedonia).

VET visions in the Enlargement region have been operationalised through various policy objectives, measures and activities. As is evident from Table 1.1, the **elaboration of action plans or roadmaps** (with allocated financial resources and assigned responsibilities) for implementing the countries' VET strategies is currently well-rooted practice in the region. However, despite the preparations made for implementation at the planning phase, **effective delivery remains behind schedule and represents a serious challenge for VET reforms in the region**.

Reflecting on the reasons for this sluggish progress, the Torino 2014 country reports cite insufficient or delayed allocation of funds, together with the limited technical and human resource capacities of the key institutions involved. Other critical issues, as highlighted by the reports for Albania and the former Yugoslav Republic of Macedonia, are those related to inherent institutional or legislative weaknesses,

marked by insufficient synchronisation between laws and unclear areas of responsibility. Coupled with deficiencies in implementation mechanisms or public information systems, these issues adversely affect the effectiveness of VET policy.

Another area where the SEE countries and – to a lesser extent – Turkey face serious constraints and tend to underperform is in the efficient and consistent **monitoring of the process of implementing the countries' VET visions**. Nevertheless some progress has been made in this area in terms of defining SMART⁵ policy indicators and setting national targets, as can be seen in the National Employment and Skills Strategy (2014–2020) in Albania, the Kosovo Education Strategic Plan (2011–2016), and the VET Strategy (2014–2018) and Lifelong Learning Strategy (2014–2018) in Turkey, which all create a framework for tracking progress at the implementation stage. However, designing monitoring mechanisms at the policy development phase is currently taking place only in some countries (e.g. Kosovo and Turkey).

In terms of implementing their VET strategies, and despite some isolated examples of good practice, **the SEE countries continue to face difficulties in establishing robust monitoring processes** based on comprehensive sets of indicators, solid methodological guidelines and clear timelines and means of verification, backed by sufficient resources. One of the key findings of the FRAME initiative relates to the limited capacities of the countries to regularly collect, process, analyse and disseminate data (statistics) in a timely manner for monitoring purposes, with ad-hoc activities prevailing over systematic and consolidated oversight (ETF, 2014a). The weaknesses in the monitoring procedures have a negative impact on the achievement of VET reform, since the lack of satisfactory evidence means that the corrective measures required cannot be identified, nor can the transparency and accountability of specific actions be ensured.

Regarding other stages of the policy cycle – specifically, **policy evaluation and policy maintenance/succession in the field of VET** – it is worth noting that while the Enlargement countries regularly follow up their strategic policy documents (adopting new strategies upon expiry of the old ones, as is clear from Table 1.1), the Torino Process reports refer only occasionally to any assessments of the implementation and impact of the old strategies. Measuring the effects of policy changes more rigorously and consistently is required to ensure that future reforms are built on lessons learned from past experience and driven by strategies proven to work in the country-specific contexts of the region. In 2014 the ETF supported Montenegro in conducting an ex-post analysis of the specific contribution that the Bruges Communiqué had made to the transformation of the country's VET policy.

Launched in 2002, the Copenhagen Process aims to improve the performance, quality and attractiveness of vocational education and training through enhanced cooperation at the European level. The Process is based on mutually agreed priorities that are reviewed periodically. In December 2010 the European Ministers for Vocational Training, European Social Partners and the European Commission met in Bruges to set the priorities of the Copenhagen Process for 2011–20. The resulting Bruges Communiqué includes a global vision for VET by 2020, 11 strategic objectives for the period 2011–20 and 22 short-term deliverables to be achieved at the national level by 2014 as part of the progress towards realising the strategic objectives. In the context of enlargement, the EU candidate countries have been invited to engage with the Copenhagen Process and to take part in the Bruges Communiqué reporting mechanism.

In line with its mandate, in June 2014 the ETF proposed to the Minister of Education of Montenegro an ex-post analysis of the specific contribution that the Bruges Communiqué had made to the transformation of VET policy in the country. The exercise aimed to analyse the impact of Bruges on national VET policy in Montenegro and the process put in place to ensure coherence between specific

⁵ Specific, measurable, achievable, relevant and time-bound.

national reform needs and the VET priorities as outlined under the short-term deliverables and policy options. The ultimate objective of the analysis was to enhance the efficiency and effectiveness of the contribution of the next phase of the Communiqué (post-2014) to Montenegro's national reforms. The ex-post policy analysis covered two strategic objectives (No 5 Fostering innovation, creativity and entrepreneurship, as well as the use of ICT in VET, and No 6 Realising inclusive I-VET and C-VET), together with seven short-term deliverables. The findings of the ex-post policy analysis suggest that the VET reforms in the domains falling under strategic objectives 5 and 6 have produced visible results, and highlight a number of interesting trends regarding the progress made and the relevance of the policy options to the national context in Montenegro. Most of the short-term deliverables have been implemented, at least partially, and where progress has not been made or has been slow, this is accounted for by the lack of effective partnership mechanisms and the shortage of adequate, continuous financial resources. The exercise also had a capacity-building effect for all the Montenegrin stakeholders who were involved in it.

1.3 Capacity for innovation and change in VET

Over recent years the SEE countries and Turkey have improved their capacities to develop new and innovative VET policies and systems. However, the potential of these countries to reform VET and to sustain change depends largely on the **financial and institutional resources** available.

As mentioned above, the **public expenditure on education** as a share of GDP in the Enlargement countries in 2011–2013 was relatively low (Figure 1.1): below 4% (with the exception of the former Yugoslav Republic of Macedonia and Serbia). While the level of public investment in education in the region is not high, the analysis shows that the Enlargement countries (except Bosnia and Herzegovina and Kosovo, where data are unavailable) have managed to prevent sharp reductions of their education budgets during the years of the economic crisis (since 2009), with even increases in expenditure recorded in the former Yugoslav Republic of Macedonia and Turkey after 2011 (see **TABLE 1.2**).

TABLE 1.2 PUBLIC EXPENDITURE ON EDUCATION AS SHARE OF GDP, 2006–13 (%)

	2006	2007	2008	2009	2010	2011	2012	2013
AL	3.2	3.3	3.5	3.4	3.6	3.3	3.4	3.3
BA	m.d.	6.0	m.d.	m.d.	m.d.	m.d.	m.d.	m.d.
XK	m.d.	m.d.	m.d.	m.d.	m.d.	m.d.	m.d.	m.d.
ME	m.d.	m.d.	4.4	4.9	4.2	4.0 (f)	m.d.	m.d.
MK	m.d.	3.1	3.3	3.6	3.7	3.5	4.0 (p)	4.6
RS	4.4	4.7	4.9	5.0	4.9	4.8	m.d.	m.d.
TR	2.2	2.5	2.4	2.9	2.6	2.6	2.8	3.05 (e)
EU-28 average	4.9	4.9	5.0	5.4	5.4	5.3	m.d.	m.d.

Notes: m.d. = missing data; (f) = forecasted data; (p) = provisional data; (e) Realisation estimate of GDP, taken from the Draft 2014 Central Government Budget Law; TR – public expenditure on education includes only the Ministry of National Education's budget

Sources: AL – Eurostat (2014), online indicators, except 2012–2013, INSTAT, data received; BA – Council of Ministers of BiH (2008), *Strateške Pravce Razvoja Obrazovanja u Bosni i Hercegovini sa Planom Implementiranja, 2008–2015*; ME – ETF calculations on Government of Montenegro, 2012; MK, RS, EU-28 – Eurostat (2014), online indicators except MK 2013 – MoES; TR – Ministry of National Education Strategy Development Presidency, 'National Education Statistics, Formal Education 2013/14'.

The availability of national resources to support change (i.e. the budget allocated to the reform agenda in proportion to the funds assigned to the routine operation of the VET systems) is difficult to assess due to the lack of evidence, yet the fact that VET reforms in South Eastern Europe and Turkey have been heavily supported by the EU pre-accession assistance programmes and other donor funding over the past five years should be taken into consideration.

Having the **institutional capacities** to support innovation and change in VET implies appropriate staffing levels, technical expertise, enabling organisational structures and delivery systems. The Torino Process 2014 has revealed great disparities among the Enlargement countries with regard to their potential to initiate and sustain VET reforms. The constraints identified range from understaffing and limited administrative capacity (e.g. Kosovo) and underdeveloped capabilities for ex-ante and ex-post policy analysis (e.g. Serbia) to lack of coordination and leadership issues (e.g. in the former Yugoslav Republic of Macedonia). However, all the countries recognise the importance of EU projects and EU cooperation in enhancing their institutional capacities for innovation and change in VET, explicitly highlighting the Twinning projects and the Thematic Working Group on VET (accessible to the candidate countries) as part of the ET 2020 Open Method for Coordination mechanisms.

The education and VET reforms in the SEE countries have been strongly influenced by EU and foreign donor interventions. Many policy papers and projects have been developed through external programmes and delivered with the support of foreign technical assistance. This has been beneficial in exposing the countries to a whole range of modern concepts and good practice. However, it has also led to systemic fragmentation and insufficient national ownership, raising questions about the sustainability of reforms. The **incorporation of pilot projects and their results into the mainstream**, alongside the development of an **enhanced focus on reform policy implementation** emerge as major challenges for the SEE countries regarding their capacities for VET innovation and change.

Traditional top-down or bottom-up strategies are insufficient for the successful implementation of reform: continuous interaction and dialogue between partners at the national and local level is needed. A lesson that the Enlargement countries have begun to learn is that macro-level reforms tend to fail if interventions are not rooted in **the reality of the micro-level**. There is a risk that results will not be achieved or sustainable if VET schools do not develop the potential to act as agents of change and local innovation. The Torino Process 2014 has documented the countries' concerns regarding strengthening the capacities of VET schools to both trigger and absorb change. Unlike professionals at the central level, teachers, trainers and school principals have been much less exposed to international exchanges, mutual learning and examples of good practice. A minority of the VET schools in South Eastern Europe have been able to establish partnerships with EU schools and companies, and this type of cooperation has been exclusively the result of individual schools' initiatives. In 2014 Albania, Bosnia and Herzegovina, Montenegro and Serbia signed agreements for partial participation in the EU programme for education, training, youth and sport, Erasmus+ (2014–2020), which is expected to boost capacity at the micro-level. Turkey and the former Yugoslav Republic of Macedonia are full participants of Erasmus+.

Incentives for change (i.e. a system of rewards for quality improvements in VET institutions, recognising educational approaches such as inclusiveness, creativity, and forming innovation partnerships with enterprises and/or HE institutions) are non-existent, with the exception of those for the professional development and career advancement of teachers. As a positive example, the Serbia 2014 country report cites an annual national competition – 'Creative School', organised over the past eight years by Serbia's Institute for Improvement of Education in collaboration with Microsoft (through

the Microsoft programme 'Partners in Learning') – as illustrating the most innovative approaches to education (currently presented on the 'Creative School' portal⁶).

1.4 Drivers of innovation and change in VET

The Torino Process 2014 has identified two groups of drivers for innovation and change in VET in SEET: (i) internal forces related to the national context and needs of each country; and (ii) external drivers related to the countries' EU aspirations and supported by the Enlargement agenda and relevant EU policies.

The internal drivers for change in VET derive from the strategic needs of the Enlargement countries to address skills gaps and mismatches and to boost competitiveness.

While Turkey has a functioning market economy, the SEE countries have spent the last decade in transition from closed, state-regulated systems to open, market- and service-based economies. Furthermore, despite great progress, this process is not yet fully complete. The transition in these countries' economies has changed the demand for skills, resulting in structural skills and qualifications mismatches and shortages, as education and training systems have failed to respond effectively to the needs of the market. The global economic crisis further exacerbated the skills mismatches in South Eastern European countries and had a negative impact on their labour markets as a result of the contraction of economic activities, growing informality and declining productivity and competitiveness. Even Turkey, which has enjoyed relatively strong economic growth, has not been able to generate a sufficient number of jobs to meet the demands of its growing population.

Further to addressing the burning issues of high unemployment and inactivity (see Annex 1), VET systems in the SEE countries and Turkey are committed to contributing to the implementation of the Skills 2020 visions, strategies and roadmaps developed under the FRAME project. VET systems will have to change and innovate in order to provide the skills required by the sectors driving economic growth and contributing to greater competitiveness.

In addition, the prospect of EU membership has a direct effect on the economic, social and education policies in SEET. These policies are framed by the broader goals of the EU strategy Europe 2020, as well as by the more specific policy objectives and targets of the European Employment Strategy, the strategic framework for European cooperation in education and training 'Education and Training 2020' (ET 2020), the Bologna Process in higher education, the Copenhagen/Bruges Process for enhanced European cooperation in VET, and the SME Policy Index of the EU Small Business Act. Performance as regards the ET 2020 benchmarks and the headline indicators of Europe 2020 is monitored by the national statistical offices in most of the countries and discussed in policy-making contexts as well as in broader public fora. The table in Annex 2 presents the current performance of the Enlargement countries against selected education-related EU benchmarks.

VET provision in the Enlargement countries, and in the candidate countries in particular, has been strongly influenced by the medium- to long-term EU policy objectives and targets for improving the performance, quality and attractiveness of VET expressed in the Copenhagen/Bruges Process. All candidate countries report that the Copenhagen Process and the Bruges Communiqué inspired national VET reforms after 2010, helping to better structure VET policy and identify national priorities for the development of VET (Cedefop, 2015). The Torino Process 2014 report for the former Yugoslav Republic of Macedonia offers an interesting example of how the Copenhagen Process has spurred on the national policy-makers to take corrective measures: the findings from the 2012 round of the Bruges Communiqué reporting provided clear evidence that the country was lagging behind others in

⁶ www.kreativnaskola.rs

the development of its national qualifications framework (NQF), which prompted the Ministry of Education and Science to restart the process by rapidly re-launching the old NQF working group. Within six months in 2013, this renewed group was able to complete the drafts that had been languishing for years, and adopt the baselines of the NQF as well as the NQF Law.

1.5 Action and assessment of progress since 2010

The Torino Process 2014 has shown that the Enlargement countries see the main role of VET as playing a key part in the national skills generation systems, in addition to providing the means for integrating people into the work environment and other spheres of social participation. The enhanced focus on VET as a tool for addressing social exclusion has emerged as a new trend in the VET perspectives of the region, with current policy documents containing less emphasis on the potential of VET to contribute to medium-term economic development and competitiveness.

The SEE countries and Turkey continue to align their visions and strategic objectives for VET with EU policies, while taking into account their national socio-economic contexts and needs. Countries have increased effort to bring their VET visions into line with other relevant national strategies (those for economic development, employment and education). Progress has been made in ensuring a participatory, collaborative process of elaboration for the strategies, through inter-ministerial and multi-stakeholder consultations as well as public debates. The involvement of employers and parents in the development of VET visions, however, needs further improvement, especially in South Eastern Europe; the degree of engagement in the process by participants in the VET system (e.g. education professionals and students) is not yet satisfactory.

The Enlargement countries have strengthened the use of evidence in VET policy-making, but still face a number of constraints and challenges relating mainly to the availability of data (especially regarding vulnerable groups and adult learning) and its reliability set against EU statistical standards.

Despite the usual elaboration of action plans or roadmaps (with allocated financial resources and assigned responsibilities) for the implementation of the strategies, their effective delivery remains the most serious challenge for VET reforms in the region. While participatory approaches are widely followed during the design of visions and strategies, there remains significant scope for improvement when it comes to their shared implementation.

Similarly, the Enlargement countries have made progress in setting policy indicators and national targets, but, with the exception of Turkey, they still face difficulties in carrying out robust monitoring processes over the enforcement of their VET strategies. The capacities of the countries to regularly collect, process, analyse and disseminate data (statistics) for monitoring purposes are still limited, with ad-hoc activities prevailing over systematic and consolidated oversight mechanisms.

The Torino Process 2014 has revealed great disparities among the Enlargement countries with regard to their potential to initiate and sustain VET reforms. The common challenges lie in the areas of scaling up, rolling out and mainstreaming the results from donor-driven pilot projects, and in the necessity for enhanced policy implementation. Furthermore, the need for strengthening the potential of VET schools to both trigger and absorb change in order to improve the quality and effectiveness of reforms and ensure their sustainability has been recognised.

The Torino Process 2014 has identified two groups of drivers for innovation and change in VET in SEET: (i) internal forces related to the need to address skills gaps and mismatches in the labour market and to boost competitiveness; and (ii) external drivers related to the EU aspirations of the countries and fuelled by the Enlargement agenda and the relevant EU policies.

2. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING ECONOMIC AND LABOUR MARKET DEMAND

2.1 Economic and labour market factors that shape demand for skills

The SEE countries share similar economic development patterns and labour market trends as a result of their transition from centrally planned, command economies to market-based systems. In addition they have all had to increase their share of tertiary (service) sector activities at the expense of the primary (agriculture) and secondary (manufacturing) sectors. Turkey stands out in terms of economic performance and growth dynamics. The EU perspective, however, identifies the economic growth paradigms in all Enlargement countries as having common features, such as EU-oriented export and import, FDI and migration outflows.

The recent economic slump in the EU has had a domino effect on the SEE countries and Turkey (e.g. in terms of a lack of demand and investment). The net inflows of FDI (as a percentage of GDP) in 2013 remained low (ranging from 1.6% in Turkey to 11.5% in Albania)⁷ and lagged far behind the EU-28 average (30.6% in 2012)⁸. In 2013 individual countries' economies began to recover from the recession, and started to show positive GDP growth, ranging from 0.36% in Bosnia and Herzegovina to 4.0% in Turkey, and standing at or exceeding 3% in Kosovo, the former Yugoslav Republic of Macedonia, and Montenegro. Indeed, all the SEE countries and Turkey recorded a better performance than the EU-28 average of 0.1%⁹, although the figures are still modest when compared to pre-crisis levels. A World Bank report states that the economic growth in South Eastern Europe was made possible thanks to increased demand for regional exports from high-income countries, particularly members of the European Union, and it encourages the SEE countries to shift from an internal demand-driven growth model to one fuelled by exports, which will lead to greater integration in European and global markets (World Bank, 2014).

In terms of competitiveness, the region performs relatively poorly, with Turkey ranked the highest (45 out of 144 countries) and Albania the lowest (97) (World Economic Forum, 2014; missing data for Bosnia and Herzegovina and Kosovo). Among the biggest impediments to doing business in these countries is the 'inadequately educated workforce' (other factors being access to financing, inefficient bureaucracy, taxation and inadequate infrastructure) (World Economic Forum, 2014). Furthermore, most of the workforce in South Eastern Europe and Turkey are employed in occupations requiring low to medium skills levels. For example, in the former Yugoslav Republic of Macedonia, Kosovo and Serbia around 70% of the working population are engaged in occupations that fall under ISCO groups 4–9¹⁰, while in Montenegro the share is 59.7% and in Turkey the percentage rises to 80.8%¹¹.

As illustrated by **FIGURE 2.1**, all economies in the Enlargement countries are service oriented, with shares of 50% and more of GDP (value added) – although these figures were still lower than the average for the EU-28 countries in 2013 (74.4%). Industry scores second in all countries while agriculture commands a higher share (from 8.4% in Bosnia and Herzegovina to 21.8% in Albania)

⁷ World Bank data.

⁸ Eurostat data.

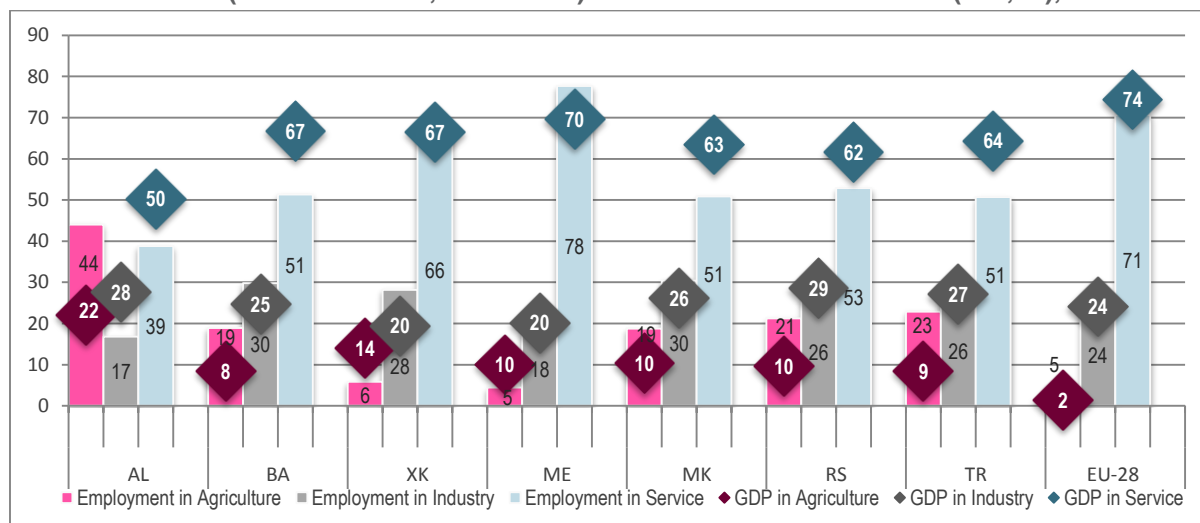
⁹ World Bank data.

¹⁰ ISCO groups: 4 (clerical support workers); 5 (service and sales workers); 6 (skilled agricultural, forestry and fishery workers); 7 (craft and related trades workers); 8 (plant and machine operators, and assemblers); 9 (elementary occupations) (ISCO 2008 classification).

¹¹ ETF calculations based on NSO data on employment by occupations for all countries except for the former Yugoslav Republic of Macedonia – ETF calculations based on Eurostat 2013 data.

compared to the EU average of 1.5%¹². Still, there is a disproportionately large share of people employed in agriculture in spite of its low contribution to GDP in Albania (the highest disproportion), Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Serbia and Turkey. The employment structure by sector reveals falling trends in agricultural employment since 2012 (Albania, Bosnia and Herzegovina, Montenegro and Turkey), as well as in industry (Albania, Montenegro and Serbia) and in services (Kosovo)¹³. The Torino Process 2014 country reports highlight another salient feature of the regional economies: the private sector is dominated by micro and small enterprises. Thus, for example, 91% of active enterprises in Albania in 2011 employed up to four workers, comprising 37% of the total workforce, primarily in the service sector (Torino Process 2014 Albania country report).

FIGURE 2.1 GDP (VALUE ADDED, % OF GDP) AND EMPLOYMENT RATES (15+, %, 2013)



Notes: GDP – 2012 for BA and XK; employment refers to 15+, except for XK (15–64).

Sources: GDP – World Bank except for AL (NSO); employment – NSO, EU for MK, TR and EU-28.

Labour markets in SEET continue to be characterised by low participation and employment rates and to be strongly influenced by gender issues. **FIGURE 2.2** shows that all Enlargement countries lag significantly behind the EU averages in key labour market indicators¹⁴ (activity and employment in the 15+ age group). There have been improving trends across the region since 2012, but large gaps remain to be filled. The lowest activity rate for the 15+ population (Bosnia and Herzegovina) stands at around 14 percentage points below the EU-28 average, while the 15–64 age group in Kosovo registers a difference of more than 30 percentage points compared to the EU-28 average activity rate.

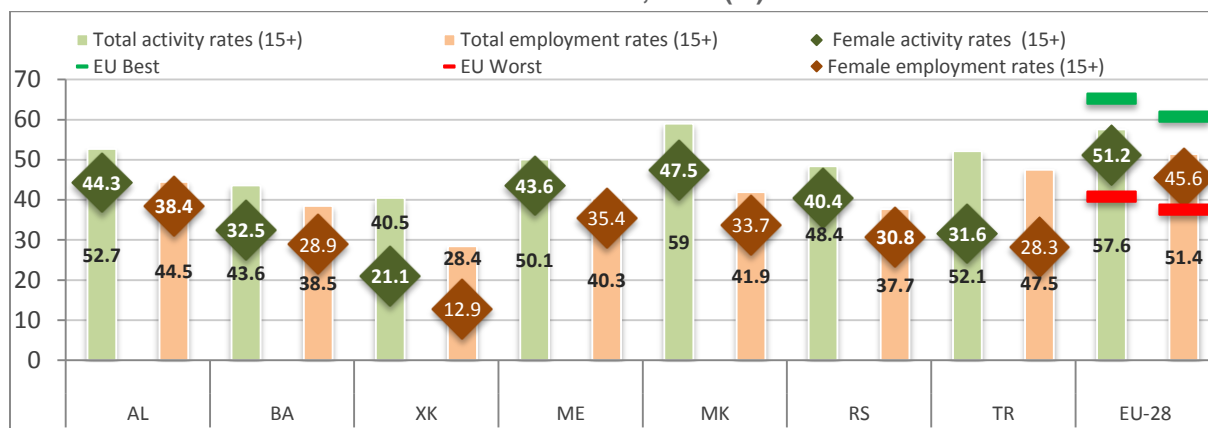
Gender gaps are most pronounced in Turkey and Kosovo where the female activity rates are lower than the total activity rates by 20.5 and 19.4 percentage points, respectively.

¹² Data sources: GDP data - World Bank, 2013, for EU-28 and all countries, except Albania – NSO, 2013; 2012 data for Bosnia and Herzegovina and Kosovo.

¹³ Data sources: NSO for Albania, Bosnia and Herzegovina, Kosovo, Montenegro and Serbia; Eurostat for the former Yugoslav Republic of Macedonia and Turkey.

¹⁴ Data sources: Eurostat and NSO, last year available (usually 2013). Information about the labour market trends in Kosovo continues to be provided on an irregular basis, and statistics produced in recent years (the 2011 census and the 2012 and 2013 Labour Force Surveys) remain questionable in terms of methodological consistency and data comparability.

FIGURE 2.2 ACTIVITY AND EMPLOYMENT RATES, 2013 (%)

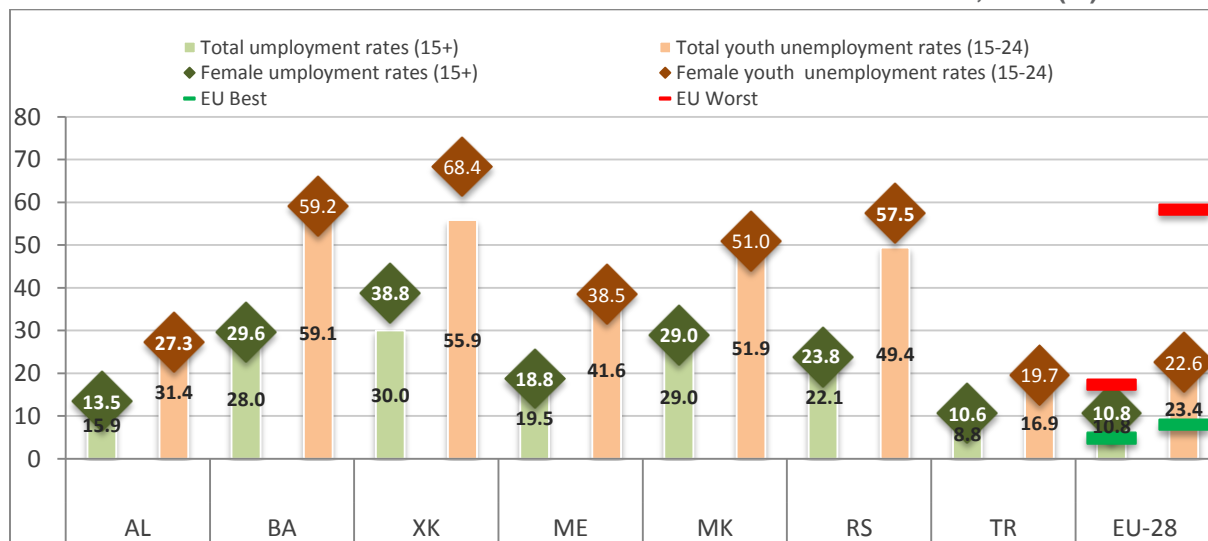


Notes: Employment rates: 15–64 age group for BA and XK, 15–74 for MK and TR. Activity rates: 15–64 age group for XK, 15–74 for MK and TR.

Sources: National Statistical Offices; MK, TR, EU-28 – Eurostat.

On employment rates, the Enlargement countries underperform with regard to both the EU averages and the EU 2020 headline target (see Figure 2.2 and Annex 1). The Enlargement/EU disparity is particularly prominent in the case of Kosovo, Bosnia and Herzegovina (15–64 age group data for both countries) and Serbia, while Turkey performs better (at 3.9 percentage points below the EU-28 average) (see Figure 2.2). Low employment rates in South Eastern Europe have been accompanied by higher levels of precarious employment (comprising non-standard types of employment, ‘mini-jobs’¹⁵, temporary or seasonal work) and informal employment, as documented by the Torino Process country reports. Furthermore, a recent report of Eurofound confirms that the former Yugoslav Republic of Macedonia, Montenegro and Turkey have undeclared economies larger than the EU-27 average (Eurofound, 2013), while an ILO study highlights the fact that there tend to be lengthy transitions from education to stable or satisfactory employment in the former Yugoslav Republic of Macedonia, taking an average of 21.8 months, or nearly two years (ILO, 2015).

FIGURE 2.3 UNEMPLOYMENT RATES OF TOTAL POPULATION AND YOUTH, 2013 (%)



Notes: Unemployment rates: 15–64 age group for BA and XK, 15–74 for MK and TR.

Sources: National statistical offices; MK, TR and EU-28 – Eurostat.

FIGURE 2.3 shows that unemployment-related indicators are high in all countries, with the exception of Turkey (which stands below the EU-28 average). Unemployment in South Eastern Europe is a

¹⁵ Forms of marginal employment that are generally characterised as part-time with a low wage.

problem in terms of both volume and duration: in 2013 the proportion of long-term unemployed to total unemployed was in the 68–83% range in all countries. Again, Turkey performs well, at 21.6%, half of the EU-28 average for 2013¹⁶. The consequences of high unemployment and long-term unemployment rates in terms of skills erosion and as an impetus for external migration (with more people leaving their countries to look for better employment opportunities elsewhere) are well documented (ILO, 2015), and have been confirmed by the Torino Process 2014 round (migration issues are discussed in more detail in Chapter 3 of this report).

Young people form one of the most vulnerable groups in the labour market, and, with the exception of Turkey, are subject to very high levels of unemployment, well above the EU-28 average (figures range from 31.4% in Albania to 59.1% in Bosnia and Herzegovina, see Figure 2.3). Young people are also more likely than other groups to be employed informally or in precarious and insecure jobs, regardless of their education and skills. The reasons behind this are various: countries may lack the ability to create jobs that match the available workforce (especially in the few countries that still enjoy robust demographic growth and a relatively young population); young people often experience a rather protracted and difficult transition from school to work (e.g. with insufficient career counselling and guidance or other services or incentives); and, not least, young people may have an educational and skills profile that is poorly related to demand.

Gender gaps are also prominent in all countries, with Kosovo and Turkey registering the most marked differences between men's and women's performances in the labour market. Women are over-represented in the category of 'unpaid family workers' in all countries. There are no consistent trends discernible in any of the countries to close these gender gaps, and the overall situation points to a rather precarious status of women in the labour market (in terms of both participation and job quality)¹⁷.

In addition to the effects of the informal economy and a relatively high propensity for external migration, regional disparities are another key factor that influences the demand and supply of skills in the Enlargement region. Rural–urban disparities (with rural areas worse off than urban ones) and regional concentrations of economic opportunities for growth and employment trigger various internal migration dynamics (notable, for example in Turkey, from Southeast to Western regions) and challenge the VET system to respond to local and regional developmental needs. Similarly, the typical external migration profile is that of (highly) skilled workers leaving the country, which poses additional threats to long-term sustainable economic and social development in the region.

On the supply side, adult (15+) literacy in South Eastern Europe and Turkey is high (adult literacy rates in 2011 ranged from 94.1% in Kosovo to 98.5% in Montenegro)¹⁸. In 2013, the proportion of the working-age population (15+) with at least upper secondary education (ISCED 3) exceeded 50% in Albania and Bosnia and Herzegovina, while in Montenegro, the former Yugoslav Republic of Macedonia and Serbia it was over 60%. The figure is lower in Kosovo (47%, 2009 data) and lowest in Turkey (31%, 2013 data)¹⁹. The 2014 Torino Process country reports link the improvement in the overall pattern of educational attainment of the population, as captured by the 2013 Labour Force Surveys, with the natural reduction of the share of the population with lower levels of education and the significant growth in the number of those achieving higher levels of education. However, the proportion of the population with lower levels of education (lower secondary or less) is still substantial, comprising, for example, almost 40% of the total working-age population and approximately 23% of

¹⁶ Data sources: Eurostat for the former Yugoslav Republic of Macedonia, Turkey and EU-28; national statistical offices for the rest of the countries.

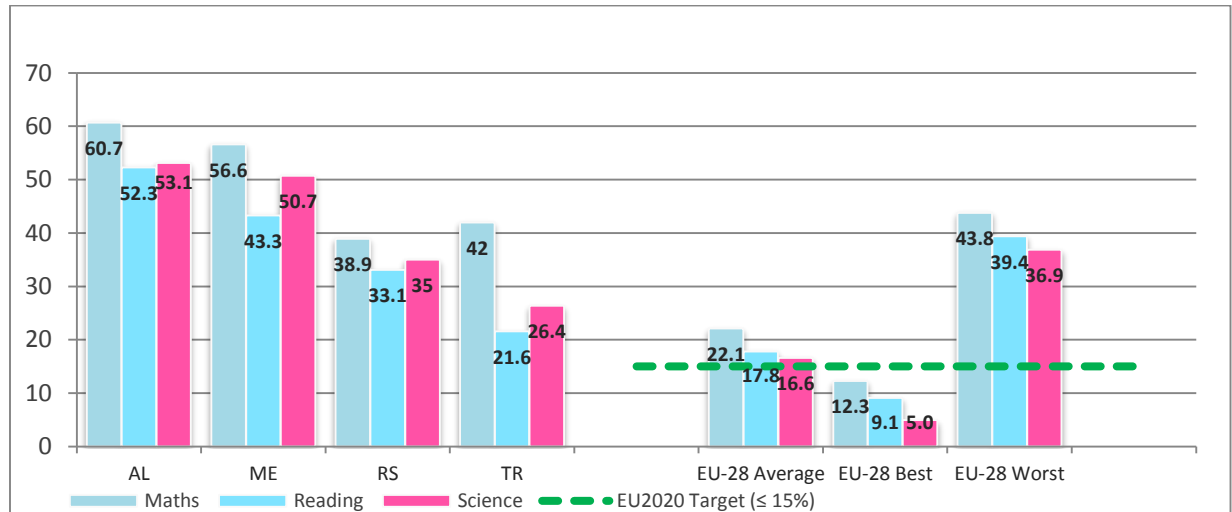
¹⁷ Data sources: Eurostat and national statistical offices, last year available (usually 2013).

¹⁸ UNESCO Institute for Statistics data.

¹⁹ National statistical offices; MK and TR – Eurostat.

the employed population in the former Yugoslav Republic of Macedonia (Torino Process 2014 country report). Furthermore, Figure 3.3 (in Chapter 3) illustrates the underperformance of the 30–34-year age group from the Enlargement countries compared to their EU peers with regard to tertiary education attainment. Overall, the educational profiles of the working-age populations in South Eastern Europe and Turkey are not conducive to economic growth, which is increasingly based on knowledge-intensive and value-added activities.

FIGURE 2.4 LOW ACHIEVERS IN PISA (WITH PERFORMANCE LOWER THAN LEVEL 1), 2012 (%)



Source: OECD, 2012; BA, XK, MK – missing data.

In view of the rapid transformation of the SEE economies from industrial to service-based systems, on the one hand, and given the post-crisis difficulties in forecasting specific skill needs, on the other hand, it is important to concentrate on developing a broader skills set that will support flexibility and the transferability of competences in order to maximise the employability of individuals entering the workforce. To this end, the acquisition of modern key competences that can be used in different economic sectors becomes increasingly important. Learning that is focused on acquiring key competences and soft skills must start in early and primary education and continue in secondary schools and throughout adult learning. **FIGURE 2.4**, shows the high proportions of 15-year-old students from Albania, Montenegro, Serbia and Turkey who performed poorly in reading, mathematics and science as measured by PISA²⁰ (i.e. those with achievements lower than Level 1 in PISA tests), and provides sound evidence for the need to promote key competences in IVET and CVET, as well as in general education.

²⁰ The Programme for International Student Assessment (PISA) is a triennial international survey run by the OECD that aims to test the skills and knowledge of 15-year-old students worldwide in the key subjects of reading, mathematics and science. The tests are designed to assess literacy in the subjects in terms of general competencies, that is, how well students can apply the knowledge and skills they have learned in school to real-life challenges. PISA does not test how well students have mastered a school's specific curriculum. PISA scores can be located along specific scales developed for each subject area. These scales are divided into levels that represent groups of PISA test questions, beginning at Level 1 with questions that require only the most basic skills to complete and increasing in difficulty with each level. A student who is likely to lack the skills needed to correctly complete the easiest questions on a PISA test would be classified as below Level 1, while a student who is likely to have many of the skills needed to correctly complete the test questions would be at a higher level. In each test subject, the score for each participating country is the average of all student scores in that country.

2.2 Mechanisms for identifying demand for skills and matching skills supply

The SEE countries and Turkey are making efforts to expand their labour market information systems and develop mechanisms for monitoring and anticipating demands for skills. One of the key objectives of these efforts is to make VET provision and skills development systems in general more responsive to current and future demand. There are various degrees of sophistication evident in the type of instruments employed, from regular surveys (e.g. Labour Force Surveys) to collecting administrative data pertaining to education, vacancies, labour market policies and unemployment issues. Turkey and the former Yugoslav Republic of Macedonia are the most advanced nations in terms of harmonisation with European (Eurostat) standards for statistical products, while the other countries are making strenuous efforts to consolidate and expand their systems for evidence collecting so as to provide robust information for skills matching, assessment and forecasting.

Various initiatives have been used to map future demand for skills. In the SEE countries, demand-side or skills needs analyses are mainly funded and inspired by donors (most often the EU), and an anticipatory function is still to be completely embedded into the countries' skills development systems. The main bottlenecks and difficulties are caused by a shortage of specialised expertise, a lack of robust and regularly updated evidence (including long-term data series) and inadequate financial resources²¹. Turkey, however, is further advanced in this area, having the support of a more dynamic and resourceful private sector (through employers' associations) and a more established tradition of using long-term anticipatory exercises for planning policies (e.g. Vision 2023).

In the last few years several examples have emerged of ways in which South Eastern Europe and Turkey have gathered and used information on future market needs to improve skills matching processes, ranging from methodological developments, skills anticipation and analysis exercises to stronger cooperation with the business world to identify skills gaps and shape training delivery.

- In Albania, the International Labour Organisation (ILO) and RISI Albania supported a major skills needs analysis undertaken by the National Employment Service in 2014. In addition, the ETF supported a sector skills needs analysis and a demand-side analysis at national/sectoral and regional levels to inform the National List of Occupations in Albania. A recent survey of skills (VET) providers, including an assessment of the external effectiveness of VET provision (GIZ and ETF, 2014), supports the country's efforts to streamline provision to better suit the needs of individuals and the labour market.
- The analysis of the ICT services sector, *Assessment of competencies, technical skills and needs in Bosnia Herzegovina's ICT sector* (USAID, 2014), highlights the need for ICT skills upgrading in small and medium-sized enterprises (SMEs) to enable them to compete in global markets.
- Turkey has joined the OECD-led international initiative to measure people's perceptions of their skills level and use (PIAAC/Programme for the International Assessment of Adult Competencies) and has continued to implement an innovative programme to reduce the emerging skills mismatches (UMEM Beceri'10/Skills'10).
- An action in Serbia (under the IPA 2011) focused on strengthening the national capacity to predict labour market trends (based on a forecasting methodology) to support the planning, monitoring

²¹ A forthcoming ETF regional report on skills anticipation and matching in the SEE countries (2015) to be released following the joint OECD, ETF, Cedefop and ILO initiative in stocktaking and analysis of countries' policies and practices in assessing, anticipating and responding to changing skill needs.

and evaluation of active labour market policies and the harmonisation of the National Occupations' Classification with ILO standards ISCO-08.

- The Montenegro Ministry of Education signed a Cooperation Protocol with the Chamber of Commerce, the goal of which was to further improve their relationship and strengthen cooperation in the process of adapting the education system to the needs of the economy.
- In Kosovo, the Ministry of Labour and Social Welfare is attempting to define an integrated Labour Market Information System and several ad-hoc studies have been developed, most often with donor support that provide information on the skills situation in specific sectors, skills shortages and employment demand (e.g. 2014 Riinvest survey, Kosovo ICT market analyses).
- In the former Yugoslav Republic of Macedonia, regular short- and medium-term mechanisms (e.g. Skills Needs Analysis, the Job Vacancy survey) coexist with recent advancements in longer-term methodology (the HERMAC model).
- In 2012–14, the SEE countries participated in the regional action FRAME Skills for Future Initiative (EU IPA 2007–13 funded) to support the formulation of comprehensive and longer-term policy approaches for human resource development in line with the EU 2020 Strategy and the recently adopted regional strategy for growth and jobs (South East Europe 2020 Strategy). Building on an innovative (for most countries) approach to skills policy foresighting, FRAME supported countries in defining their 2020 Skills Visions and roadmaps. Across countries, a recurrent theme is the call for better alignment of the education and training system with the needs of the economy and the labour market, in tandem with strengthening institutional capacities and inter-institutional cooperation, while devising consolidated approaches on policy monitoring and evaluation.

Overall, the region needs a more systematic approach to obtaining and using labour market information to guide the planning of both IVET and CVET in the SEE countries, while in Turkey, the multitude of actors and beneficiaries, as well as the regional specificities, require further coordinated efforts to holistically capture skills demand. Further to improving the quality and availability of labour market information, the countries also need to create better means of information gathering on education in general and VET in particular, the main gaps here being data and analyses of school-to-work transitions, in addition to other areas, such as completion rates and employment rates of recent graduates.

In general, countries have made progress in strengthening the cooperation of key actors in VET planning and delivery – policy-makers, employment services providers and social partners – with the aim of achieving more finely-tuned responses to local/regional, sectoral and national demand and clearly identifying the needs of individuals to raise or upgrade their skills levels. Strategies and action plans in the area of education, training, employment and social inclusion touch upon new or consolidated cooperation arrangements (e.g. joint employment and vocational educational boards at province level in Turkey). All the countries have made efforts to expand career guidance and counselling, both for students/graduates and jobseekers. In Turkey, all VET schools have a career counsellor, while ISKUR (Public Employment Services) doubled its staff numbers to provide job and vocational counselling. Serbia has defined an explicit policy on active labour market measures through its National Employment Strategic Framework, including a 'First Chance' programme aimed at easing entry into the labour market through additional education and training. All countries strive for better provision of labour market services (through active labour market policies and increased funding) to improve the coverage and targeting of jobseekers, as well as generally ensuring the efficient design and implementation of such services. Given the scale of economic restructuring and structural challenges to the labour market, there is still a need, in the SEE countries, for the adequate resourcing (both in human and financial terms) of employment services providers, in addition to active labour

market policies that will better target jobseekers and vulnerable groups and ensure positive transitions from school, unemployment and inactivity into employment.

2.3 The potential of the VET system to influence economic and labour market needs

In recent years VET systems in SEET have been actively promoting entrepreneurship as both a key competence and a specific business skill. In Bosnia and Herzegovina, an entrepreneurial learning strategy covering all levels of education has been adopted at state level, while the Ministry of Education and Science of the former Yugoslav Republic of Macedonia has developed a comprehensive strategy and action plan for entrepreneurial learning (2014–2020). In addition, a new Lifelong Entrepreneurial Learning Strategy 2014-2018 has been recently adopted by the Montenegrin Government.

Entrepreneurship has thus been embraced as an important subject and integrated into VET curricula. Teachers in all countries have been trained in the delivery of the 'entrepreneurial' subjects, and teachers in Turkey and Montenegro additionally benefit from assistance provided by businesspeople and experts from the world of work. Innovative learning methods, including simulated business experience, have been widely used in South Eastern Europe.

In Albania, the subject of 'Basics of entrepreneurship' is currently part of all frame curricula for vocational qualifications (about 140 lessons in grades 12 and 13), while the former Yugoslav Republic of Macedonia introduced elective and mandatory courses in 2012/13 on 'Innovation and Business' in the ninth class and in upper-secondary education.

Progress has also been registered at the operational level. Textbooks, practical modules (e.g. through internships and training firms) and in-service training for teachers have all been updated and made available in Albania. On-going multi-actor cooperation initiatives (involving KulturKontakt, the Institute for Educational Development, SEECEL, the Albanian Investment and Development Agency and the Albanian-American Development Foundation) focus on supporting schools and universities in Albania to offer entrepreneurship education.

Various institutions and organisations support entrepreneurship programmes in Turkey²², focusing on education and skills acquisition as well as offering counselling and support for putting business ideas into practice. An example of such a programme is the 'Entrepreneurship Development Protocol', which was agreed to by the Ministry of National Education, the Ministry of Science, Industry and Technology, and the Scientific and Technological Research Council of Turkey, as well as by 'Techno-Enterprise Capital Support'.

In Serbia, entrepreneurship was introduced as a subject through various donor-funded pilot projects in secondary vocational schools, and work on entrepreneurship education has continued through bodies such as the Norwegian organisation BIP (Business Innovation Programmes), the Centre for Entrepreneurial Learning in South-eastern Europe (SEECEL) and Junior Achievement (Junior Achievement Serbia). A cross-border network of business advisors – AdvisorNet – is being implemented within Component 2 of the IPA 2011 programme.

It would be interesting to see how the promotion of entrepreneurship in education is reflected in young people's employment decisions. However, with no such studies available, one can only refer to the

²² Ministry of National Education, Ministry of Science, Industry and Technology, TUBITAK, SMEDO (Small and Medium Enterprises Development Organisation), TOBB (Union of Chambers and Commodity Exchanges of Turkey), ISKUR (Turkish Employment Agency), IGEM (Business Development Centre) and ABIGEM (European Union Business Development Centre).

fact that salaried employment dominates in the region (LFS data, 2013). The lowest self-employment rates (Montenegro, 14.8%) are comparable to the EU-28 average (15.1%)²³ in 2013, while Albania, Serbia and Turkey have the highest scores in the region, with figures over 23% (LFS data, 2013).

2.4 Action and assessment of progress since 2010

The SEE countries and Turkey have experienced mixed economic and labour market trends in the last years, against a challenging European economic backdrop. While 2013 marked a period of recovery from the 2012 recession, the countries in this region (with the exception of Turkey) have been generally unsuccessful in transforming economic recovery into jobs creation. With FDI and competitiveness levels remaining low, most countries still find themselves in a situation marked by poor productivity and low skills, while at the same time experiencing higher levels of informality and precariousness in the job market. There are still major gaps in terms of activation and employment levels compared to EU averages, although efforts to better reflect demand in VET planning and delivery have been made. The main priority of recent reforms in the SEE countries and Turkey has been to strengthen VET's responsiveness to employment trends and the demands of the economy in a context of high unemployment rates, especially among young people. However, countries' capacities (at the national, regional and local levels) need further consolidation if they are to deploy a systematic approach to skills anticipation and matching.

In terms of making VET provision more responsive to economic and labour market demands, the main priorities relate to:

- fostering cooperation modalities with businesses and other stakeholders in the planning and delivery of education and training, and increasing the relevance of VET to economic, labour market and social needs;
- the continuous promotion of entrepreneurial learning and entrepreneurship;
- improving the quality of labour market information and expanding knowledge on future skills needs, including mismatch analysis and monitoring education results;
- consolidating career guidance, counselling and other services that support individuals in making a smooth transition into the labour market (especially from school to work).

²³ ETF calculations based on Eurostat data.

3. EFFECTIVENESS AND EFFICIENCY IN ADDRESSING DEMOGRAPHIC, SOCIAL AND INCLUSION DEMAND

3.1 Demographic and social factors that shape demand for VET

In recent years the Enlargement countries have been experiencing dynamic demographic changes and transformations that have potential repercussions for their social and education policies. In 2013 the population of Turkey was 74.9 million, that of the SEE countries around 18.5 million (TABLE 3.1). In the same year population growth in Albania, Bosnia and Herzegovina and Serbia was recorded as negative, that is, their populations were decreasing at annual rates ranging from 0.1% (Albania) to 0.49% (Serbia), while in the rest of the countries in the region, populations were increasing at rates of between 1.26% (Turkey) and 0.05% (Montenegro) per year (World Bank data).

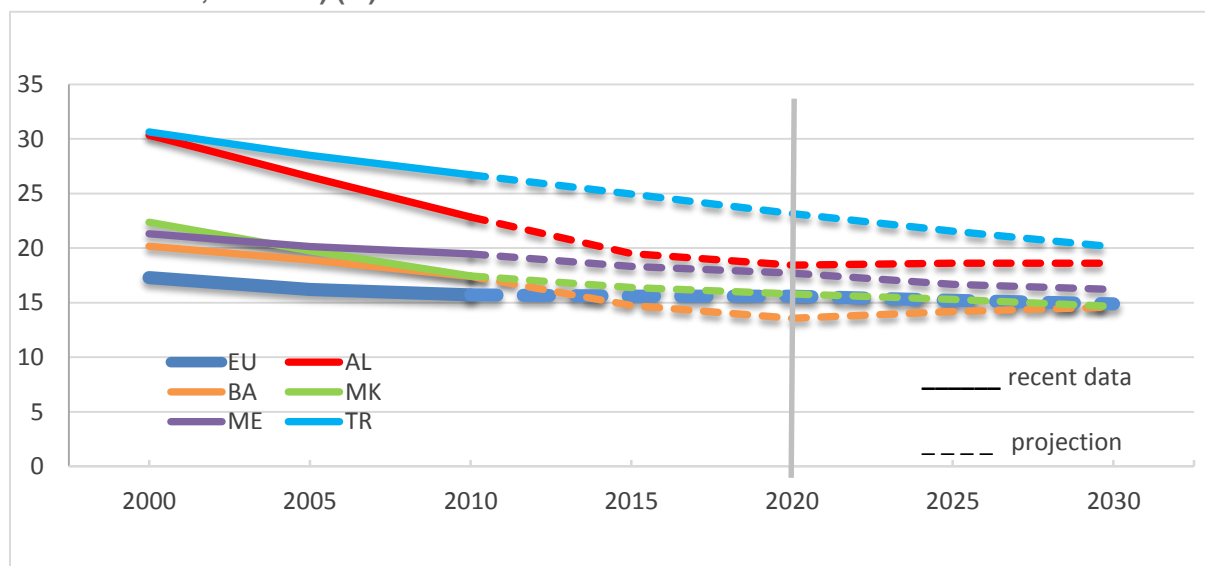
TABLE 3.1 TOTAL POPULATION, 2013 (MILLION)

	AL	BA	XK	ME	MK	RS	TR
Total population	2.9	3.83	1.82	0.62	2.11	7.16	74.9

Sources: World Bank except AL – national statistical office.

Furthermore, the populations in South Eastern Europe and Turkey are **ageing**, with shrinking proportions of children below 15 years of age (FIGURE 3.1)²⁴ and growing shares of people aged 65 and over. These trends have been confirmed by the declining youth and increasing old-age dependency ratio data (2011–13)²⁵ and they are expected to persist in the future as a result of lower fertility rates and longer life expectancies.

FIGURE 3.1 SHARE OF 0–14 POPULATION IN SEE COUNTRIES AND TURKEY: FIGURES AND PROJECTIONS, 2000–30 (%)



Sources: EU – Eurostat; AL, BA, MK, ME, TR – United Nations Population Division, World Population Prospects, the 2012 Revision (Medium Variants); RS, XK – missing data.

²⁴ There is a discrepancy between national and UN data in the case of Turkey: according to Turkstat and the Torino Process 2014 country report, the proportion of young people in the population will increase for about two more decades. World Bank data are consistent with UN evidence.

²⁵ World Bank except AL and XK – national statistical offices

The rate of growth in the ageing population varies across the Enlargement countries, being fastest in Bosnia and Herzegovina and much slower in Kosovo (which remains the youngest society in Europe with an average age of 29.5 years, while the average age in the European Union in 2010 was 40.9 years)²⁶. The shrinking of total population numbers and/or the decline of youth dependency ratios signal a decrease in the working-age population, from a mid- to long-term perspective, and pose a number of education, labour market and social policy challenges. Boosting labour force participation (both total and female employment rates), reducing informal work patterns, and increasing labour productivity, are all solutions that the Enlargement countries need to embrace in order not to jeopardise their economic growth and competitiveness. Innovation and technological change are the main contributors to labour productivity growth, but equally, the relevant competences are also required – hence the strategic role of education and training in the promotion of high-end skills. In the context of rising old-age cohorts and old-age dependency ratios, therefore, adults – and in particular, older workers – will increasingly be called upon to update and broaden their skills and competences through continuing VET. To meet the increased need for lifelong learning, the SEE countries and Turkey will have to plan for and develop flexible modes of adult learning delivery, with tailored training offers and well-established systems of validation of non-formal and informal learning.

Another important factor which is changing the age structure of the population in South Eastern Europe is outbound **migration**. As **TABLE 3.2** shows, the migratory balance throughout the SEE countries in 2012–13 was negative (the number of migrants leaving exceeded the number of those entering each country), which means that these countries were experiencing net emigration. In contrast, migrant arrivals exceeded departures in Turkey, which was therefore in a situation of net immigration.

TABLE 3.2 NET MIGRATION

	AL	BA	XK	ME	MK	RS	TR
	2012	2012	2013	2012	2012	2012	2012
Net migration	-50 002	-5 000	-5 025	-2 500	-4 999	-99 999	350 000

Sources: World Bank, except XK – NSO.

The adverse effects of outbound migration on the SEE countries can be seen not only in the shrinking of their labour forces, but also in the loss of highly skilled workers, thus contributing to skills gaps, brain drain and general de-skilling in these societies. The Torino Process 2014 report for Bosnia and Herzegovina, for instance, refers to the fact that 20% of people with tertiary education in the 25+ age group are currently estimated to be living in OECD countries.

The Albania report highlights a trend for increased return migration up to 2013, especially from Greece. Return migration is important in skills formation, since many return migrants acquire different skills through their experience in the host countries. Return migrants may also undertake entrepreneurial initiatives or bring additional financial resources into the country, thus contributing to the economy. However, increased rates of return migrants require a response that takes into account the specific characteristics and needs of the returnees. The aim is to accommodate them in the labour market and avoid increased levels of unemployment.

In addition to ageing and migration, socio-economic inequalities, territorial disparities and **poverty** are among the major factors that impact on the demand for and provision of VET in the region. In the post-crisis period since 2009, the deceleration of economic activity and the worsening labour market situation in South Eastern Europe have pushed up poverty rates in the region. The proportion of those

²⁶ Source: Torino Process 2014 country report data.

deemed 'at-risk-of-poverty' (measured by the proportion of the population whose income is less than 60% of the country-wide median income) range between 11.3% (Montenegro, 2012) and 29.7% (Kosovo, 2011)²⁷. While in Montenegro, Albania and Bosnia and Herzegovina the 'at-risk-of-poverty' rates have remained at moderate levels (below 18%), high rates have been measured in Serbia, the former Yugoslav Republic of Macedonia and Kosovo (between 24% and 30%), meaning that every fourth or almost every third person is 'at-risk-of-poverty'. By contrast, in Turkey, which enjoys higher economic growth and lower unemployment, poverty is not a serious issue (the 'at-risk-of-poverty' rate was 2.3% in 2012).

Poverty in South Eastern Europe, as evidenced by Torino Process 2014, correlates with low educational attainment and joblessness, compounded by such factors as health problems and disabilities, ethnicity (particularly in the case of the Roma population), living in rural or disadvantaged areas, and old age. The global economic downturn had a major impact on the SEE countries, not only increasing the incidence of poverty in the region, but also modifying the profile of poverty by creating a group of 'new poor' – the working poor – with distinct characteristics compared to the 'old poor': they are better educated, younger and economically active. The working poor in Albania, for example, are mainly concentrated in low-skilled occupations that provide less job security. Compared to the working non-poor, about half of this group are employed either as agriculture workers (around 22%) or in elementary occupations²⁸ (about 20%). Other roles which see a large concentration of the working poor are crafts and trade workers, service workers or plant and machinery operators (Torino Process 2014 Albania country report).

The **vulnerable groups** in SEET, presenting social inclusion and education and training challenges, are the economically inactive and long-term unemployed, vulnerable minorities such as Roma, early school leavers, young people not in employment, education or training (NEETs), and individuals with special educational needs.

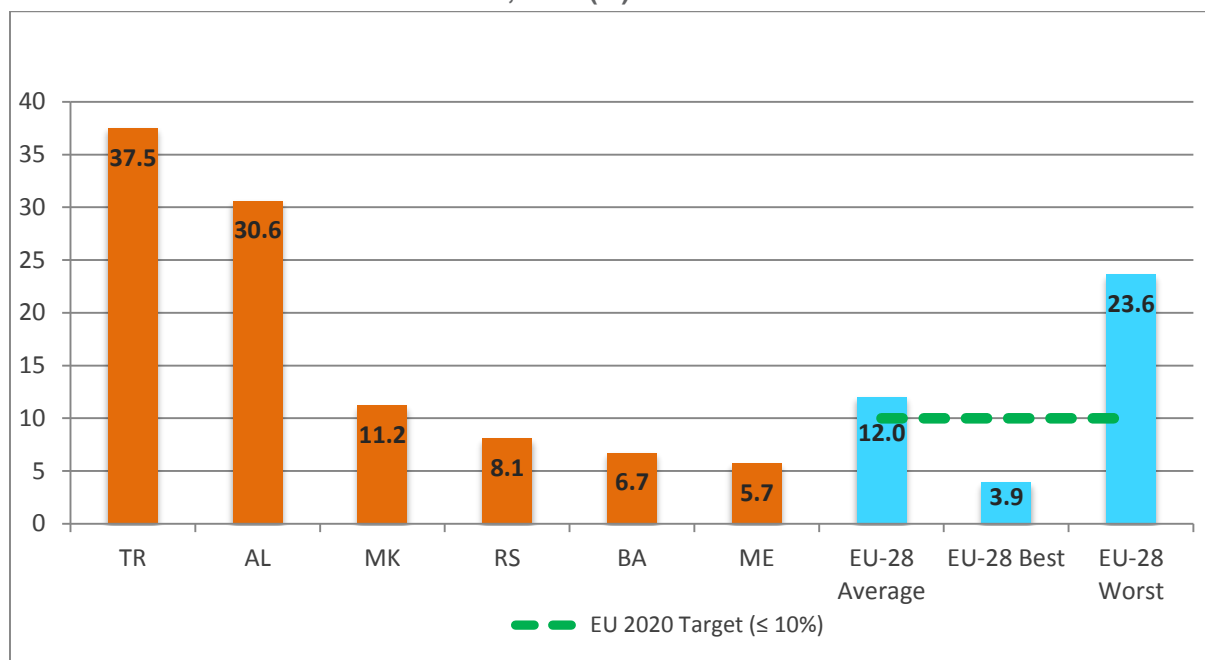
As mentioned previously in Chapter 1, a common objective for the Enlargement countries' VET visions and strategies is to enable all learners to progress and graduate with a proper qualification. Working towards the achievement of this objective is in line with the ET 2020 benchmark of reducing early leaving from education to 10% or less. Early leaving has a negative impact on young peoples' opportunities in the labour market and therefore entails high costs for the individual, as well as for society and the economy more generally. Completing education, on the other hand, can lead to a series of more rewarding employment opportunities and better health outcomes for the individual, not to mention benefits for the country, including higher productivity rates, lower public and social welfare expenditure, economic growth and social cohesion (European Commission et al., 2014).

Early school leavers are defined as people aged 18–24 years who have lower secondary education or less and are no longer in education or training. The performance of the Enlargement countries regarding early leaving from education varies widely (**FIGURE 3.2**) – while Montenegro, Bosnia and Herzegovina and Serbia are already below the EU 2020 benchmark, scoring respectively 5.7%, 6.7% and 8.1% (2012 data), and early school leaving in the former Yugoslav Republic of Macedonia in 2013 (11.2%) was lower than the EU average (12%), Turkey and Albania lag far behind, recording rates of 37.5% and 30.6% respectively. Turkey and Albania (together with Kosovo), also have the highest rates of young people not in employment, education or training among the Enlargement countries, which confirms the finding that early school leavers are the most consistently dominant NEET sub-group (Bardak et al., 2015).

²⁷ Source: World Bank data: 'Poverty headcount ratio at national poverty lines', <http://data.worldbank.org/indicator/SI.POV.NAHC>

²⁸ Elementary occupations consist of simple and routine tasks, which mainly require the use of hand-held tools and often some physical effort.

FIGURE 3.2 EARLY SCHOOL LEAVERS, 2013 (%)



Notes: RS – 2012 data; XK – missing data.

Sources: AL and ME – NSO; BA, MK, RS, TR, EU-28 – Eurostat.

The Torino Process and Bruges Communiqué reporting in 2014 demonstrate that the SEE countries and Turkey have prioritised the prevention of students leaving education early, and have, furthermore, intensified their efforts since 2010, combining education measures with targeted poverty alleviation initiatives and linguistic policies. Important reforms have been carried out, ranging from the revision of legal frameworks and strategic policy documents to the use of monitoring and information systems (in Turkey and Montenegro), as well as the offer of tailor-made psychological and/or financial support to families in need. Large-scale public awareness campaigns have been organised throughout the region to inform the public of the importance of completing education. Furthermore, flexible linguistic policies (targeting students from ethnic groups) and specific programmes or work-based learning schemes are designed to benefit individuals who cannot attend or complete formal education, thus providing them with a second chance. Such measures contributed to decreasing trends in the early leaving rates in all countries in the period 2010–2013, with Turkey, Albania and the former Yugoslav Republic of Macedonia registering the highest falls: 5.6 percentage points in Turkey (from 43.1% in 2010 to 37.5% in 2013), 4.6 percentage points in Albania (from 35.2% in 2011 to 30.6% in 2013) and 4.3 percentage points in the former Yugoslav Republic of Macedonia (from 15.5% in 2010 to 11.2% in 2013).

3.2 Delivering to the individual demands and aspirations of learners: access, participation, progression

3.2.1 VET programmes and pathways

Learners in South Eastern Europe and Turkey can choose from a variety of VET programmes and courses.

Secondary VET

Secondary VET is the most well developed part of the VET offer in the region. Included in the formal countries' education systems at ISCED level 3, it comprises shorter (usually three-year) vocational and longer (usually four-year) technical education streams. Legislation in most countries allows horizontal mobility from vocational to technical education pathways and from vocational to general education tracks after passing the relevant exams, but existing evidence suggests that such transfers are not a

common practice. Permeability with higher education has been ensured for the technical programmes in secondary VET in all Enlargement countries.

Post-secondary VET

Post-secondary non-tertiary education (ISCED level 4) builds on students' learning experiences in secondary education and prepares them for entry into the labour market as well as for higher education. The completion of an ISCED level 3 programme is required before moving on to ISCED level 4. Post-secondary programmes target: (i) gymnasium graduates not enrolling in university and with no labour market qualifications, and (ii) vocational school graduates wishing to obtain an advanced VET qualification.

Post-secondary non-tertiary VET provision has been on offer for many years in Turkey, while delivery has only recently begun in South Eastern Europe. Currently such programmes exist in Albania, Bosnia and Herzegovina (the Republic of Srpska), the former Yugoslav Republic of Macedonia and Montenegro. To take the case of Albania as an example, the introduction of post-secondary VET programmes started in 2007, but developments are still at the initial phase. An interesting functioning model is based on a partnership between a vocational school and a higher education institution, whereby the 'Beqir Çela' vocational school in Durres provides the practical part (50%) of post-secondary VET in the field of applied informatics, while the theoretical element (50%) is delivered by the Professional College of the University of Durres (Torino Process 2014 Albania country report).

Higher VET

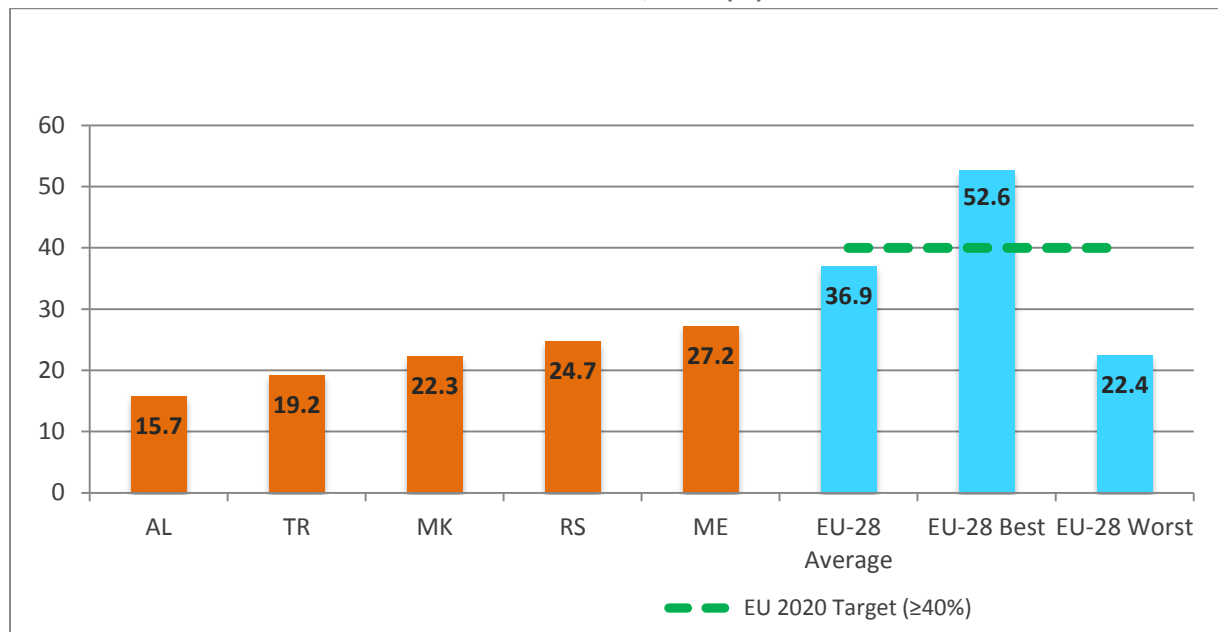
Higher vocational education (ISCED level 5) is offered in Turkey, Serbia, the former Yugoslav Republic of Macedonia and Albania. Typically, this provision comprises relatively short programmes (two or three years in duration) that have a practical focus, are occupationally specific and prepare students for entry into the labour market. However, these courses may also provide a pathway into other tertiary education programmes. Entry into ISCED level 5 programmes requires the successful completion of ISCED level 3 or 4, allowing access to tertiary education.

Vocational Higher Schools or Colleges (MYOs) in Turkey are currently undergoing a process of reform to make them more labour market oriented. All MYO graduates have to undertake internships and colleges can be closed down if they fail to find meaningful placements. Many young people end up in MYOs involuntarily, following unsuccessful applications to universities.

Tertiary VET is still underdeveloped in the Enlargement region, and in South Eastern Europe in particular, yet once established it could contribute to raising the educational profile of these countries and to improving their performance against the EU headline target of 40% of the population with tertiary or equivalent education (see **FIGURE 3.3**).

The tertiary educational attainment in the region, that is the share of the population aged 30–34 years who have successfully completed university or similar (tertiary-level) education (ISCED level 5 or 6) – is far below the European average standards, particularly in Albania (almost 60% less) and Turkey (48% less). However, all countries (except Bosnia and Herzegovina and Kosovo, for which data are missing) have been making firm progress in this respect, and tertiary attainment has been on the rise since 2010.

FIGURE 3.3 TERTIARY EDUCATION ATTAINMENT, 2013 (%)



Notes: RS – 2012 data; BA, XK – missing data.

Sources: AL and ME – NSO; MK, RS, TR, EU-28 – Eurostat.

CVET and adult learning

CVET is the main component of adult lifelong learning and is perceived in the EU as a means for increasing productivity, innovation and competitiveness, as well as for enhancing employability, equity and social cohesion (Cedefop, 2014). The Enlargement countries have only recently begun to recognise the huge potential of CVET, and so far CVET provision has remained underdeveloped, with only a limited offer.

Adult learning for the unemployed is primarily organised by the national employment services (funded by the active labour market policies (ALMPs), with a focus on functional literacy and low-skills training) or for those in work, it is generally provided by the bigger companies. SMEs – which dominate the economic landscape in SEET – usually lack the vision and/or the financial resources to organise training for their workers. Adults may also receive training from private and civil society providers for a small fee; many courses are offered in ICT and foreign languages in this stream. The training markets in the SEE countries are dominated by public institutions (schools and employment agencies), with private providers (e.g. private training centres) still an emerging group.

Innovative forms of adult learning have been developed recently in some Enlargement countries. Turkey is particularly advanced in terms of e-learning and outreach, for example:

1. In terms of education reform, Turkey has (a) increased access to technology for students and teachers (through the national programme FATİH) and (b) invested in teacher training implemented by the Scientific and Technological Research Council of Turkey (TÜBİTAK) (15 000 teachers have so far benefited from this).
2. To enhance social inclusion, e-learning options are available for poor and rural students.
3. Regarding economic development, Turkey uses locally produced IntelClassmate PCs, thus supporting local manufacturing and developing IT technicians for education and training.

Serbia and Montenegro are currently preparing to introduce distance (e-)learning for adults.

Albania has established a part-time VET track, allowing employed people to take a short-term, reduced VET programme, focusing exclusively on theoretical subjects, with the assumption that they can gain the practical element of their training in the workplace. Although criticised for its lack of effective control over the practical experience gained by the learners, the scheme has proved popular and has enjoyed considerably increased participation rates (Torino Process 2014 Albania country report).

Recognition of non-formal and informal learning

The Enlargement countries aim to develop flexible VET systems, based on learning outcomes that cater for the validation of non-formal and informal learning (VNFIL), including competences acquired in the workplace. The recognition of non-formal and informal learning is of great relevance for the region, given the migration dynamics highlighted above, yet none of the countries has so far adopted a national strategy on VNFIL, which is still in its initial stages. The Bruges Communiqué 2014 reporting reveals that while the former Yugoslav Republic of Macedonia is reflecting on its conceptual approach (a VNFIL concept paper and a roadmap for non-formal learning are under development), and VNFIL in Serbia is highlighted in the recent law on adult education (adopted in June 2013), concrete VNFIL procedures remain to be developed. Turkey and Montenegro, on the other hand, have some procedures and practices already in place. Both Turkey and Montenegro have adopted relevant legislation, based on which they have developed procedures and identified institutions to conduct VNFIL for qualification levels 1–5 (validation for higher education degrees is currently not possible) (Cedefop, 2015).

In Turkey, validation continues to be applicable only to vocational and technical provision and not to the education sector. Authorised certification bodies or VocTest centres are an essential element in reforming the qualifications system in Turkey. The main function of the VocTest centres is to assess candidates against national vocational qualifications and award certificates where appropriate. VocTest centres are private bodies, representing the demands of the labour market, with links to economic sectors and employers. However, the certificates received as a result of validation of non-formal and informal learning continue to be treated differently to those gained through formal learning and do not provide access to the formal education system. This is considered one of the primary obstacles in the overall development of the system. To address this problem, efforts have begun to bring higher education (HE), VET, general education and adult learning, including non-formal and informal learning, together in a coherent framework.

The preparations for establishing a VNFIL system in Montenegro have advanced and the Torino Process 2014 country report highlights that assessment has been conducted so far for two vocational qualifications – in the area of railway transport (with certificates for the national vocational qualification awarded to 36 candidates), as well as for the vocational qualification of mountain guide (with certificates awarded to four candidates).

In addition, this third round of Torino Process reporting reveals a number of pilot VNFIL activities undertaken in Albania under an ILO-IPA project, closely linking VNFIL to the approaches adopted for the NQF and its operational development in the textile and footwear sector. Bosnia and Herzegovina, with the support of the German Technical Assistance Agency (GIZ), tested the validation of non-formal and informal learning in a number of different cities using a 'Passport of Competences'. This measure is designed to support adults' employability by identifying informally acquired competencies. For jobseekers, having the appropriate skills can often be as important as formal education; however, such skills often go unrecognised. The 'Passport' therefore provides an instrument for systematically identifying and recording an individual's competencies.

3.2.2 Access to VET

Enrolment in either vocational or general secondary education pathways in South Eastern Europe and Turkey is usually carried out on the basis of the marks obtained in the last grade of elementary school. Students with higher marks go to gymnasia, while those with lower marks enter vocational programmes, thus implying a negative selection of low performers in VET. However, many students in South Eastern Europe (i.e. in Albania, Bosnia and Herzegovina, Montenegro, the former Yugoslav Republic of Macedonia and Serbia) select secondary VET programmes because these provide an easier way to obtain the Matura and enter university, compared to the gymnasium track.

Torino Process country reports show that VET provision is available primarily in urban areas, which negatively impacts learners living in rural and mountainous areas and/or those suffering from poverty or disability. Often students from vulnerable groups cannot enrol with their preferred VET provider because they lack the resources to access schools outside their place of residence

Career guidance is the main orientation tool for addressing the individual needs of learners in the Enlargement region. Most countries have provided guidance and mentoring for IVET learners through a variety of forms, for example: specialised services offered by school psychologists and pedagogues (Serbia, Montenegro); career guidance centres (in some VET schools in the former Yugoslav Republic of Macedonia); and career guidance as part of the curriculum, together with visits of vocational counsellors from the employment services to secondary schools (Turkey). Kosovo and Albania have not yet developed comprehensive national career guidance systems for students in schools, but have introduced elements of career education into the curricula.

Labour offices provide guidance to unemployed jobseekers, as well as to those who intend to enter short vocational training or retraining courses, and those who aspire to be involved in other active labour market policies (ALMPs). Specific support for 'at risk' groups is available in some branches of the national employment service in all countries, but the assistance offered is generally inadequate and in need of improvement.

The public employment services in Turkey have enhanced their capacity and coverage, providing more than 4 000 new job and vocational counsellors who keep in close contact with employers and offer counselling and guidance to jobseekers. Capacity building is also promoted in the area of lifelong learning. The approach here too is based on forging strong partnerships with all stakeholders, especially in the private sector. Opportunities for continuing education and training for all (workers, jobseekers, disadvantaged individuals) are jointly designed and implemented with different stakeholders. The strategic framework on lifelong learning provides an integrated and transparent monitoring and evaluation system, in which relevance and satisfaction rates as well as labour market outcomes for the beneficiaries are the key performance indicators.

The major part of career guidance and counselling services in the Enlargement countries is provided by public operators belonging to the education and employment sectors (the national employment services play a prominent role in the latter area). A good example of cross-sectoral cooperation is seen in Turkey, where the Ministry of Education and the Ministry of Labour and Social Security agreed on a protocol for cooperation in providing career information, guidance and counselling services, as far back as 1992. In 2004 this protocol was revived and considerably broadened to include other relevant state bodies (e.g. the State Planning Agency and the Agency for SME Development and Support) and social partners (Cedefop, 2015).

3.2.3 Participation in VET and adult learning

Secondary VET

As already mentioned in Chapter 1, the SEE countries (except Albania) have high enrolments in secondary VET, taking in more than half of the upper secondary education students in Kosovo (2013), the former Yugoslav Republic of Macedonia (2012) and Montenegro (2013), and three-quarters of learners in Bosnia and Herzegovina and Serbia in 2012 (see Figure 1.2).

In Turkey, with VET standing at 48% of upper secondary enrolment in 2012²⁹, the explicit national target of involving 50% of upper secondary students in VET by 2014 seems achievable. Albania has the lowest rate of VET enrolment, which in 2012 stood at 14.4% of upper secondary education³⁰, but the country is making serious progress thanks to an extensive media campaign and the opening of new schools and programmes. Indeed, as recorded in the Albania country report, the Ministry of Social Welfare and Youth claims that enrolments in secondary VET in the academic year 2014/15 have increased by 40% over the previous year.

While global enrolments in the SEE countries (except Albania) have remained relatively stable over recent years, the Torino Process 2014 country report for the former Yugoslav Republic of Macedonia highlights a decreasing trend in VET enrolments over the last 10–12 years – from approximately 70% in 2001 to 59.6% in 2012 – signalling a problem with the appeal of VET in the country.

Another trend worth mentioning is the shift towards four-year technical programmes, with the majority of secondary VET students who take these courses continuing their studies in higher education. While vocational education – both in terms of its contents and provision – should be more specifically oriented towards preparing graduates for the labour market, the share of the adult population with tertiary education in the region is low and students' ability to move from VET to higher education might bring about some improvements in this regard. The policy challenge here is how to find a better balance between these two goals.

The Torino Process 2014 also highlights gender issues in VET participation in Albania and Kosovo. The reasons behind the predominantly male participation in VET, and particularly in IVET programmes, in these two countries appear to be various: girls and young women are being discouraged mainly due to gender-stereotyped occupational profiles and courses, lack of transportation and unsafe dormitories. In response, the national authorities – supported by donors – have organised promotional activities that aim to inform female students about the variety of technical tracks and professions open to them.

The 2014 Torino Process reports provide little in the way of data on or analysis of **completion rates** for VET programmes. Given that secondary education is mandatory in the former Yugoslav Republic of Macedonia (since the school year 2008/2009) and in Turkey (as of 2012), and bearing in mind the decreasing early school leaving rates in both countries over recent years, it may be inferred that completion rates are on the rise. The Kosovo and Serbia country reports reveal higher drop-out rates for vocational than general secondary schools. Reflecting on the difference in the completion rates within secondary vocational education, the Serbia country report indicates that the lower completion rate seen in three-year IVET programmes (as compared to the four-year courses) might be due to their higher share of students who come from disadvantaged socio-economic backgrounds (i.e. from poor, less educated families).

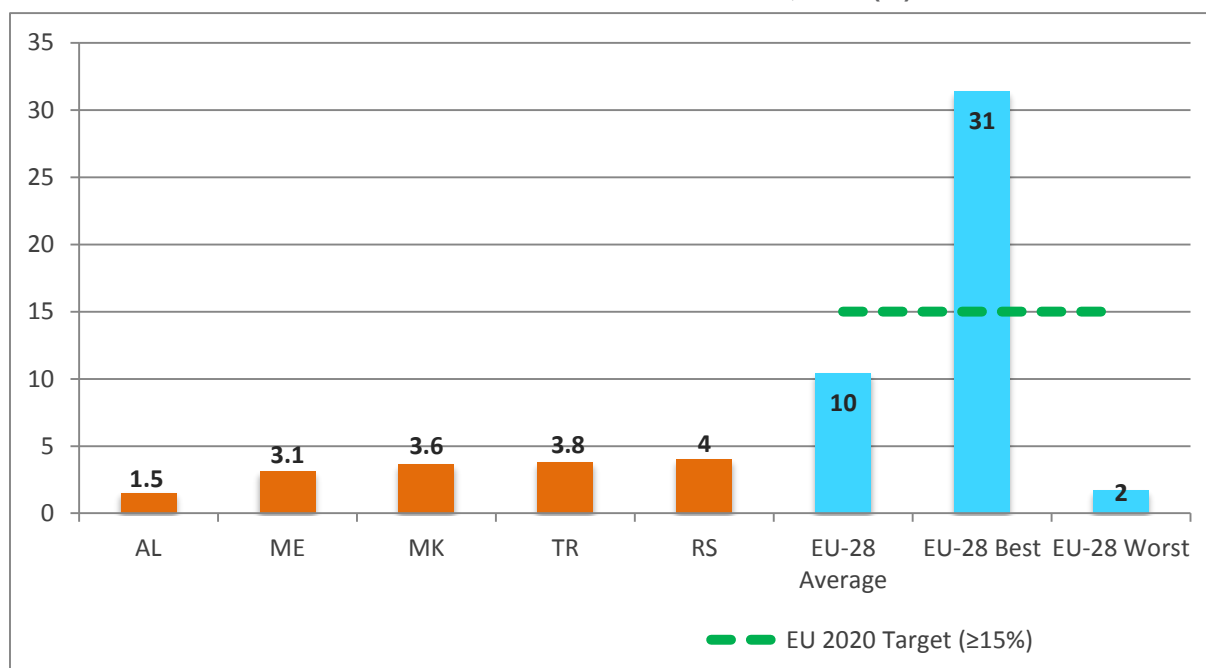
²⁹ ETF calculations based on UNESCO Institute for Statistics.

³⁰ Ibid.

Adult learning

The Enlargement countries seriously underperform with regard to adult participation in lifelong learning, measured as the share of people aged 25 to 64 who had received education or training in the four weeks preceding the survey (**FIGURE 3.4**).

FIGURE 3.4 ADULT PARTICIPATION IN LIFELONG LEARNING, 2013 (%)



Note: BA, XK – missing data.

Sources: AL, ME – national statistical offices; MK, RS, TR, EU-28 – Eurostat.

The participation rates of the SEE countries and Turkey in lifelong learning, ranging from 1.5% in Albania to 4% in Turkey in 2013, lag far behind the EU average and the ET 2020 objective. According to the Torino Process country reports, the reasons for this situation are to be found in the public underfunding of adult learning and the underdevelopment of adult training provision. Thus, the Albania report stresses the lack of incentives or schemes that would encourage individuals and businesses to invest or co-invest in training (e.g. tax incentives or voucher schemes for SMEs), the limited availability of adult learning offers outside the bigger urban centres, and the discrepancies between course content and the needs of individuals or businesses. Furthermore, as the Bruges 2014 report in its chapter dedicated to the candidate countries (Cedefop, 2015) observes, action is needed to help adult learners combine (C)VET with family obligations and to improve the guidance and counselling services for adults.

Turkey has set a national target to increase the proportion of adults aged 25 to 64 taking part in lifelong learning from the 2013 level of 4%³¹ to 8% by 2018. Achieving this goal will require focused efforts to ensure that the schemes on offer are up to date, accessible, attractive, affordable, properly certified and finely tuned to the needs of different stakeholders. The new strategic framework on lifelong learning provides for an integrated and transparent monitoring and evaluation system, where relevance and satisfaction rates, as well as good labour market outcomes for learners, are the key performance indicators.

³¹ Eurostat data, 2014.

3.3 Delivering to inclusion demand

The Torino Process 2014 also records the continuing efforts of the Enlargement countries to develop equitable VET systems that provide equal opportunities for all, regardless of existing personal circumstances (e.g. age, gender or ethnicity) or socio-economic and territorial disparities, and that are capable of reaching out to the weakest and most excluded segments of the population. The measures undertaken by the Enlargement countries in recent years have been targeted primarily at the most vulnerable groups in the education sector – Roma populations and students with disabilities (SWD).

3.3.1 VET for students with disabilities

Most children with mental or physical disabilities in this region stay at home, where they receive no or insufficient education. This is the case particularly in rural areas, but also in the suburbs of big cities. According to an assessment by UNICEF, only about 15% of school-aged pupils with special needs were enrolled in education in the former Yugoslav Republic of Macedonia in 2013 (Torino Process 2014 country report).

The common goal in all the Enlargement countries is to be able to integrate students with disabilities into mainstream VET programmes and courses, but progress is slow. The physical barriers presented by much of the existing infrastructure remain; for example, in Albania only 4.1% of school buildings are wheelchair accessible. In Kosovo VET for students with disabilities is organised around five Resource Centres, and while student enrolment in these centres has been rising, the inclusion of students from Resource Centres into regular schools has remained at a low level. Montenegro has seen some improvements in this area – the number of students with disabilities enrolled in regular VET schools in 2013/14 almost tripled since the launching in 2011 of a project (supported by KulturKontakt Austria) which trained VET teachers to work with children with disabilities. At the same time, the Examinations Centre of Montenegro issued a set of instructions for adapting matriculation and vocational exams – incorporating such issues as how to prepare facilities, materials and teachers – to enable students with disabilities to participate.

3.3.2 The education of Roma children

Another group that experiences a high degree of exclusion from education in South Eastern Europe is the Roma population. Despite the commitment of these countries to the ‘Decade of Roma Inclusion’ and national action plans for developing education in this area, the measures that have been implemented so far focus primarily on providing opportunities for learning the Romani mother tongue, history and culture, and few Roma benefit from employment services and/or vocational training programmes. Furthermore, the country reports for Albania and Kosovo find that the services offered are generally ill-matched to the particular circumstances, skills, potentials and needs of Roma learners.

However, some positive signs have come from Bosnia and Herzegovina and Serbia with recent reports concluding that Roma participation has increased at all levels of education (Bosnia and Herzegovina) and that the policy tools (and in particular the introduction of teaching assistants) aimed at increasing coverage, reducing absenteeism and increasing the educational achievements of Roma students have delivered positive results (Serbia). Meanwhile in Montenegro, the Bureau for Educational Services, in cooperation with the Roma Education Fund, the VET Centre and VET schools, initiated a new project in 2014 – ‘Inclusion of Roma Children in Secondary Schools in Montenegro’ – that intends to introduce and train mentors for Roma students, but its results are yet to be seen (Torino Process country reports).

3.3.3 Raising the participation of other ‘at risk’ groups in education and training

The national employment services in all the countries design special programmes and offer training to low-skilled persons and, to a lesser extent, other ‘at risk’ groups. These are complemented by donor-

government- or civil society-led projects and programmes. In Turkey, for example, a large-scale initiative, funded by the national budget – the Strengthening Vocational Education and Training System in Turkey Project (the MESGEP Project on Developing Vocational Skills) – has recently been launched. The aim of the project is to develop policies for disadvantaged and ‘at risk’ groups which will help them acquire the vocational skills they need to find employment. The target groups identified are people with physical disabilities, the mentally handicapped, convicts and former convicts, refugees, destitute widows and orphans, and women who have left home because of domestic violence. In Turkey and Montenegro there are incentives for enterprises to provide training or employment to ‘at risk’ groups.

Three of the candidate countries – Turkey, the former Yugoslav Republic of Macedonia and Montenegro – have lifelong learning or VET strategies which promote using ICT to assist ‘at risk’ groups, as well as providing incentives for these groups in terms of helping to cover the costs of equipment and internet access (e.g. vouchers or price concessions and the provision of tablets). Montenegro and the former Yugoslav Republic of Macedonia report having established training for VET teachers to help ‘at risk’ learners use ICT. As of 2014 ‘at risk’ students in the former Yugoslav Republic of Macedonia may take their external assessment tests online, and all teachers have been trained to help ‘at risk’ students to take these e-tests. However, ICT-based learning tools and methods to help ‘at risk’ groups learn have so far only been established in Turkey (Cedefop, 2015).

3.4 Action and assessment of progress since 2010

The Torino Process 2014 has revealed or confirmed negative demographic trends (i.e. ageing populations, outbound migration) in the SEE countries and Turkey which pose mid- to long-term challenges for VET systems in the following areas:

1. developing adult learning;
2. increasing and improving the provision of medium- to high-end skills;
3. validating non-formal and informal learning.

Over recent years the Enlargement countries have begun to address these challenges. Since 2010 post-secondary non-tertiary and higher VET provision in the SEE countries has been expanding, while the tertiary education attainment of 30–34-year-olds has improved, but more efforts are needed. CVET provision, on the other hand, has remained underdeveloped and limited in terms of its offer, despite a number of innovative developments (e.g. part-time VET courses and preparations for distance learning) in some countries.

Turkey and Albania have shown considerable progress in increasing enrolment in secondary VET, while the numbers of students have remained stable and high in the rest of the SEE countries, with a clear shift towards technical (at the expense of vocational) VET programmes.

All countries have made headway in reducing early leaving from education and training since 2010, with Montenegro, Bosnia and Herzegovina and Serbia outperforming the EU average (in 2013) and the ET 2020 benchmark. Albania and Turkey need to continue on this course and consolidate their actions, since their current levels of early leaving, although decreasing, are still alarmingly high.

Modest progress has been achieved in improving vulnerable groups’ educational attainment, particularly in terms of their access to and participation in VET programmes; however, a lot more remains to be done.

4. INTERNAL EFFICIENCY OF VET SYSTEMS

4.1 Quality and quality assurance

Quality remains a common concern and an overarching goal of VET reforms in the Enlargement region. National definitions of quality in VET are not always explicit, but countries' understandings of the concept may be easily inferred from the measures taken. All national approaches to quality in VET share an emphasis on achieving the employability of learners, with the relevance to the labour market of the skills acquired seen as the ultimate indicator of good-quality VET provision. In addition to the focus on learning outcomes, some of the Enlargement countries emphasise the input and process dimensions of maintaining VET quality, such as well-resourced and equipped schools, modern and flexible curricula, new teaching and learning methods, continued professional development of teachers, and clear procedures and instruments for quality assurance.

4.1.1 Quality assurance mechanisms

Since 2010 the SEE countries and Turkey have been making efforts to improve their mechanisms for managing quality in VET provision at both system and provider level. In so doing, the region and the candidate countries in particular have increasingly been using the EQAVET Recommendation³² as a point of reference and a framework to guide domestic reforms. To date there are many examples of progress in this area, although some initiatives are systemic in nature, while others are still at the pilot stage.

The national approaches to quality assurance (QA) in VET in the Enlargement region are based on regular **external and internal evaluations**. The external assessments of quality in IVET institutions are conducted by formal education bodies and agencies (e.g. education inspectorates, education services bureaus and institutes, VET centres)³³, and formulate recommendations for improving quality in each school. Recently these have been complemented by internal evaluations (self-assessments). The latter are legally binding in Montenegro and Serbia, comprise a well-established practice in the former Yugoslav Republic of Macedonia, and have been conducted as a widespread pilot project in Turkey. The findings of these internal assessments are made public (e.g. they are published on the schools' websites in the former Yugoslav Republic of Macedonia or on the VET Centre website in Montenegro) and feed into the annual school development plans. The key challenges for the school self-assessment process, as mentioned by the Montenegro country report, are the further improvement of the procedures and indicators used in internal quality assurance and their alignment with the requirements of external quality assessment. Another important gap that has been identified and needs to be addressed is the link between initial VET institutions and projects and funding to support the implementation of activities in the school development plans designed to improve the quality of VET provision.

Both the internal and external evaluations of quality adhere to nationally developed **methodologies** that are in a process of constant revision and improvement. The secondary VET system in the former Yugoslav Republic of Macedonia follows the same school performance quality indicators used in general education, and attempts made since 2012 to develop specific indicators for VET schools have so far been unsuccessful. The situation in Serbia was similar until 2010, when additional quality standards dedicated exclusively to VET were introduced.

³² Recommendation of the European Parliament and of the Council of 18 June 2009 on the establishment of a European Quality Assurance Reference Framework for Vocational Education and Training.

³³ In 2012–14 the VET Centre in Montenegro hired around 30 experts from academia, industry and schools to carry out the external assessment, thus opening up the quality assurance procedure to the stakeholders.

Montenegro, Turkey and Serbia have been attempting to harmonise their **national indicators** for assessing quality in VET with the EQAVET standards. In 2013–2014 Montenegro reported the compatibility of a number of its domestic indicators with those of EQAVET as well as the adoption of a revised Methodology for External Quality Assessment of VET Providers by the National Council for Education. The VET Centre will conduct the next round of external quality assessment in 2014-2016 on the basis of the improved methodology using indicators comparable with those in the EQAVET model.

The Turkish National Quality Assurance Framework, at present under preparation, also intends to introduce the EQAVET indicators. However, prior to their introduction at system level, they are currently being piloted in selected sectors, with EU support. The 2012 IPA funded IQVET (Improving the Quality of Vocational Education and Training in Turkey) project represents a significant attempt to finalise the development of a national QA approach, including the establishment of a National Quality Assurance Centre for VET.

In Serbia EQAVET indicators are not yet in use, at least not at the system level. However, elements of these indicators are mentioned and discussed in several initiatives in the field of quality assurance. Recently, the VET Centre and the Institute for Education Quality and Evaluation have developed a proposal for additional standards for VET schools and adult education providers based on EQAVET that is awaiting approval by the Council for Vocational and Adult Education and the Ministry of Education.

Unlike the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey, which are all further advanced in the development of their national quality assurance frameworks, Albania, Kosovo and Bosnia and Herzegovina are still taking their first – heavily donor-driven – steps in the field. The Torino Process 2014 has shown that while the quality of VET in Bosnia and Herzegovina remains an issue, the perception of quality assurance varies between, and within, the entities, between the various responsible authorities (ministries and other major bodies), and even between the schools that had participated in major donor-led schemes designed to encourage a modern understanding of QA.

The National Qualifications Authority in Kosovo promotes quality in the VET system within the framework of qualifications development. Several donors in Albania have introduced different matrices for quality assurance or the self-evaluation of public vocational schools, but these schemes have been discontinued, as schools complained about the lack of both resources and follow-up. Inspections of VET institutions rarely take place. The Torino Process 2014 country report recommends that the State Inspectorate be adequately resourced and that the criteria and processes for inspections are revised in line with the objectives of VET. The National Agency for VET and Qualifications intends to develop its own quality assurance model to cover all VET provision in the future.

4.1.2 Assessment and evaluation

Measuring learning outcomes provides important evidence about the quality of education and training on offer, therefore enhancing assessment procedures contributes to quality management. The third round of the Torino Process indicates that the Enlargement countries have dedicated significant efforts to introducing or improving final exams at the national level in VET to ensure standardised procedures for completing VET pathways and to ease the progression of graduates into further education or employment. In addition, the results of these exams provide valuable information on the quality of the learning process and outcomes of the VET system, which can be used to inform the VET policy cycle.

The state Matura in VET, defined as a single nationally executed examination taken at the end of secondary vocational education, is currently carried out in Albania, Kosovo, the former Yugoslav Republic of Macedonia and Montenegro, and is under preparation in Bosnia and Herzegovina (with

partial implementation at present in Tuzla, Sarajevo and Banja Luka) and in Serbia (to be introduced in 2016).

- The Torino Process 2014 highlighted a number of challenges faced by those countries in the process of implementing the Matura in VET:
- Matura examinations, when passed, provide access to higher education. They have been introduced in technical (usually four-year) pathways, while graduation from the vocational (three-year) programmes requires sitting a final examination organised at school level. Since July 2014 students from four-year VET programmes in Montenegro have been given the option of taking a final exam (organised by the school) if they do not intend to continue their education at university, while this choice has been granted to students in the former Yugoslav Republic of Macedonia since the introduction of the Matura.
- Matura examinations generally consist of both theoretical and practical elements, but up to now most countries have placed a stronger focus on the theoretical part of the exam. As a result, the Matura is more academic than vocational in aim, design and content, so that, on the one hand, VET students are at a disadvantage compared to their peers from the gymnasia, while, on the other hand, their practical skills are not properly tested and certified.
- The examinations panels for the practical skills assessments consist primarily of school or training centre teachers and instructors and do not involve any (or too few) representatives from the relevant industries.

4.1.3 Accreditation of VET providers and programmes

The role of accreditation as a key quality assurance mechanism at the initial stage of VET delivery is widely recognised in South Eastern Europe and Turkey. However, while the accreditation of formal VET provision has long been established in the region, and the responsibility for it lies with the national ministries of education and their agencies, the accreditation of non-formal, CVET providers remains a grey area with many gaps to be filled regarding legal and administrative issues and expertise.

The situations in different countries are quite diverse. Thus, legislation in Montenegro and the former Yugoslav Republic of Macedonia provides for the licensing of non-formal VET providers by the Ministries of Education and the accreditation of their programmes by the Council for Adult Education (ME) or the Centre for Adult Education (MK), respectively. CVET in Serbia is regulated by the Law on Adult Education (adopted in 2013), but its full enforcement has been delayed because of the lack of relevant secondary legislation (which is still under preparation), including the regulations on the conditions and standards for adult education providers. Private training providers in Albania have to undergo a registration procedure with the National Licensing Office (which is the same for all business entities and does not include any specific criteria related to training), while programmes for non-formal VET provision are not checked against pre-defined qualification standards by any public institution.

4.1.4 Qualifications

Qualifications have the potential to change the intrinsic rationale of education systems in the direction of either a competence- or a learning-outcome-based logic, and therefore act as a strong driver for overriding reforms and profound changes (ETF, 2014b). Viewed from this perspective, qualifications and formal quality assurance systems are now intrinsically linked, and national quality assurance systems – whether in relation to higher education, VET or general education – have an important role to play in advancing the implementation of qualifications frameworks.

The Enlargement countries have invested a great deal of effort and commitment in developing their national qualifications frameworks (NQFs), taking inspiration from the EQF Recommendation³⁴. Most NQF activities started before 2010 but significant initiatives have been undertaken recently. The various NQF developments are at very different stages, from conceptual approaches to preparatory work, to formal adoption, but have not yet reached the operational stage in any of the countries. Meanwhile, great care has been taken in most countries to identify qualifications and develop qualifications standards.

Comprehensive NQFs, then, have yet to be introduced in the region (being fully developed only in Turkey where they are awaiting legislation), and referencing NQF levels to EQF ones has been accomplished only by Montenegro – the EQF Advisory Group accepted the report on referencing Montenegrin NQF with EQF in November 2014. The EQF referencing reports are planned to be finished by mid-2015 in Turkey and by 2016 in Serbia.

Referring to NQF levels in certificates and diplomas is not yet established practice. Overall, progress concerning the assessment and recognition of skills, independently of how they are acquired, is limited, with the exception of Turkey. Reasons for this include the fact that nationally approved qualifications against which skills could be assessed, along with the institutional structure to undertake independent skills assessments, are not yet fully in place.

4.2 Policies for VET teachers, trainers and directors

There is a wide consensus among researchers, policy-makers and practitioners that teachers are the key determinants of the quality of education. In their VET strategies and vision documents the Enlargement countries highlight the importance of high-quality teaching and school leadership in raising educational achievement and training a workforce with relevant and flexible skills.

The policies relating to VET teachers, trainers and directors encompass a wide and complex set of topics: from initial preparation for teaching and managing staff through recruitment, working conditions and salaries, to continuous professional development (CPD) and career progression possibilities. Activities targeting these issues have been on-going in all countries, yet the results have been mixed and progress modest.

The Torino Process 2014 has provided information and ideas primarily regarding the competences and roles of teachers and trainers in IVET, and to a much lesser extent in CVET. The national reports show that most countries have established systems for the recruitment of teachers and the appointment of school directors. The status and attractiveness of the teaching profession in South Eastern Europe, however, remain low; there is an alarming trend for smaller numbers entering the profession and consequently the profile of teaching staff in the formal education systems as a whole, and in VET in particular, is ageing (except in Albania).

A major issue related to the **pre-service preparation** of VET subject teachers and VET instructors in vocational schools in the SEE continues to be the poor quality of their pedagogical skills. The country report for Albania states that only 80 out of 700 VET instructors in the country have had any pre-service pedagogical training. The SEE countries have undertaken diverse measures to address this problem. Legislation in Serbia and in the former Yugoslav Republic of Macedonia has been changed to oblige those with a non-pedagogical higher education qualification to pass an examination in pedagogical, psychological and methodology skills at an accredited higher education institution in order to apply for a teaching position. In Montenegro a model of additional training has been developed for teachers who have not studied pedagogy and psychology at university level, delivery of

³⁴ Recommendation of the European Parliament and of the Council of 23 April 2008 on the establishment of the European Qualifications Framework for lifelong learning [*Official Journal C* 111, 6 May 2008].

which started in the academic year 2013/14. Similarly, the National Agency for VET and Qualifications in Albania (with the support of GIZ) plans to offer a five-week post-secondary in-service training course for VET instructors who do not have a Master's degree in education or pedagogical skills.

Another big issue in pre-service teacher education in South Eastern Europe (Turkey excluded) is the gap between theory and practice. Cooperation between teacher training faculties and schools is weak, which prevents student teachers from gaining satisfactory teaching practice and hands-on experience prior to their employment as teachers. As indicated by a recent EC report, teacher training institutions, schools, and the business sector remain disconnected. The responsibility for teacher education is divided rather than shared between the first two of these bodies and there is no tradition of partnerships with businesses in teacher education in the region (European Commission, 2013).

The development of **in-service training** of VET teachers is taking its first steps in Bosnia and Herzegovina (a strategy for the professional development of teachers has been drafted and awaits adoption), Albania (donor-led activities only) and Kosovo (training is related mainly to the introduction of new curricula). The training of teachers in these three countries relies heavily on donors and EU projects, and there have been difficulties in sustaining innovation and good practice once projects have been completed. In Albania there is no public institution in charge of CPD for VET teachers and no public funds allocated for such activities. In Serbia, the former Yugoslav Republic of Macedonia and Montenegro there is a dual system of oversight for the in-service training of teachers in VET schools – by institutions in charge of CPD in general secondary education, for teachers of general subjects in VET schools, and by specialised bodies (usually the VET Centres), for the CPD of VET subject teachers.

In addition to the problem of underfunding, the in-service training of VET teachers in Serbia, the former Yugoslav Republic of Macedonia and Montenegro is designed following a top-down, supply-driven model. National VET or education agencies compile and publish annual lists of upcoming opportunities for in-service teacher training in the form of 'training catalogues', with courses provided by accredited public or private providers. The catalogues are usually aimed at general secondary education teachers as a whole and are more likely to take into account the (limited) capacities of in-service teacher training providers than the needs of VET teachers to update their knowledge of industrial or commercial practice. On-the-job and in-company teacher training continues to be exceptional rather than common practice. Thus, the professional development opportunities for VET teachers are not only few in number, but also the skills and competences they offer have limited relevance and applicability (European Commission, 2013; ETF, 2013a).

4.3 Teaching and learning

4.3.1 The teaching and learning environment

As a result of long-standing low levels of public investment in infrastructure, the Torino Process 2014 evaluates the teaching and learning conditions in most SEE VET schools as unsatisfactory, with assessments ranging from 'poor' (Albania) to 'not entirely satisfactory' (the former Yugoslav Republic of Macedonia). Improvements are often made thanks to establishing partnerships between schools and employers or NGOs, or through participation in donor-funded projects. In contrast, the Turkey country report expresses satisfaction with the teaching and learning environment, referring to recent renovations made in VET schools.

Issues with the **physical infrastructure** in VET are mostly related to the overcrowded classes in urban schools (which means having to operate in shifts), while in rural areas there are schools with few students. The need for optimisation of the VET school network to ensure efficient use of future government and donor spending has been recognised recently in Albania, where a baseline survey of public VET providers, carried out in 2014 (GIZ and ETF, 2014), recommended that inefficient schools be closed down and students transferred to other institutions, the aim being to create bigger

multifunctional VET centres or networks. To this end, the first multifunctional VET centre is being established by GIZ in Kamza.

An equally important aspect of teaching and learning conditions in VET schools is their **information and technology infrastructure** (e.g. libraries, ICT equipment and school workshops), which is often characterised as poor and/or obsolete. For instance, the Serbia country report raises the problem of school libraries, pointing out that they have been neglected in the recent reforms and their book stocks have become out of date. The report rightly notes that the lack of well-equipped and well-functioning libraries mostly affects students coming from disadvantaged socio-economic backgrounds.

However, the SEE countries also report improvements in VET schools' ICT facilities. The Serbia country report highlights that, due to a government initiative, every school currently has at least one computer classroom and broadband internet access. One of largest investments in education in the former Yugoslav Republic of Macedonia, as mentioned by the Torino Process 2014 country report, is the 'Computer for every pupil' project, and the introduction of ICT in schools has stressed the importance of computer literacy, as well as new possibilities for using ICT in teaching and learning. A legal obligation requires teachers to deliver at least part of the content of their lessons (30%) through the use of ICT. Teachers have also been given laptops so they can prepare their own teaching materials. As some subjects incorporate digitalised content to be used in classrooms, many teachers have been trained to use ICT and new software.

By way of contrast, little progress has been made in the improvement of VET school workshop equipment in South Eastern Europe. In some Albanian schools, the equipment is so obsolete and the consumable resources so inadequate that 'vocational practice often takes the form of (merely) teacher demonstrations' (Torino Process 2014 Albania country report).

Accepting that the use of technology in teaching and learning in VET is crucial for developing relevant skills, the candidate countries have highlighted (under Bruges 2014) a number of examples of good practice in this area. Instances have also been recorded of employers equipping schools' workshops with state-of-the-art technology (e.g. facilities for training in auto mechanics and electronics in Montenegro). The Strategic Plan 2010–2014 of the Turkish Ministry of National Education includes strategies for 'The Use of Technology in Education', covering general education and VET. In the former Yugoslav Republic of Macedonia some VET providers cooperate with higher education institutions in the effective use of current technology (these agreements were concluded in 2013) (Cedefop, 2015).

With regard to encouraging the cost-effective use of technology and establishing public–private partnerships to give students access to modern technological facilities, only Turkey reports that the government has provided incentives for private contributions to the education system. In Montenegro a law on public–private partnerships is in preparation and legal provisions offering tax concessions to employers who have established cooperation with schools are currently under discussion (Cedefop, 2015).

Being aware of the importance of workplace training for enhancing the relevance and quality of students' skills, the Enlargement countries have been trying to boost cooperation between VET institutions and business enterprises. However, these efforts are taking place in two very different institutional and cultural contexts – one of well-developed crafts and trades with a strong work-based learning tradition (in Turkey), and the other marked by state-led, school-based vocational education, with elements of workplace training (in the SEE countries).

Work-based learning takes place on a wide and regular basis in Turkey. From the second year of tuition, Turkish students in secondary vocational and technical schools start to gain practical work experience. In contrast, in the SEE countries the provision of practical skills takes place predominantly

in school workshops and remains largely theoretical. Although some good examples of work-based learning and internship schemes have been reported in well-performing sectors of the national economies, such as the catering and tourism, construction and transportation sectors, these remain the exceptions rather than the rule for VET systems as a whole.

However, the SEE countries have made continuous efforts to strengthen work-based learning in their VET provision. A decision of the Council of Ministers of Albania from 2013 obliges schools to organise 30 days of compulsory training for VET students in companies; however, this is often not feasible due to the lack of businesses able and willing to cooperate. The Law on VET in the former Yugoslav Republic of Macedonia stipulates incentives for enterprises to provide training, but implementation is in an early stage due to incomplete practical mechanisms. Furthermore, the elaborate legal basis for developing cooperation between VET schools and businesses in the country has been complemented by guidelines and standards (adopted 2011–2013), as well as by specific tools facilitating its implementation (e.g. a pilot electronic register of companies which offer practical training to VET students (2012) and Social Partnership Protocols and Memoranda of Understanding agreed by the VET Centre with Chambers and industry associations). In Serbia, the time spent under instruction in a real workplace must represent between 20% and 30% of the total learning time, depending on the education profile. Since 2011 each Montenegrin VET school has had a coordinator of practical training, and an agreement was signed in 2012 between the VET Centre and the Montenegrin Tourism Association for the organisation of internships for VET students.

Apprenticeships, as ‘dual’ programmes allowing students to have a job in an enterprise and to alternate studying in a school environment with periods of work, exist in a structured, country-wide format only in Turkey. Apprenticeship schemes in Turkey remain outside the formal education system and are delivered through a network of 313 vocational training centres. Furthermore, the Strategic Plan 2010–2014 of the Ministry of National Education (MONE) in Turkey encourages a wide range of stakeholders to cooperate with VET providers and to take initiatives to ensure more on-the-job training (e.g. through tax exemptions for companies that support the establishment of private vocational schools). In Serbia and Montenegro, apprenticeship schemes are not currently in place, while their introduction is envisaged in the former Yugoslav Republic of Macedonia, as provided for in the Craftspeople Law (drafted in 2013) and the VET Strategy 2013–2020 (Cedefop, 2015).

On the whole, VET teaching and learning in South Eastern Europe and Turkey lag behind current requirements and trends in modern pedagogy. The **teacher’s role** continues to be seen primarily as a transmitter of knowledge who functions within the limited modality of lecturing, examination and evaluation tasks. The teaching and learning process is still very much focused on the acquisition of factual knowledge, while failing to sufficiently encourage student inquiry and initiative. Extracurricular activities, learner-centred approaches, and active learning methods (such as project-based teaching/learning and collaborative learning) are still isolated islands of good practice within the region’s education systems.

4.3.2 Learning content

The main trends in reforming learning content in VET in the Enlargement countries have been the orientation of curricula (and assessment) towards a learning-outcome-based logic, alongside the broadening of curricula and occupational profiles in South Eastern Europe to ensure that VET provision becomes more responsive to the on-going processes of economic restructuring and can provide for employment in a sector or group of sectors rather than in a specific occupation.

All countries have made progress, but are at different stages in implementing these changes. Kosovo is still developing and piloting improved VET curricula, while in Bosnia and Herzegovina and in Serbia new curricula are being scaled up and introduced into mainstream provision (about 51% of upper secondary VET students in Bosnia and Herzegovina are using the new curricula). Meanwhile, updated

curricula have been fully introduced into the VET systems in Montenegro and the former Yugoslav Republic of Macedonia.

Turkey makes wide use of modularised VET curricula, while Montenegro introduced them in the 2013/2014 school year with the aim of promoting flexibility and horizontal mobility within the VET system. The ability of new VET curricula to adapt to the changing skill requirements of the economy and businesses, however, remains weak, particularly in formal VET. Schools have limited space for accommodating local content, and making substantial changes to existing programmes or launching new programmes for new occupations are lengthy processes.

4.4 Action and assessment of progress since 2010

All the countries have been making efforts to improve the quality of VET provision: while Albania, Bosnia and Herzegovina and Kosovo are still at the phase of experimentation and pilot projects, the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey have established national QA approaches with clear procedures and actors. Recently these latter countries have improved their quality assurance mechanisms, taking as reference the EQAVET Recommendation, and revised methodologies have been developed in Montenegro and Serbia, introducing self-assessments on a broader scale. Progress has been made and efforts continue to align national quality indicators with the EQAVET model in Montenegro, Serbia and Turkey.

All the countries are still searching for the right balance and flexibility in implementing the final examinations and Matura in VET, the main dilemmas being national vs. school-organised exams, theoretical vs. practical content, and the extent to which businesses are involved in the design and execution of the exams

Progress has been made in the development of comprehensive NQFs that encompass all types and levels of qualification for general, vocational and higher education, based on learning outcomes and referring to the eight EQF levels. The EQF Advisory Group accepted the report on referencing Montenegrin NQF with EQF in November 2014. Employers are formally involved in the identification of qualifications, but collaboration remains generally weak, especially in South Eastern Europe. Progress concerning the assessment and recognition of skills, independently of how they are acquired, is limited (with the exception of Turkey).

The basic education, recruitment and continuous professional development of high-quality teachers in South Eastern Europe remains a big challenge and there is considerable room for improvement in the pedagogical and technical skills of VET subject teachers, as well as in the funding, governance and demand-driven provision of in-service teacher training.

Education infrastructure in South Eastern Europe calls for major investments and optimisation. Albania intends to make more efficient use of its VET infrastructure through closing down some of its schools and replacing them with multifunctional VET centres. Improvement has been achieved in terms of ICT infrastructure across the region, but school workshops in South Eastern Europe are still using obsolete equipment, which impedes students' acquisition of relevant practical skills. Efforts have been invested in improving work-based learning in secondary VET, including the adoption of new legislation in the former Yugoslav Republic of Macedonia for the introduction of apprenticeship schemes, yet more engagement is needed from businesses in this area.

Further progress has been made in reforming VET curricula to become broader in scope and more outcome-based to ensure the acquisition of sector-specific rather than narrow occupation-oriented skills.

5. GOVERNANCE AND POLICY PRACTICES IN THE VET SYSTEM

5.1 Towards participatory, multilevel governance approaches

South Eastern Europe and Turkey have devoted a great deal of effort and resources to improving the governance of their VET systems. The main direction of reform has been a move away from the centralised, top-down mode of management and decision-making towards multi-stakeholder engagement and participatory approaches to objective setting and the implementation and monitoring of VET policies. This process has been much more challenging for the SEE countries, which are in the process of transitioning from centrally-planned states to free market economies within democratic societies.

The leading actors in VET governance **at the national level** are the ministries in charge of education and labour, which assume overall responsibility for the design, enforcement and review of IVET and CVET policies³⁵ in the countries.

The ministries are supported by state executive VET agencies (e.g. the National Agency for VET and Qualifications in Albania, VET Centres in the former Yugoslav Republic of Macedonia, Montenegro and Serbia, the Vocational Qualification Authority in Turkey), which are responsible for implementing the policies and related measures and play an important role in governance. The youngest of these – the Agency for Vocational Education Training and Adult Education – was established in March 2014 in Kosovo and is still in its pilot stage, which will last until May 2016.

Furthermore, all countries (with the exception of Bosnia and Herzegovina) have established national multi-stakeholders' councils as statutory bodies set up to assist the line ministries and VET agencies in the delivery of their functions and to enhance the efficiency and quality of the policy-making cycle, namely: the National Labour Council with a subcommittee on employment and VET (Albania); the Council for Vocational Education and Training in Kosovo; the VET Council and Council of Adult Education (the former Yugoslav Republic of Macedonia); the National Council for Education and Qualifications Council (Montenegro); the Council for Vocational and Adult Education and National Education Council (Serbia); and the Vocational Education Council (Turkey). These councils have a tripartite composition (drawn from government institutions, employers and Trade Unions) but may also include representatives of other stakeholders (e.g. VET teachers or civil society organisations) and/or experts in the field (VET researchers and specialists), thus providing a core mechanism for horizontal coordination, consultation and structured participation of stakeholders in VET governance and policy-making at the national level.

Sectoral VET councils, known as Sector Skills Councils and involving the active participation of employers, were piloted in Serbia, and their revival – this time at system level, under the umbrella of the Council for Vocational and Adult Education – is currently under discussion. Comparable bodies have been set up as part of efforts to develop national qualification frameworks in Turkey and Montenegro, and one is planned for the former Yugoslav Republic of Macedonia (the National Board for the Macedonian Qualifications Framework).

³⁵ In Bosnia and Herzegovina these are the ministries at the level of the Republic of Srpska, the cantons of the Federation and the Brcko District, while the state-level Ministry of Civil Affairs and its Education Department play a monitoring and coordination role.

In addition to these fora, Enlargement countries often establish ad-hoc inter-ministerial, multi-stakeholder working groups and task forces with the aim of proposing solutions to particular problems (e.g. drafting a VET strategy).

The Torino Process 2014 reports of the SEE countries highlight concerns that not all statutory councils operate effectively, due to the involved institutions' limitations in terms of capacity and funding. While the modalities and quality of operation of these bodies could be further improved, the establishment of VET councils is a clear step towards 'an increasingly stakeholder-oriented governance environment for VET' (ETF, 2013b) in the Enlargement region.

Besides the national VET council, Turkey is the only country that also has VET councils at the sub-national or **regional level** – each province has a Board of Vocational Education. Most of the ministries responsible for education in the Enlargement countries have sub-national governance structures, such as: the Regional School Administrations in Serbia, involved in the monitoring and evaluation of schools (including the VET schools); the regional branches of the State Education Inspectorate in the former Yugoslav Republic of Macedonia, tasked with the integral external evaluations of schools (including the VET schools); and the Provincial and District National Education Directorates, supporting the implementation of education policy in 81 Turkish provinces. These are all examples of deconcentration, that is, the transfer of certain responsibilities to lower levels of administration with the purpose of increasing efficiency by bringing management closer to the users of the service. While deconcentration is believed to be the weakest form of administrative decentralisation, the key factor in this case is that the transfers of responsibility have been made along territorial lines, which is particularly important as the demand for training delivery is very strongly linked to local needs (ETF, 2013b).

Governance at **provider level** has seen few developments in recent years. The Torino Process 2014 country reports acknowledge that VET schools have little autonomy and limited opportunities to respond to local needs. However, school boards which include the participation of parents and representatives of local businesses exist in Montenegro and Serbia, as well as in some Albanian schools. The Kosovo Education Strategic Plan (2011–2016) set 2014 as the target year for vocational schools to achieve financial and operational autonomy, but this objective and some of its related activities have now been postponed to 2015.

The most important recent developments in the area of governance – both in terms of scope and content – have been launched in Albania, where a new governance model of VET has been designed and enacted under amendments to the VET law adopted in 2014. The new model envisages that:

- public VET providers and related executive agencies will be integrated under one Ministry in charge of policy, legislation and the management of the entire VET system (which has not been the case thus far) – vocational schools and the National Agency for VET and Qualifications were transferred to the Ministry of Social Welfare and Youth in September 2014;
- the National Agency for VET and Qualifications – or a strengthened national authority with an enlarged mandate – will be in charge of providing information and developing instruments for VET;
- networks of schools and Vocational Technical Centres will be created, thus overcoming fragmentation;
- social partners are to be included in decision-making and the design of VET policies;
- funding, access and the participation of both young people and adults in VET are to be re-conceptualised, information maintained, and VET provision made more responsive to labour market demands through various mechanisms;

- to improve quality assurance, subordinate legislation is being drafted, for example regarding the training of teachers and the accreditation of knowledge and skills;
- business representatives will play a role on the boards of schools or centres, making VET a central part of regional economic development; and
- employers will be included in VET provision, thus increasing the number of internships and expanding learning in the workplace.

As already highlighted in Chapter 1, VET in Albania is now seen as an integral part of the national skills generation system, and therefore the strong focus on the involvement of businesses in VET governance seems well grounded. Similarly, the transfer of overall responsibility for VET provision and policy to the Ministry for Social Welfare and Youth, thus discontinuing the tradition of double oversight on behalf of the state – through the ministry in charge of education (for IVET) and the ministry in charge of labour (for CVET) – can be regarded as following the same line of reasoning. In any event, the implementation of the new model has already begun and its results remain to be seen.

5.2 Assessment of progress since 2010

The SEE countries and Turkey have continued to make efforts to decentralise the governance of their VET systems and policies. The results achieved are more visible at the national level (multi-stakeholder councils and decentralised institution building) and along the sectoral dimension (with sector skills councils in some countries functioning or revived within the NQF context), while the engagement of regional and local actors remains low and requires considerable improvement.

Albania has launched a new governance approach aimed at overcoming institutional and management fragmentation in VET that will produce its first results and, subsequently, food for thought during the next round of the Torino Process.

CONCLUSIONS

The Torino Process 2014 has confirmed VET as an important area of public policy-making in South Eastern Europe and Turkey. All countries in the region have adopted policy documents which articulate the visions for the mid- to long-term development of their VET systems and which include clear strategic objectives.

Driven by national efforts, inspired by EU cooperation in VET, and supported by the Instrument for Pre-Accession Assistance (IPA), all the countries have continued to dedicate their efforts to reforming VET provision and have made progress in areas such as: making VET curricula broader and more outcome-based to ensure the acquisition of sector-specific rather than narrow occupation-oriented skills; developing comprehensive NQFs which encompass all types and levels of qualification in general, vocational and higher education, based on learning outcomes and referring to the EQF levels; reducing early leaving from education and training; and promoting entrepreneurship and ICT competences. However, the obstacles at the system level remain significant.

The major challenges relate to:

- the implementation of policy visions and intentions;
- the delivery of skills that are relevant and required by the labour market;
- ensuring equitable access and participation in VET.

In their 2014 Torino Process national reports the countries identified and highlighted a number of priorities for future action.

Country	Priorities for future VET reforms at the national level
Albania	<ul style="list-style-type: none"> ■ Developing the Albanian Qualification Framework (AQF), including the organisation of qualifications within it and their role in reshaping VET provision ■ Revision of the legislative framework for VET and related areas, including the setting up of the AQF and an Employment and Skills Fund ■ The re-organisation of the network of VET providers and its alignment to labour market and skills needs alongside the formation of multifunctional VET centres within regional networks ■ Providing continuous professional development (CPD) for teachers and trainers in VET
Bosnia and Herzegovina	<ul style="list-style-type: none"> ■ Development and implementation of the qualifications framework ■ Establishing an effective quality assurance system
Kosovo	<ul style="list-style-type: none"> ■ Increasing cooperation between VET schools and businesses in order to improve practical skills of VET students and to bring VET provision closer to labour market and skills needs ■ Development of a comprehensive strategic framework to address the professional development of teachers and trainers, and to support the performance assessment of all teachers ■ Strengthening the capacity of the Agency of VET and Adult Education for accomplishing its mission and setting mechanisms for structured cooperation and coordination with the new Employment Agency
The former Yugoslav Republic of Macedonia	<ul style="list-style-type: none"> ■ Consistent steering of the action plans for the three most important strategies (VET, Youth Employment and Entrepreneurial Learning) and monitoring their synergetic implementation ■ Qualifications reforms driven by and clustered around the NQF implementation and the EQF referencing process ■ Improving the quality of VET provision and its ability to respond to market pressures and social interests, while at the same time ensuring alignment with EU policies and practices (EQAVET)
Montenegro	<ul style="list-style-type: none"> ■ Building a flexible vocational education system, aligned with the needs of individuals and society, based on learning outcomes ■ Ensuring the relevance of vocational education in terms of labour market trends and needs ■ Guaranteeing the accessibility of initial and continuous VET education for different target groups ■ Increasing citizens' participation in lifelong learning programmes
Serbia	<ul style="list-style-type: none"> ■ Developing a concept of vocational education that focuses on modernising the existing structure of VET provision and on building skills as a key outcome ■ The creation of a unified national qualifications framework underpinned by law ■ Increasing the availability of vocational education and training through the school networks, optimised in such a way as to ensure equal access for all, and aligned with demographic trends and labour market needs
Turkey	<ul style="list-style-type: none"> ■ Creating a flexible, innovative and permeable vocational and technical education system, with the active participation of stakeholders, which supports social and economic development, and gives all segments of society the opportunity to learn in accordance with their needs and those of potential employers ■ Establishing, in cooperation with social and economic sectors, a leading vocational and technical education system which is recognised for its national and international vocational qualifications, and which is creative, entrepreneurial and productive in training a competent workforce that adds value to the economy of the country

ANNEXES

Annex 1. South Eastern European countries and Turkey and EU benchmark – labour market (%)

	EU-28 2013	EU 2020 objectives	AL 2013	BA 2013	XK 2013	MK 2013	ME 2013	RS 2013	TR 2013
Employment rate (20–64)	68.4	75	56.7	42.8	m.d.	50.3	52.6	51.2	53.4
Employment rate (15–64)	64.1		49.9	38.5	28.4	46	47.4	47.5	49.5
Female employment rate (15–64)	58.8		43.1	28.9	12.9	37.3	42.8	40.1	29.6
Employment rate of older workers (55–64)	50.2		51.1	34.4*	30.8	37.9	38.7	34.3	31.5
Employment (15+) in agriculture (% of total) ¹	4.9		44.0	18.9	5.9	18.7	4.5	21.3	22.9
Unemployment rate (15+)	10.8		15.9	28**	30**	29	19.5	22.1	8.7
Female unemployment rate (15+)	10.9		13.5	29.6**	38.8**	29	18.8	23.8	10.6
Youth unemployment rate (15-24)	23.5		31.4	59.1	55.9	51.9	41.6	49.4	16.9
Unemployment rate of the older workforce (55–64)	7.7		9.6	18.2*	10.4	24.1	10.8	15.2	4.7
Total long-term unemployment rate (%) ²	5.1***		11.5	23.3	20.7	23.9	m.d.	m.d.	1.9***

Notes: (*) Data refer to the age group 50–64; (**) Data refer to the age group 15–64; (***) Data refer to the age group 15–74; m.d. = missing data; (1) Agriculture, forestry and fishing; (2) Long-term unemployed (12 months and more) as a percentage of the total active population;

Sources: EU-28, MK and TR – Eurostat 2014 (last accessed 10/09/2014), except employment in agriculture and long-term unemployment rate, ETF calculations on Eurostat 2014; AL, BA, ME, RS – national statistical offices, 2014; XK – national statistical office and ETF calculations on national statistical office, 2014.

Annex 2. South Eastern European countries and Turkey and EU benchmarks – education (%)

	EU 28 2013	EU 2020 objectives	AL 2013	BA 2013	XK 2013	MK 2013	ME 2013	RS 2013	TR 2013
Early school leavers % of 18–24-year-olds with at most lower secondary education and not in further education or training	12.0	10	30.6	6.7	m.d.	11.2	5.7	8.7	37.5
Tertiary educational attainment % of 30–34 year-olds who have successfully completed university or similar education	36.9	40	15.7	m.d.	m.d.	22.3	27.2	25.3	19.2
Lifelong learning % of 25–64-year-olds participating in education and training	10.5	15	1.5	m.d.	m.d.	3.6	3.1	4.0	3.8
Four-year-olds in education Participation rate (%)	91.7 (2012)	≥95	54.9 (2012)	m.d.	m.d.	24.5 (2012)	m.d.	49.7	19.2 (2012)
Reading % of pupils with low performance in the reading scale (Level 1 or below)*	16.6 (2012)	<15	52.3	n.a.	n.a.	n.a.	43.3	33.2	21.6
Mathematics % of pupils with low performance in the mathematics scale (Level 1 or below)*	22.2 (2012)	<15	60.6	n.a.	n.a.	n.a.	56.6	38.9	42
Science % of pupils with low performance in the science scale (Level 1 or below)*	16.8 (2012)	<15	53.1	n.a.	n.a.	n.a.	50.7	35.0	26.4

Notes: PISA results (performance in reading, mathematics and science) refer to 2012; the EU averages for PISA results (performance in reading, mathematics and science) refer to the 27 countries participating in the 2012 survey (EU-28 except Malta); m.d. = missing data; n.a. = not applicable.

Sources: EU-28, BA, MK and TR – Eurostat 2014; AL – national statistical office, except for early school leavers – Eurostat 2014; BA and XK – national statistical office; ME – national statistical office; RS – Eurostat, except for four-year-olds in education – National Statistical Office; (*) OECD, 2012

ACRONYMS

ALMP	Active labour market policy
CPD	Continuous professional development
CVET	Continuing vocational education and training
EBRD	European Bank for Reconstruction and Development
EQAVET	European Quality Assurance in Vocational Education and Training
EQF	European Qualifications Framework
ET 2020	Strategic framework for European cooperation in education and training 'Education and Training 2020'
ETF	European Training Foundation
EU	European Union
EU-28	European Union Member States
FDI	Foreign direct investment
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Technical Assistance Agency)
HE	Higher education
ICT	Information and communication technology
ILO	International Labour Organisation
IPA	(the EU's) Instrument for Pre-Accession Assistance
ISCED	International Standard Classification of Education
ISCO	International Standard Classification of Occupations
IT	Information technology
IVET	Initial vocational education and training
LFS	Labour Force Survey
MYO	Meslek Yuksek Okulus (vocational higher schools)
NEET	(Young people) Not in employment, education or training
NQA	National Qualifications Authority
NQF	National qualifications framework
NSO	National statistical office
OECD	Organisation for Economic Cooperation and Development
PISA	Programme for International Student Assessment
QA	Quality assurance
SEE	South Eastern Europe
SEET	South Eastern Europe and Turkey
SME	Small and medium-sized enterprise
STD	Short-term deliverable
SWD	Students with disabilities
VET	Vocational education and training
VNFIL	Validation of non-formal and informal learning

COUNTRY CODES

AL	Albania
BA	Bosnia and Herzegovina
ME	Montenegro
MK*	the former Yugoslav Republic of Macedonia
RS	Serbia
TR	Turkey
XK*	Kosovo

() Two-letter code 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.*

REFERENCES

Bardak, U., Rubal Maseda, M. and Rosso, F., European Training Foundation, 'Young people not in employment, education or training (NEETs): An overview in the ETF partner countries', Draft, ETF, Turin, 2015 (unpublished).

Cedefop, *Policy handbook: Access to and participation in continuous vocational education and training (CVET) in Europe*, Cedefop working paper No 25, Publications Office of the European Union, Luxembourg, 2014.

Cedefop, *Stronger VET for better lives: Cedefop's monitoring report on vocational education and training policies 2010–14*, Publications Office of the European Union, Luxembourg, 2015.

ETF (European Training Foundation), *Torino Process 2012: Western Balkans and Turkey*, ETF, Turin, 2013a.

ETF (European Training Foundation), *Good multilevel governance for vocational education and training*, ETF, Turin, 2013b.

ETF (European Training Foundation), *FRAME: Skills for the Future – Regional report: Supporting a strategic vision for human resources development*, ETF, Turin, 2014a

ETF (European Training Foundation), *Making better vocational qualifications: Vocational qualifications system reforms in ETF partner countries*, ETF, Turin, 2014b.

Eurofound, *Tackling undeclared work in Croatia and four EU candidate countries*, Eurofound, Dublin, 2013.

European Commission, *Teacher education and training in the Western Balkans: Final synthesis report*, Publications Office of the European Union, Luxembourg, 2013.

European Commission/EACEA/Eurydice/Cedefop, *Tackling early leaving from education and training in Europe: Strategies, policies and measures*, Eurydice and Cedefop report, Publications Office of the European Union, Luxembourg, 2014.

GIZ and ETF, *Final report – Baseline survey of public VET providers in Albania*, Tirana, June 2014.

ILO (International Labour Organisation), Elder, S., Barcucci, V., Gurbuzer, Y., Perardel, Y. and Marco Principi, M., *Labour market transitions of young women and men in Eastern Europe and Central Asia*, International Labour Office, ILO, Geneva, 2015.

USAID (United States Agency for International Development), *Baseline report: Assessment of competencies, technical skills and needs in Bosnia Herzegovina's ICT sector*, USAID, 2014.

World Bank, *Brittle recovery: South East Europe regular economic report No 6*, World Bank, Washington, DC, May 2014. Last accessed February 2015 at: <http://documents.worldbank.org/curated/en/2014/05/19556556/brittle-recovery>

World Economic Forum, *The global competitiveness report 2014-2015*, WEF, Geneva, 2014.

TORINO PROCESS 2014

ETF (European Training Foundation), *Torino Process 2014: Bosnia and Herzegovina and the former Yugoslav Republic of Macedonia country reports; Albania and Kosovo summary reports*, ETF, Turin, 2015.

ETF (European Training Foundation) and national experts, *Torino Process 2014: Montenegro, Serbia and Turkey country reports*, ETF, Turin, 2015.

CONTACT US

Further information can be found on the ETF website:
www.etf.europa.eu

For any additional information please contact:

European Training Foundation
Communication Department
Villa Gualino
Viale Settimio Severo 65
I – 10133 Torino

E info@etf.europa.eu

F +39 011 630 2200

T +39 011 630 2222

