

## FACTSHEET

# Montenegro

### Enhancing skills training to boost growth and competitiveness

EU accession talks are underway with Montenegro. The European Commission's Strategy for the Western Balkans<sup>1</sup> sets out the indicative steps needed to complete the accession process in a 2025 perspective. Education, employment, social policies, governance, the digital agenda and youth are a focus of the reform areas.

With the **support of the EU and of the European Training Foundation**, the EU's agency in charge of developing human capital in the neighbouring countries, vocational education and skills are high on the policy agenda of the Montenegrin Government to tackle structural challenges – as documented in the Employment and Social Reform Programme (2015-20).

According to [the Economic Reform Program 2018-20](#), recently submitted by the Government, Montenegro committed itself to undertake **education reforms in the view of joining the EU**, and in particular: developing qualifications in line with the labour market needs; improving school-to-work transitions through work-based learning and promoting the appeal of vocational professions; carrying out apprenticeships with employers; and implementing legal provisions in the field of the labour market with focus on active employment policy.

#### Context<sup>2</sup>

Montenegro has a **relatively young workforce** with one in five aged between 15 and 24. The population (some 620,000 inhabitants) has remained stable, with negligible growth over the past decade. GDP grew by 2.9% in 2016, mainly due to the expansion of industry, which grew by almost 6% in 2015 and over 4% subsequently.

Almost **three quarters of Montenegro's workforce is employed in services** (75% in 2016) and this proportion has remained stable over the past years.

The **employment rate is relatively low** (45% in 2016) with sizeable gender gaps. Unemployment has affected nearly one in five of the active population in recent years (the

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<sup>1</sup> Source: [EU-Western Balkans Strategy - 'A credible enlargement perspective for and enhanced EU engagement with the Western Balkans'](#)

<sup>2</sup> Source: [ETF Montenegro Country Strategy Paper 2017-20](#)

rate was close to 18% in 2016); this rate rises to 36% for young people. Due to weak employment demand, tertiary education graduates are taking jobs below their formal qualification level. Employment growth remains modest despite stronger investment.

The Montenegrin workforce is relatively low skilled, with only 30% holding a tertiary education qualification. Two in five students are low skilled in reading and more than half in science and mathematics. However, **the country is catching-up rapidly with the EU2020 target** (34% of adults aged 30-34 attaining tertiary levels of education in 2016).

### Education and labour policies

**Vocational education is the first educational choice** of students in Montenegro. In 2015, two in three upper-secondary students participated in vocational programs. This is also proven to be a successful option to overcome the early school leaving, (only 5.5% of those aged 18-24 in 2016, one of the lowest rates in Europe).

Vocational education and skills are high on the policy agenda of the Montenegrin Government. Since 2012, Montenegro has participated in the Copenhagen Process for Enhanced European cooperation in vocational education and training, as well as in the implementation of the [Bruges Communiqué](#) and the [Riga Conclusions](#). The Ministry of Education is moving ahead with the implementation of the [Vocational education and training Strategy \(2015-2020\)](#) and the [Adult Learning Strategy \(2015-2020\)](#). **The involvement of the private sector is a priority** and an important challenge in the reform process.

Montenegro is ahead of many EU countries in referencing and introducing labour market relevant qualifications. The revised vocational education and training law includes an apprenticeship system as a new opportunity for **in-company experience for learners**.

### EU support and the ETF

The EU provides assistance to Montenegro and the Montenegrin people through a set of measures, including support for education and labour market reforms.

As part of the EU's external action, the overall **priority of the ETF's interventions in Montenegro** are to strengthen education and business cooperation in particular through entrepreneurial learning and SME skills development, work-based learning, teacher placement programme, skills needs analysis.

### Background

The **European Training Foundation (ETF)** is the agency of the European Union in charge of sustaining EU's candidate and neighbouring countries to reform their own education and labour market systems. By supporting human capital development, the ETF contributes to social and economic development and to long-term political stability in the EU neighbourhood. The ETF is based in Turin, Italy, and employs 130 staff.

## Success story: Montenegro towards better apprenticeships

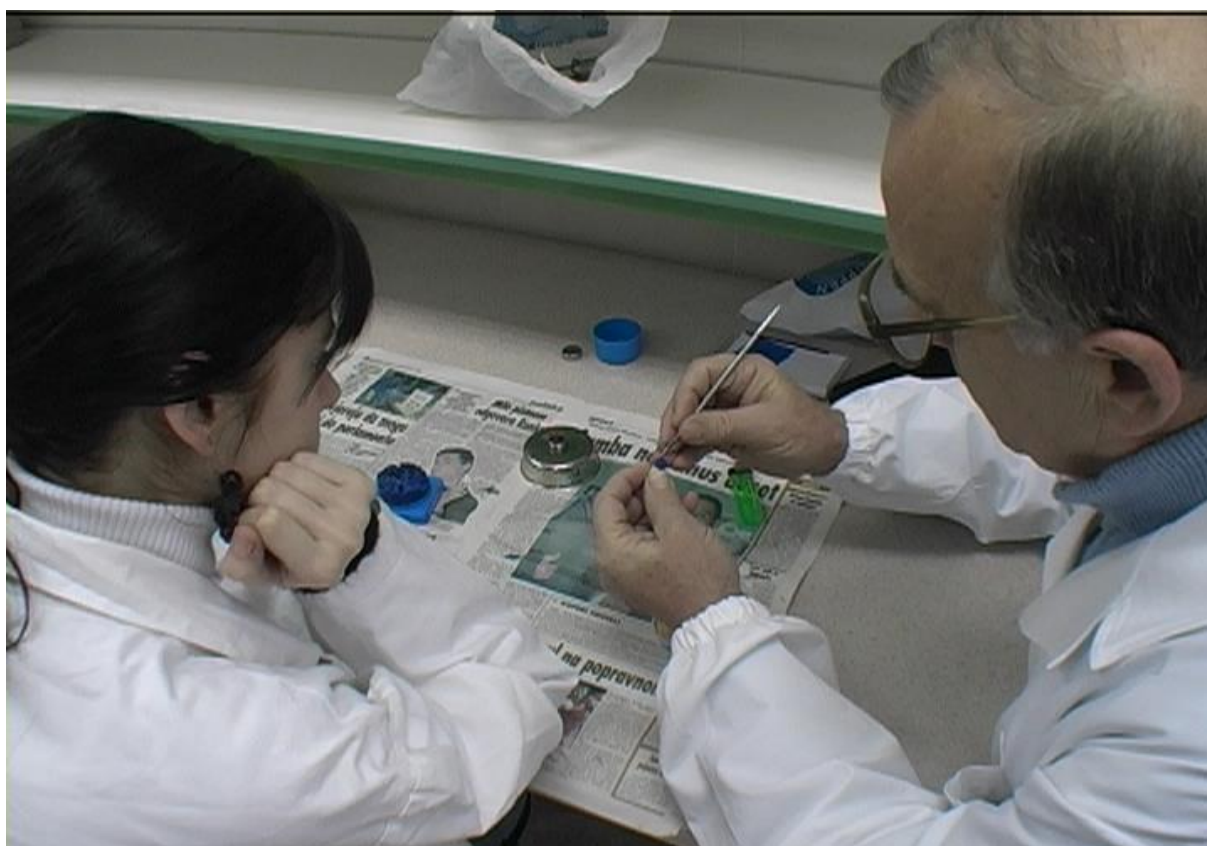
**Dado Mujovic** is a student at the Ivan Uskoković secondary vocational school in Podgorica, Montenegro. **Every Monday after breakfast he goes to Auto Service Šahović**, to do practical training. With the support of the employer he gets acquainted with the business and how to deal with customers. *'Initially, everything was new and unknown to me because I learned at school and the bench. Now I spend my entire day at a service station. The master already gives me small tasks and auxiliary jobs. I get a lot better at the service and I like the carmaker's work'*, says Dado.

This is the first year that the Ivan Uskoković school is exploring dual education, following an initiative of the Ministry of Education implementing the amendment of the Law on Vocational education, in 2017. The students spend **one day per week at the workplace in their first year**, two in the second and three in the third. The Ministry of Education subsidises the pay of students in dual education to the extent of 10% in the first grade, and 15% of average net salary in the second grade.

Montenegro is not the only country investing in more training at work. Four Western Balkan countries (Albania, Former Yugoslav Republic of Macedonia, Montenegro, Serbia) and Turkey joined forces in Budva (Montenegro) on 26-27 October 2017 to strengthen the quality of apprenticeships and increase the employability of young people. The event was organised by the European Commission in cooperation with the European Training Foundation (ETF), in the framework of the **European Alliance for Apprenticeships (EAfA)** – a platform bringing together governments and key stakeholders to strengthen the quality, supply and image of apprenticeships in Europe. With Serbia joining in 2017, all five candidate countries are now part of the Alliance. The European Alliance for Apprenticeships regional seminar was part of the European Vocational Skills Week, a series of events organised all over Europe to improve the attractiveness and image of vocational education and training.

By helping its neighbouring countries to improve the quality of apprenticeships, the EU is supporting the development of human capital opportunities for growth. In this area of work, it relies on the expertise of the ETF - the only EU agency working for political stability and opportunities for growth through learning in the EU's candidate and neighbouring countries.

Improving the quality of apprenticeships contributes to the EU's priority on jobs, growth and investment. Last 5 October the EC has proposed a **European Framework for Quality and Effective Apprenticeships**. This is part of the New Skills Agenda for Europe and is in line with the European Pillar of Social Rights, which defends a right to quality and inclusive education, training and life-long learning.





For more info and photos, please contact us.

## Contact details

Daria Santucci

Press Office - Communication Department

European Training Foundation

Villa Gualino, Viale Settimio Severo 65, 10133 Torino, Italy

+39 0116302260 - [mediarelations@etf.europa.eu](mailto:mediarelations@etf.europa.eu) - [www.etf.europa.eu](http://www.etf.europa.eu)

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