

# ALBANIA

## VET GOVERNANCE ETF PARTNER COUNTRY PROFILE



## 1. GENERAL GOVERNANCE

Albania is a parliamentary democracy. Legislative and executive power, and the judiciary, are divided in theory, but there are still close connections between them based on party affiliation. A major justice reform is underway, which is one of the conditions set by the EU for opening accession negotiations.

A 2014 law divided the country into 12 regions and 61 local government units. A regional development fund has been set up with international support, and the Ministry of Urban Development has presented local territorial development plans for 26 municipalities. They aim to increase investment in cities and villages and provide more opportunities for sustainable economic development and better public services.

Social dialogue is happening nationally on issues including labour and social protection legislation and in sectors like construction and tourism, which have strong employers' associations. The National Labour Council is consulted on policy and legislation and meets regularly, unlike the National VET Council. Trade unions are weak in an economy mostly based on small or micro-sized family businesses. Social dialogue is weak or non-existent below national level and in important sectors like textiles, leather and agriculture.

## 2. VET GOVERNANCE

### Key roles and functions

The Ministry of Social Welfare and Youth (MoSWY) has been in charge of VET since 2014. In 2016 it reported against objectives and measures in its National Employment and Skills Strategy and Action Plan 2014-20. As well as national policy, it also handles management of VET provider networks, though responsibility for them will shift to the National Employment Service (NES). MoSWY has also signed some public-private partnership agreements for VET, while an increasing number of school-business agreements will regulate internships. And MoSWY works with the national statistical institute to collect labour market and educational data. VET providers deliver some this, and in future it will be processed and analysed by NES.

The National Agency of Vocational Education and Training and Qualifications (NAVETQ) coordinates drafting of occupational and qualification standards, and curricula for initial VET programmes. It also helps design and run final exams in vocational schools and pilot concepts like introducing entrepreneurship in secondary VET, or internships. NAVETQ is also the main reference point for all donor initiatives to modernise VET.

### Financing

The state funds teachers' salaries, capital investments and VET institutions' operational costs. The state cannot guarantee covering all expenses and the investment needed to upgrade what, in some cases, are very poor facilities. But Albania gets support from the Swiss, German, Italian and Austrian governments, which help modernise pilot institutions. A law for a National Employment and Skills Fund was drafted but fell foul of an IMF regulation brought in after a pyramid scheme scandal in 1997.

### Coordination mechanisms for VET policymaking

Legislative or normative orientated mechanisms include ad hoc consultations with stakeholders like social partners and school directors. They were involved in the process of drafting a new law on VET, due for adoption by parliament in late 2016.

NAVETQ constitutes the main institutionalised policy advice-orientated mechanism. It coordinates drafting of occupational and qualification standards, drafts frame curricula for programmes in initial VET and pilots new developments like entrepreneurship concepts in secondary VET or internships for VET students.

Consultations with chambers and business organisations or social partners constitute the main public-private structure-orientated mechanisms. A Government-Social Partner Agreement was signed in 2010, but no secretariat has been formed, nor have any of the planned follow-up actions been carried out.

Knowledge-creation orientated mechanisms include MoSWY and NAVETQ's coordination of donor initiatives, which help create new knowledge. Also,



MOSWY and the national statistical institute collect labour market and educational data, some of which comes from VET providers. NES will process and analyse this in future.

### Country typology

VET governance is still largely top-down, but stakeholders like social partners, experts, regional and local administrations, school directors, practitioners, and local employers are increasingly consulted and their opinions taken on board. For example, MoSWY decided in 2015 to set up management boards in VET schools and training centres, which include employers' representatives. The system is changing towards a multi-stakeholder governance model, but it will take time to establish.

### Development assessment

VET governance development is structured. Actors have good capabilities and development processes are in place. System functions, roles and responsibilities are clearly mapped and operational. But delivery is weak and coordination and policy networks need to be strengthened, as does accountability in implementation. Also, for governance to be adapted and developed, R&D and innovation must be embedded in the system. Access to information is defined, though not always shared by all actors, and is sometimes used randomly for formal policy negotiations.

The new VET law envisages VET providers having more financial autonomy and possibly being able to raise and spend their own income. But there are no financial incentives for the private sector to support training.

A by-law on the National VET Council was adopted in March 2015, but the council has not met since. In line with the national strategy, an Integrated Policy Management Group (IPMG) has been set up, including social partners meets regularly to oversee implementation of a budget support programme for employment and skills. But sub-national coordination mechanisms are ad hoc.

### Ongoing work in policy development

A new VET law is being drafted, and by-laws are due to be revised or developed within nine months of it being adopted. Among other things, it envisages strengthening VET providers' financial base and autonomy. NES is to take over managing VET provider networks. While MoSWY issues an annual

progress report, inspections of VET schools are not working and the system needs to be revisited. NAVETQ is involved in many development tasks but needs better resources and a bigger mandate, for instance to cover teachers' and trainers' continuous professional development, which the system doesn't currently cover.

## 3. POLICY POINTERS

These pointers are designed to promote further policy dialogue and/or implementation.

### Overall planning and management

1. Empower mission of National Employment Service -NES- with staff and resources it needs to take over overall planning and management of public VET providers.

### Finance and funding

1. Support VET schools' financial autonomy with capacity-building measures and a revised framework for national reporting, accountability, evaluation and inspection.

### Coordination mechanisms for VET policy making

1. Enhance social dialogue by making sure the make-up of the VET Council and an Integrated Policy Management Group - IPMG - for employment and skills reflects the mix of stakeholders, both in membership and decision-making.
2. Discuss how to set up regional and territorial development partnerships (e.g. regional councils) to coordinate effective implementation of development plans.