

KOSOVO(*)

VET GOVERNANCE ETF PARTNER COUNTRY PROFILE



1. GENERAL GOVERNANCE

Kosovo is a parliamentary republic, which declared its autonomy in 2008. The government, headed by the prime minister, comprises deputy prime ministers, a cabinet, ministries and their executive units, supported by committees, councils and agencies, and other bodies mainly headed by ministries. The president is head of state. The most influential ministry is the Ministry of Finance (MoF), responsible for the Medium Term Expenditure Framework (MTEF) and allocating budgets to ministries. The Office of Prime Minister (PMO) prepares and coordinates strategic government documents, and within it, the Office of Strategic Planning (PSO) coordinates work to prepare for strategic documents as the medium-term priorities document. The ministries design, implement and monitor policies with their agencies and councils, and other public bodies.

Regionally, 38 municipalities have some autonomy in budget allocation but act in line with policy decisions at national level. Labour relations and workers' rights are codified in the Labour Law of 2010, though a law on organising trade unions is still pending. There is a need to strengthen dialogue among government and social partners to institutionalise engagement of chambers and trade unions in governance functions. Apart from the Kosovo Chamber of Commerce, their involvement in policy is still rather limited. The Assembly of Kosovo has called on all civil society organisations interested in its work to register on its database to receive information, in return for information of their own about their fields of interest

2. VET GOVERNANCE

Key roles and functions

VET governance is state-driven. As well as Ministry of Finance, the main national actors are the Ministry of Education, Science and Technology (MEST), Ministry of Labour and Social Welfare (MLSW), and Ministry of Youth Culture and Sports (MYCS). MEST is involved in all the VET governance functions: formulating the national policy framework; provision of legislative, managing VET provider networks; mobilising financial resources; managing public-private partnerships for VET; evaluating and

reviewing VET policies; research and development (R&D); and data and statistical provision. MLSW is involved in five out of seven functions and MoF is the key actor in mobilising financial resources.

At the sectoral level, social partners and private sector stakeholders participate in recently set-up bodies like the Agency for VET and Adult Education (AVETAE). At regional/local level, municipalities are involved in several VET governance functions, though not in decision-making. VET schools and training firms mainly act on instructions and implement decisions.

Financing

The current MTEF foresees education and culture provision rising from €87.4m to €88.7m and the next will emphasise improving and developing education, focusing on quality and labour market needs. However, MTEF lacks clear priorities and the annual budget is not based on it. VET and education goals and priorities far exceed available finance, and it is hard to see a link between the budget and ministries' priorities and targets. Main sources of VET finance are MoF and international donors. International donors finance ministries' activities and projects to a large extent, usually backing training and capacity building and the development of occupational standards. MEST and donors – amongst other initiatives – also finance teacher training.

Funds are allocated at central and municipality level to: MLSW, which develops policies and strategies for labour, employment and training; MEST, which develops education policies and curricula including statistics for education; MCYS, which develops youth policies, and promotes informal education and youth employment; and municipalities, which manage pre-university education with funds from the centre based on parameters like number of children for example..

Municipalities head the 61 VET schools, which are funded from the central budget on the basis of €23 per student per year. A decentralised model for budget allocation in municipalities and VET providers' financial autonomy has been enacted but not fully implemented. The same goes for a law decentralising education and giving schools

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



a degree of autonomy in decision making and budgeting. Under the Kosovo Education Strategic Plan 2011-2016, vocational schools should have become financially and operationally autonomous by 2015, but progress is uncertain as complete set of data are not available.

Coordination mechanisms for VET policymaking

Legislative or normative orientated mechanisms are against the background of a vision for an inclusive education system based on lifelong learning principles and offering quality education.

MEST leads on the Kosovo Education Strategic Plan (KESP) 2011-16, Strategy for Improvement of Professional Practice in Kosovo 2013-16, Strategy and Action Plan for Career Guidance and Counselling 2013-16, New Kosovo Curriculum Framework (KCF) and the National Qualification Framework (NQF). This latter falls under the responsibility of the National Qualifications Authority. MLSW led the Vocational Training Strategy 2012-14. MCYS leads the Kosovo Strategy for Youth and Sport 2013-17.

KESP 2011-16 links education policy to national development, recognising that education and training must be more responsive to labour market needs. Assessing progress on implementing it was part of the remit of the Joint Annual Reviews 2014 and 2015, which also focused on areas including pre-university education; vocational non-formal and adult education; higher education and science and technology. The key law linked to VET is the Law on Vocational Education and Training. Also, a strategy to develop extensive vocational practice was approved in 2013, when the syllabus for 21 new profiles based on labour market demand for centres of competence was also finalised.

On skills, the two most relevant papers are KESP 2011-16 and the New Kosovo Curriculum Framework (KCF). KESP 2011-16 puts emphasis on harmonising VET and HE with labour market skills needs. The Kosovo Youth Culture and Sport Strategy 2013-17 and two inter-ministerial strategies, for Career Guidance and Counselling, and for Improvement of Professional Practice, prioritise training for entrepreneurship in schools or vocational education. A Law on Education in Municipalities has been enacted, aimed at decentralising the education system. It foresees a large degree of school autonomy in funding and decision-making.

Institutionalised policy advice orientated mechanisms include AVETAE, in its pilot phase until September 2016 and supervised by MEST. Its work includes managing staff and teachers, as well as financing and infrastructure, at the Centres of Competences. The VET Council (CVET) formalises participation of stakeholders and social partners in policy making and determining strategic priorities in MEST. The National Qualifications Authority (NQA)'s main task is to improve quality in the VET system, setting criteria for developing occupational standards and accrediting providers, and verifying occupational standards. It supports VET schools' self-assessment and trains schools and stakeholders responsible for accreditation. The Kosovo Practice Firms Centre, under MEST, is in charge of training firms aimed at building VET students' entrepreneurial skills.

Public-private structure orientated mechanisms include collective bargaining agreements for developing skills. AVETAE in collaboration with international organisations and other social partners have cooperated on job profiles for car maintenance, construction, health, sales and marketing. Centres of Competence and firms help improve VET students' entrepreneurial skills. A donor-pooled fund formed by public bodies (MEST, MoF and Ministry of European Integration) and international stakeholders aims to improve capacity building. MLSW and the Ministry of Internal Affairs have developed active labour market programmes with the United Nations Development Programme (UNDP) to track graduates' careers.

The UNDP's Human Development Report dealing with private sector identify skills shortages as an obstacle to business development, and with employees' educational level. However, they do not provide information on the bigger picture of skills supply and demand. A comprehensive database on the VET system and VET policy is lacking. It could include strategic plans, financing and budget allocation patterns, data on labour market needs and outcomes of stakeholders' engagement in VET. Indicators and a performance assessment framework have been developed by a task force implementing KESP 2011-16. Kosovo's NQF, led by the NQA, is in line with the European Qualifications Framework. The NQA is involved in developing and elaborating occupational standards with the Kosovo Chamber of Commerce, VET schools and donors, and has verified 44 standards. The VET Council has so far approved 20 standards.

Country typology

VET governance is centralised. Engagement of social partners, NGOs and private stakeholders is limited, and the involvement of sectoral and regional/local governance is largely not influential or effective enough. Many public agencies are overloaded and suffer from restricted funding and employee numbers. Some public-private initiatives have been developed. Centres of Competence and firms support VET schools; Kosovo Chamber of Commerce and VET schools have a decision-making role in developing occupational standards.

Trade unions seem not fully involved in HRD issues. Employers are mostly represented in VET by the Chamber of Commerce. Government is seen to be the main force behind social partner dialogue, so VET tends not to be seen as a joint responsibility. Legislative initiatives happen but are not always implemented. The inter-ministerial committee set up to monitor the Kosovo Skills Vision 2020 may help here. Overall, decentralised governance is hampered by the limited budget, top-down funds allocation, and a lack of financial autonomy for VET schools.

Development assessment

Development of VET governance is structured. There is a VET governance vision, new strategies, and legislation relating to the VET institutional framework and policy and system monitoring and evaluation. The key actors have good capabilities. Since 2012, there has been progress through VET-related strategies, enactment of the VET law, policy improvement in monitoring, school infrastructure, capacity building, VET schools' curricula, and professional profiles and occupational standards. Governance is slightly multi-actor, but social partners' functions are not always clearly defined and their involvement is not always institutionalised. NGOs are could be more active in the VET governance, municipalities have a limited role and VET providers' operational autonomy remains a challenge. Social dialogue is still weak, VET is under-funded, public staff are over-burdened, VET is not highly responsive to labour market needs, information on matters like skills supply and demand is hard to come by, and governance is centralised. All this undermines progress towards efficient and effective multi-level governance.

The Assembly's call for participation in its work, the Agency of Vocational Education and Training

and Adult Education, and the Law on Education in Municipalities could improve things and support Kosovo to better define VET governance.

Ongoing work in policy development

The Joint Annual Review is expected to contribute to multi-level VET governance, as VET is one of its priorities. Introducing and implementing it boosts evaluation and review of VET policies and formulation of a VET policy framework. The Law on Education in Municipalities' provisions for decentralising VET funds allocation and for VET providers' financial autonomy are in line with good multi-level governance. However, the law needs to be implemented. A donor-pooled fund, through co-operation by MEST, MoF, MEI, the Swedish International Development Agency and the Austrian Development Agency strengthens VET financing and capacity-building.

3. POLICY POINTERS

Policy makers may wish to consider the following points for reflection, with a view to working towards their implementation in line with national priorities and in the context of national, regional, and local needs.

Overall planning and management

1. Implement the law on Vocational Education and Training; and the KESP 2011-16 provision on VET schools' operational autonomy. Ensure sound transition to the new KESP 2017-2021.
2. Promote and institutionally strengthen all stakeholders' engagement in VET governance functions.
3. Empower and institutionalise social dialogue on all governance functions and at every governance level.
4. Develop a national and comprehensive VET database and promote access to information, career guidance and counselling for VET.
5. Strengthen cooperation between VET schools and businesses.
6. Promote and enhance skills development partnerships between the state, trade unions, chambers and employers at all governance levels.
7. Empower and institutionalise engagement



of private sector stakeholders, as well as social partners and NGOs, in public-private partnerships.

8. Enhance competence-based learning and strengthen links between VET and the labour market.
9. Develop a national VET assessment, certification, quality assurance and continue the activities on prior learning validation system.
10. Make VET attractive to socially vulnerable groups.
11. Promote continuous vocational training for VET teachers.

Finance and funding

1. Increase state budget resources VET and base financing on objectives.
2. Decentralise the VET budget at all governance levels.
3. Institutionalise ever-greater budget allocation autonomy for public bodies involved in VET governance, at all levels of governance.
4. Implement the KESP 2011-16 provisions for full financial autonomy for VET schools. Ensure sound transition to the new KESP 2017-2021.
5. Consult with social partners and VET providers on financial incentives for public-private VET financing, then create and legally enact a regulatory framework for incentives for private stakeholders (i.e. tax incentives) and social partners. Engage the beneficiaries in implementation and monitoring.
6. Enable private stakeholders and social partners to finance VET activities, offer internships and finance VET students' apprenticeships and VET teachers' continuous vocational training.
7. Enhance the attractiveness of the donor-pooled fund for investments in VET development as well as capacity building.
8. Fund surveys on labour market needs, emphasising skills assessment and forecasting.
9. Invest in entrepreneurship, innovation and business start-up training.

Coordination mechanisms for VET policy making

1. Make AVETAE fully operational and support its performance and role in coordinating between ministries and stakeholders.
2. Change VET policy coordination mechanisms at all levels of governance to help VET's internal and external efficiency.
3. Ensure mechanisms for stakeholder involvement in each stage of budget planning.
4. Assess the feasibility of establishing mechanisms for skills forecasting as a basis for VET policy making, and empower them.
5. Develop the skills and capacities of staff in agencies involved in VET governance and policy making, focusing particularly on monitoring, evaluating and reporting.