

# BOSNIA AND HERZEGOVINA

## VET GOVERNANCE ETF PARTNER COUNTRY PROFILE



### 1. GENERAL GOVERNANCE

Bosnia and Herzegovina is a federal parliamentary republic made up of two entities: Federation of Bosnia and Herzegovina (FBiH), the Republika Srpska (RS), and the self-governing Brčko District. The presidency is tri-partite, with one Bosnian, one Croatian and one Serbian member. It is responsible for the budgets of state institutions, as well as foreign, military and diplomatic affairs. The Parliamentary Assembly is the legislative body. It includes the House of Representatives, with 42 members elected by proportional representation – 28 from FBiH and 14 from RS – and the House of Peoples, with 10 members from FBiH (five Croatsians and five Bosnians), and five from RS (all Serbs). The presidency nominates the chair of the Council of Ministers, who is prime minister. The presidency and Council of Ministers share executive power.

FBiH has its own two-chamber parliament. The House of Representatives has 98 elected members, while the House of People has 58 delegates elected by cantonal assemblies. This parliament has jurisdiction over areas including education. FBiH also has a president, two vice presidents and a government with a prime minister and 16 ministers. There are 10 cantons, each with its own government, prime minister and assembly, and autonomy over issues including education. They are the legislative and judicial arm of government. Each canton is divided into municipalities.

RS also has its own two-chamber parliament and government, and municipalities with their own legislative powers. But there are no cantons between the entity-level and municipality levels of government. The Brcko District too has an assembly and government, though the laws of Bosnia and Herzegovina apply there.

There are ministries at state, entity and (in FBiH) cantonal level, as well as state, entity and Brcko District agencies. This complexity has an impact on policy making. Modernisation of industrial relations is also affected, as there are effectively four legal systems. There is no industrial relations legislation at state level, hampering an overall regulatory framework. The legal framework of labour and trade union rights is fragmented and there is no common approach to social allowances. The main social partners are the Association of Employers of Bosnia and Herzegovina (APBiH), the Employers' Association of the Federation of Bosnia and Herzegovina (UPFBiH), the Union of Employers'

Associations of Republika Srpska (UUPRS), and the Employers' Confederation of Republika Srpska (SRPS).

### 2. VET GOVERNANCE

#### Key roles and functions

Each entity and the Brcko District have their own administrations, but there is some coordination at state level. The main actors are The Ministry of Civil Affairs of Bosnia and Herzegovina (MoCA) and the three Ministries of Education: the Federal Ministry of Education and Science of the Federation of Bosnia and Herzegovina (FMES); the Ministry of Education and Culture of the Republika Srpska (MECRS); and the Department of Education of Brčko District (DEBD). MoCA is involved in six out of seven VET governance functions. FMES, MECRS, and DEBD are involved in five. The Agency for Pre-primary, Primary and Secondary Education (APOS0) and the Institute for Adult Education of the Republika Srpska also have an influential role in VET governance. APOS0 deals with education in general, including secondary VET, and is involved in six out of seven VET governance functions, including management of public-private partnerships and evaluation and review of VET policies. The Institute for Adult Education of the Republika Srpska is involved in four VET governance functions, since it is the only organisation of its kind in the whole country.

At sectoral level, social partners - trade unions and employers' associations (and, to a lesser extent, other private stakeholders) - are involved in delivering policy through partnerships with public bodies and VET providers. Also, the Union of Employers' Associations of Republika Srpska (UUPRS) is involved in designing enrolment policies in RS. The ten cantonal Ministries of Education in FBiH, and APOS0's VET Department in Banja Luka, have a strategic role in VET governance. The cantonal ministries are decision-makers in all functions, while the VET Department's role extends across the country. FBiH's municipalities mainly develop public-private partnerships with vocational schools and private sector stakeholders, and are involved in mobilising financial resources. The seven regions of RS have limited responsibilities. Professional supervision is down to Bosnia and Herzegovina's nine pedagogical institutes.

VET providers take part in several VET governance functions (mainly policy implementation). Secondary vocational schools are the main VET providers, along



with businesses. They are also involved in mobilising financial resources.

### Financing

The main source of VET finance is the state. The national ministries decide on initial VET financing, and budgets come from the entities, cantons and district – 13 budgets in all. But spending per student varies, as do staff salaries. And while education is most cantons' biggest cost, financing of initial VET is not adequate. FBiH and RS spend about 6% and 4% of their respective GDPs on education, while Brcko District spends 11.2%. Initial VET gets around 21% of education spending. Financial support also comes through international donors like the EU and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). In line with the Law on Financing of VET, public institutions can earn their own income by providing training and services, and from gifts, donations and grants, parental contributions, and renting premises. But the accounting system developed to increase transparency and accountability in spending doesn't let vocational schools use these revenues immediately.

### Coordination mechanisms for VET policy making

There is no current VET strategy (the previous one expired), but VET reform is based on laws and regulations. These are based in turn on VET's roles as provider of vocational skills, gateway to further and higher education, and contributor to personal development and social integration. Most strategies, laws and bylaws relate to the qualifications framework, developing curricula and introducing advisory councils in vocational schools.

The policy document Strategic Directions for the Development of Education in Bosnia and Herzegovina 2008–15, and its implementation plan, were a framework for entities, cantons and the Brcko District to develop strategies based on education's role in lifelong learning, through formal and informal means. It also focused on building labour force competencies, making VET more efficient, strengthening adult education and training with a common approach at all levels and in all areas, and developing more comprehensive educational research. The document prioritised adults without primary or secondary education, people with special needs, people wanting to upgrade their entrepreneurial or management skills, and returning Roma.

The primary legislation for VET is the Framework Law on Secondary Vocational Education and Training in Bosnia and Herzegovina, covering vocational training of children, young people and adults. It says laws and bylaws need to include

conditions for adult education and training in the context of lifelong learning, and guidelines and rules for establishing an official register of diplomas and certificates. The law also foresees tripartite advisory councils, including representatives of all stakeholders, to link VET to labour market needs. An Entrepreneurial Learning Strategy for 2012–15 covers all levels of education. The VET Development Strategy 2007–13 gives guidelines for developing and enhancing upper secondary VET, along with strategies and goals related to lifelong learning. A similar strategy covering RS until 2014 aimed to increase participation in secondary education and lifelong learning. RS, Brcko District and seven out of 10 FBiH cantons adopted legislation in line with the VET Framework Law in 2014, but more stakeholder coordination and dialogue are needed to implement it. In other words, social partners, pedagogical institutes, inspectorates and vocational schools need to be involved in policy making.

Adult education is covered by several laws and policy documents which set out to create a framework to regulate adult learning and develop lifelong learning across Bosnia and Herzegovina. A baseline qualification framework was adopted in 2011 to cover all levels of education and an action plan followed in 2015. It is expected to take five years to implement the framework.

Institutional policy advice-orientated mechanisms consist of numerous agencies, councils and other bodies. APOSO is responsible for evaluating, improving and advising on curricula, including VET; developing standards of knowledge and assessing results; structuring the classification of occupations; and taking part in CPD for teachers. APOSO's VET Department in Banja Luka, though not yet fully operational, develops and monitors adult education and lifelong learning, including implementing the qualification framework. It also develops and evaluates formal and informal learning, and develops partnerships with labour market stakeholders, as well as cooperating with adult education institutes and providers, and pedagogical institutes. The pedagogical institutes' duties include teacher training, monitoring and assessment, and curriculum development alongside the main responsibility of professional supervision, which means they overlap with the ministries. RS's Institute of Adult Education, among other things, proposes training and retraining programmes, approves and monitors adult education programmes, and runs training for teachers and lecturers. The Labour and Employment Agency of Bosnia and Herzegovina runs VET activities with educational institutions, employers and unions. It also offers training and pre-qualification to unemployed people, while its

## BOSNIA AND HERZEGOVINA

RS counterpart provides counselling, training and re-training to prepare for employment.

Public-private structure orientated mechanisms include the Partnership for Entrepreneurial Learning Network, which is being piloted. It is drawn from education and business and operates at state, district and entity level, and includes a wider advisory network of donors, education providers. APOSO's VET Department works with private sector stakeholders on qualification standards. APOSO has also developed and led a network including ministries and pedagogical institutes to work on core curricula. The network has gathered data to report on the VET Development Strategy 2007-13, which will help form the basis for a new strategy. FBiH's cantons have joined social partners to assess labour market demand and formulate VET enrolment policies, while councils of vocational schools, private sector stakeholders and community delegates have been formed to do this in RS. UPFBiH partners with ministries, employment services, education and training providers, universities and vocational schools to offer professional development through on-the-job training.

Turning to knowledge creation-orientated mechanisms, there are few surveys on VET and the link between education and labour market needs, and on participation in adult education. The VET Department in Banja Luka is in charge of collecting and analysing data and an information system (VETIS) has been developed to help manage the quality of VET as well as provide a database. It includes reports on secondary VET and labour market trends, and reports on schools, teachers, students, and employment trends for secondary VET graduates. The country also uses EU data through Eurostat, and carried out a self-assessment on the progress of VET policies and systems in 2012 under ETF auspices. The Bosnia and Herzegovina Directorate for Economic Planning and the Bosnia and Herzegovina Agency of Statistics calculates and provides data on early school-leaving. Data on upper secondary VET enrolment comes from UNESCO, and UNDP provides data on teacher training. The Bosnia and Herzegovina Directorate for Economic Planning provides data on the mismatch between skills supply and demand, while data on gender differences in educational attainment comes from the Bosnia and Herzegovina Agency of Statistics (BHAS).

### Country typology

VET governance is centralised, but the country's administrative structure effectively makes it hybrid, as it is clearly fragmented. Overlaps in VET governance and policy making, lifelong learning, and linking skills to labour market needs are common.

Although the gradual establishment of state level-institutions has helped develop quite effective VET governance and led to several laws and policy documents, governance and policy-making are still complicated.

The division of the country into two entities and a district, as well as cantons and municipalities, inevitably affects governance. VET policy making happens mainly at state level, in the two entities and the Brčko District, as well as at canton and municipal level. The role of the municipalities and the seven RS regions in VET policy-making is limited. Each of the two entities and the Brčko District has its own independent administrative and financial system and each determines the implementation of VET policy. Remarkable achievements along the route to multi-level, and multi-actor VET governance include defining the VET vision, legal institutions like APOSO, VET qualifications standards, the progress of the NOF, and public-private partnerships at canton level. But functional and financial obstacles hamper VET reform. VET financing is inadequate. Resources aren't sufficient for vocational schools, which as a result can't take initiatives. Moreover, there is no formal network and social partner engagement in decision-making, as their role in VET governance and development is not institutionalised enough. All this, and overlapping liabilities among institutions and ministries, as well as the absence of a solid, comprehensive VET strategy, further obstruct progress on modernising VET governance and matching VET to labour market needs. There has been progress, and institutional arrangements are in place, but an effective, multi-level VET governance structure is still a challenge.

### Development assessment

VET governance development is structured. The key actors have efficient and adequate capabilities and development processes are in place. But many factors undermine further progress. There is no unified and comprehensive VET strategy, there are shortcomings in policy planning and implementation, and complexities in policy coordination mean overlaps and fragmentation. Inadequate financing and funding, limited legal provision for VET providers' financial autonomy, as well as the lack of institutionalised financial incentives for public-private VET financing, are also barriers. The same goes for the limited role of social partners in decision-making and the lack of a comprehensive quality assurance system for VET. But the country has made steady progress, leading to some effective institutional arrangements, good practices and innovative initiatives on several governance functions in line with EU standards and guidelines. Stable progress on VET governance and systemic reform is characterised by policy improvement, better regulation, and fine-tuning and simplifying procedures, which will help Bosnia



and Herzegovina move to 'defined' multi-level VET governance.

### Ongoing work in policy development

There have been several steps towards VET reform and developing a legislative framework for VET policy, including the Framework Law on Vocational Education and Training, the VET Development Strategy 2007–13, the Law on the Establishment of the Agency for Pre-primary, Primary and Secondary Education (APOSO), various policy documents on adult education, and EU programmes. These create an opportunity to develop a cohesive framework for designing a unified and solid VET strategy for the period 2015–20.

The Partnership for Entrepreneurial Learning Network within the Entrepreneurial Learning Strategy for 2012–15 is good practice in public-private partnership for VET. Stakeholders from education and employers at state, entity, district and canton levels are involved. A wider advisory structure made up of international, public and private, and social stakeholders, also helps progress towards multi-level, multi-actor VET governance.

VETIS, part of the Department for Secondary Vocational Education and Adult Education in Banja Luka, is an example of data and statistical provision. It is both a database on VET, covering all governance levels (central, APOSO, entities, cantons/regions, municipalities, districts and vocational schools) and a management system for the quality of secondary vocational education. A comprehensive and accessible VET database with data on the VET system and reports on vocational schools, teachers, students and employment trends for secondary VET graduates helps VET reform, as does a VET Department website.

## 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. Develop a VET strategy, including the entities and cantons, and the Brčko District, that takes into account young people's needs, and fosters the economy and the labour market.
2. Develop a mechanism, based on social dialogue, to get public and private stakeholders' more involved in VET policy making, and strengthen cooperation and coordination

among them. Institutionalise it with a regulatory framework for the institutionalised participation of the private sector, employers, and social partners in VET governance and functions.

3. Define a solid framework for VET development, with general and specific guidelines for all governance levels and for all VET fields, emphasising initial VET. Define an overall strategy on VET quality assurance and develop a national system of assessment, certification, and quality assurance.
4. Promote post-secondary VET training.
5. Increase opportunities for training, internships, and job placements for young people to help them into the labour market.

### Finance and funding

1. Increase VET's budget share.
2. Increase the funding for VET teachers' professional development and VET schools' management.
3. Increase the funds for businesses' continuing training.
4. Enhance and promote investments by non-state stakeholders in VET.
5. Develop and enact a legal framework for VET providers' financial autonomy.
6. Enhance vocational schools' financial autonomy.
7. Promote public bodies' autonomy in budget allocation at all governance levels.
8. Consult social partners and VET providers on financial incentives for public-private VET financing.
9. Develop a framework of financial incentives (i.e. tax allowances) for private stakeholders and social partners. Institutionalise it with legislation, and engage all beneficiaries in implementing and monitoring it.

### Coordination mechanisms for VET policy making

1. Fund and further enhance development of VETIS and promote further development and sustainability of the VET Department website.
2. Develop a national VET strategy based on consultation at all governance levels.
3. Increase accountability and strengthen the capacity of public and private stakeholders, based on defined standards and outputs.