

# KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT – MONTENEGRO 2022

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## EXECUTIVE SUMMARY

In 2022, Montenegro had two changes of government with major institutional restructuring ongoing. A new government is expected to be in place in spring 2023. Inflation and the higher living costs linked with geopolitical developments have created a feeling of uncertainty. The situation was aggravated through the cyber-attack on public and private institutions in August 2022, which severely affected the work of state institutions.

Nevertheless, being a candidate country, the government continued its efforts towards European policy objectives and standards, although the reform progress has slowed down. The recommendations of the European Commission's (EC) assessment of Montenegro's Economic Reform Programme 2022-2024 and the EC Annual Enlargement Package 2022 ask for a multi-year education strategy and costed action plan and further development of the Youth Guarantee Scheme. Like the other Western Balkan economies, Montenegro benefits from the EU Economic and Investment Plan for the Western Balkans, which aims to support recovery in response to the COVID-19 pandemic, as well as the twin objectives of green and digital transition. Reinforced donor cooperation and important involvement of international financial- and UN institutions are an important feature of cooperation.

The Montenegrin authorities have started to implement the Western Balkans Agenda for Innovation, Research, Education, Youth, Culture and Sport, which was endorsed by Governments on 6 October 2021. Following the Osnabrück Declaration and the European Council Recommendation on VET for sustainable competitiveness, social fairness and resilience, Montenegro submitted, in May 2022, a National Implementation Plan to push ahead with reforms. Expanding dual training remains a government priority as is the commitment for implementing the EU Youth Guarantee scheme. In July 2022, the Ministry of Labour and Social Welfare (MoLSW) submitted the draft Implementation Plan for Youth Guarantee, the most important EU flagship scheme in education, training and employment for the years to come.

Progress in the area of higher education was limited partly due to the frequent government changes and the challenge of education and business cooperation. A new working group is planned to work on a revised higher education strategy and priorities for the period 2022-2026. The strategy is expected to be approved end of 2022. The re-established Erasmus+ office is expected to be active in the framework of the enhanced partnership with Western Balkan countries. Important initiatives will be the European Universities' Initiative, but also the Teacher Training Academy. In the area of research, the EC signed the Association Agreement for Horizon Europe with the Ministry of Science and Research Development. Montenegro is the first country in the region with a smart specialisation strategy and an adopted operational programme 2021-2024.

Regarding regional policy dialogue, Montenegro has remained an active partner in the framework of the Berlin Process and the Common Regional Market. This relates to activities under the EU [Digital Agenda for the Western Balkans](#). Montenegro is a member of the Steering Committee for Digital Skills Strategies managed by the Regional Cooperation Council (RCC). The Montenegrin Government is also participating in initiatives of the RCC such as the Youth Lab and Employment and Social Affairs Platform. The Ministry of Education and the VET Centre continue to contribute to the regional activities of [ERISEE](#) in teacher training and qualification development and in particular to the new reform regional initiative financed by the Austrian Development Agency. In June 2022, at the Ministerial meeting of the Western Balkans Platform on Culture, Research and Innovation, Education and Training, the Minister of Education provided information on the ongoing inclusion of the Council Recommendation "Learning for Environmental Sustainability" in the lifelong learning system.

# 1. KEY POLITICAL, DEMOGRAPHIC, ECONOMIC AND SOCIAL CHARACTERISTICS

## Political developments

2022 has been characterised by political instability. In winter 2022, the situation still remains unsettled, while there are several pressing challenges for the economy and the labour market. The commitment to the EU accession process and the enlargement agenda has remained. However, the European Commission's (EC) Enlargement Assessment Report 2022 indicated that reforms had slowed down, which is linked to the COVID-19 crisis, the political instability in the country and the economic consequences of the war in Ukraine.

## Demographics

Montenegro is the smallest of the Western Balkan countries in terms of area and population, with a total of 627,082 inhabitants in 2022 (MONSTAT), which presented a 0.12% decline over 2021. 67.6% of the population is urban.

Like other countries in the region, Montenegro faces both internal and external migration flows. People move primarily from the northern region to the central and southern parts of the country, as well as from rural to urban areas, causing depopulation in the northern municipalities. Outward migration to the European Economic Area and Switzerland tripled in the last decade (OECD, 2021). Towards the end of the 2010s, Germany, Croatia and Slovenia had issued most of the residence permits granted to Montenegrin citizens (ETF, 2021).

## Key economic developments

The Montenegrin economy was hit hard by the COVID-19 crisis. The real GDP increased by 4.1% in 2019, dropped by 15.3% in 2020, grew again in 2021 by 13% and is estimated to grow again by 6.9% in 2022. In 2021, tourists from Russia, Ukraine and Belarus counted for 22% of total overnight stays. A pause in the tourism recovery in 2022 is linked to the war in Ukraine, the increase in energy and commodity prices and the Europe Now measures that will put further challenges on the economy, the state and individual budgets. Europe Now is Montenegro's overall reform programme, which includes increased pensions and salaries.

SMEs make up 99% of the Montenegrin economy. Their contribution and participation in the global value chain and export orientation to high value activities however remain limited. The OECD (SME Policy Index, OECD, 2022) states that there has been progress, in particular with regard to business support services, women entrepreneurship and self-employment, as well as policy documents and financing tools to assist the green transition. The main areas where further efforts are needed include the development of skills and access to finance for SMEs. The Strategy for SMEs for the period 2018-2022 whose implementation is delayed, seeks to address these challenges. The EC Innovation Score Board Report 2022 assigns 47.5 points to Montenegro, which has improved since 2014 and is slightly below the European average of 48.

While the investment in research and innovation is stagnating, funding for innovative companies and projects has increased (OECD, 2022). The Council for Innovation and Smart Specialisation and the Innovation Fund are key for implementation. A follow-up Innovation Strategy is expected to be published end 2022. In addition, a circular transition strategy is being drafted.

A study by the EU's Joint Research Centre (JRC, 2021) on value chains in the region identified the agri-food, energy, IT, tourism and textile sectors as priority economic sectors. Montenegro's smart specialisation strategy, finalised in 2022, mirrors these sectors. Operational sector plans are under preparation. The European Bank for Restructuring and Development's country strategy for Montenegro (EBRD, 2021) identified as the main priorities: private sector competitiveness, green

economic transition, and regional integration. An IPA II grant scheme is available in 2022 to improve links between science and industry.

An evaluation of Montenegro's previous Research Strategy (UNDP, 2021) points to the need for further investment in research and development. A new strategy 2022-2026 is in preparation. The Science and Technology Parks in Podgorica and Niksic are expected to play an important role in further cooperation between research and businesses.

The extent of the informal economy in Montenegro, at around 30% of GDP (World Bank, 2022), remains high and among the largest in the region.

Households greatly depend on remittances, which represent one of the most important sources of income. Net remittance inflows amounted to 6.1% of GDP in 2021 and are among the highest in the region. They dropped due to COVID-19 restrictions and are expected to decrease in 2022 to 5% (World Bank, 2022).

### **Key social issues**

Like in all countries in the region, poverty has increased from 15.6% to 19.9% in 2020. In 2021 it decreased to 15.6% (World Bank, 2022). Roma people remain among the hardest hit. The Strategy on Roma Inclusion 2021 to 2025 and the Action Plan 2022 address education and labour market issues, but sees slow implementation. Montenegro is also committed to the Poznan Declaration and steps need to be taken to implement this.

## 2. EDUCATION AND TRAINING

### 2.1 Trends and challenges

#### Education strategy and legal framework for education

For several years, sector-wide education reforms, including in primary and secondary education, have been discussed. In 2022, the Ministry of Education has been part of the UN Summit discussions on Transforming Education. A related national consultation report (Government of Montenegro, 2022) complements the recommendations of the UNICEF education sector analysis (UNICEF, 2022) that has been discussed with a wider public in November 2022. The main recommendations suggest that Montenegro needs to revisit its school infrastructure to provide tailor-made education and to address the pre- and in-service teacher training in view of the digital and green transition. As a follow up, an action plan and dialogue with key stakeholders are planned in 2023 to prepare for action with the support of IPA funding.

#### Education expenditure

In 2020, education as a percentage of GDP stood at 3.8%, compared to the EU goal of 4.6% by 2030.

#### Access, participation and early school-leaving

The participation in early childhood education and care stood at 66% in 2020, compared to the EU target of 87%. Take-up is much lower in the north. The Strategy and Action Plan for Early and Pre-school Education 2021-2025 aims to reinforce attendance in line with international developments.

In 2020/21, the share of VET students in upper secondary education was 69.1%, which represents a small increase compared to previous years. The tertiary education attainment rate among those aged 25-34 increased to 41.3% in 2021. As in the other Western Balkan economies, the overall educational attainment of the population is increasing.

Participation in adult learning (lifelong learning) increased from 2.7% in 2020 to 5.2% in 2021, (MONSTAT, 2021). While this represents a major increase, this percentage is still low compared to the EU average of 10.8% in 2021. Adult learning takes place mainly outside the formal education systems and as part of publicly funded active labour market measures. The Youth Guarantee Scheme as the EU's flagship initiative is expected to enhance adult learning participation in the coming years. Pilot initiatives are planned to start in 2025.

For several years, Montenegro has been among the high performers in both the region and the EU regarding the early school-leaving rate, which decreased from 5.0% in 2019 to 3.6% in 2020, and increased to 6.7% in 2021 (MONSTAT). Reasons for this increase are linked to the impact of the lockdown measures on schooling and the need to sustain the family. The early school-leaving rate for young women was 8.7% in 2021 –almost double that of pre-pandemic levels (4.9% in 2019). The EU average in 2021 was 9.7%. In 2022, a priority of the Montenegro Government was to enable a return of students to schools and universities.

#### PISA results

For years, the Government has prioritised improving the quality of the education system. The poor PISA results in 2018 made the need for comprehensive reforms even more imperative. One of the main challenges remains tackling underachievement in key competences, including mathematics (46%), science (48%), and reading (44%). The figures do not suggest improvements since 2009 and remain rather stable for 40-50% of students aged 15. UNICEF (UNICEF Education Sector Analysis, 2022) also identifies this in its recommendations and suggests solutions for the entire teaching and learning environment.

PIRLS 2021 will be completed this year. Preparations for PISA results 2022 are underway. Montenegro plans to participate in TIMSS in 2023 and in TALIS in 2024.

## **Young people not in employment, education or training (NEET)**

As in other countries in the region, the high number of NEET is a concern in Montenegro for the society as a whole. In 2020, approximately 33,500 young people aged 15-29 were NEET, corresponding to over one quarter (26.6%) of the total youth population. The EU average was 13.1%. NEET rates among university graduates are worryingly high, and in particular for women (40.7% in 2020). Overall, women are slightly more exposed to becoming NEET with 26.9% vs 26.2% for men (ETF, 2021).

School-to-work transition was made more difficult due to the pandemic and the trend seems to continue. A shift to inactivity can be seen.

To address these challenges, in July 2022 the Government submitted an Implementation Plan to introduce the EU Youth Guarantee Scheme. The revised plan is expected to be adopted as soon as the new Government is in place. Both the education and labour market policy sectors will need to address this important challenge.

## **2.2 Initial VET and adult learning**

### **Strategic and legal framework for initial VET and adult learning**

The Montenegrin VET Strategy 2020-2024 is in place. The related draft Action Plan 2022 is in line with the priorities of the EU's Copenhagen Declaration on VET and the skill needs of the economic sectors identified in the Montenegrin Smart Specialisation Strategy 2019.

The VET Centre is in the lead to implement the Strategy for Adult Education of Montenegro 2015-2025 and related annual plans. An important task includes the accreditation of institutions. Courses to be offered will be mainly via the Public Employment Services.

Montenegro's Entrepreneurial Lifelong Learning Strategy 2020-2024 is a follow-up to the 2015-2019 strategy. The government set up a multi-stakeholder national partnership in April 2021, after a decade of piloting. The most recent OECD assessment (OECD, 2022) praised as a success the implementation of entrepreneurial learning principles in education. Entrepreneurial competences are an integral part of the new key competence framework that covers the whole education sector and is being implemented at all levels of education.

The VET law was amended in 2017 to focus on practical learning experiences and include a dual training scheme, which is key to further VET reforms. Another amendment in 2021 reduced the compulsory teaching hours of VET teachers by 10% and lessons in classrooms to 30 minutes as a consequence of COVID.

### **VET governance and financing arrangements**

Governance and finance reforms remain important challenges and are part of the recommendation of the EC Annual Enlargement Package 2022. UNICEF (2022) and ETF (2019) suggest that players from the world of work, as well as regional and local players, be more systematically involved in Montenegro's VET governance and financing model. In 2023, this will need to be reflected in a costed Action and Monitoring Plan for implementing the Montenegrin Education Sector Strategy 2030.

However, this does not include interventions in non-formal VET and adult learning which are primarily financed through active labour market budgets. Neither does it refer to higher education, where funding also mainly comes from the State Budget.



## Qualifications, validation and recognition

Developing qualifications that respond to the needs of the labour market has been on the reform agenda for many years and mainly financed with IPA funds (SOPES 2015-2017). It has been done by Sector Committees that are relevant for the Montenegrin economy and has included social partners. In the National Implementation Plan for the Osnabrück Declaration, it is a reconfirmed priority in view of the green and digital transition, together with the validation and recognition of prior learning. The latter has received little attention so far and progress will need to be revisited.

## Quality and quality assurance

The quality of the whole education system has been a concern and priority for the Montenegrin Government for many years. Skills mismatch has been an important challenge and has been aggravated through the pandemic. Qualifications and skills in the field of VET and higher education lack relevance for labour market demands. There are limited links between education and training and research. A major concern is the lack of practical learning and experience of students in schools and universities. Links between education and businesses are still limited, and Covid-19 restrictions have aggravated the situation for student internships in companies.

In 2021 and 2022, the VET Centre together with 220 education programme coordinators have identified topics and priorities for updating VET programme.

A new catalogue with professional development programmes is available for VET teachers. A substantial amount of training has been delivered in the past decade. The digital skills of teachers are key and will need to be further developed.

Montenegro is part of the EU networks such as EQAVET and applies its quality assurance principles and tools in general secondary, vocational and higher education. The Bureau for Education and the Bureau for VET (VET Centre), as well as the Agency for Control and Quality Assurance of Higher Education, are responsible for this. The IPA SOPES 2015-2017 project, whose implementation was delayed, helped to revise external and internal quality assurance procedures and to develop staff capacities at secondary education level. The new methodology for assessing the quality of educational work in primary and secondary education was approved in 2021. Evaluations will be carried out by joint teams of the VET Centre and the Bureau for Education. However, due to COVID-19 restrictions the number of regular school evaluations was much reduced in 2021.

## Work-based learning arrangements

Work-based learning remains high on the Government agenda, yet feedback suggests little progress in 2021. Prior to COVID-19, enrolment in dual VET enjoyed considerable growth rates. However, COVID-19 restrictions and the difficult economic situation have had an impact on the provision of internship places in companies and enrolment numbers declined. In 2019, the Government commissioned an evaluation with a view to improving the quality and relevance of programmes (ETF and ILO, 2020). In 2020, a further internal review followed (Ministry of Education, 2020) and a survey was conducted on the “Perceptions of employers participating in the dual training system” (Ministry of Education, 2021). The evaluations recommend a need for stronger involvement and financial incentives for the business sector. In Montenegro, the first two years of work-based learning are paid for by the Ministry of Education, and the third year is financed by the Government. Furthermore, the evaluations recommend adequate payment and working conditions for students, which represents a major challenge for the labour market and SME sector in Montenegro.

## Digital education and skills

COVID restrictions in 2020 and 2021 made digital education and skills a priority when schools, vocational colleges and universities had to close down. As in the other Western Balkan countries, UNICEF provided a comprehensive learning platform for teachers, learners and parents. An online enrolment system was developed and its successful use continues. However, there were many challenges regarding online teaching, which include the limited access to internet in remote areas, the



lack of equipment in schools, digital competences of teachers, and suitable online learning materials, etc.

Digital skills remain a government priority also under the EU Digital Agenda for the Western Balkans (EC, 2018) as part of the EU enlargement process. Montenegro has been a member of the Regional Cooperation Council's working group on the development of digital skills strategies since April 2020. Montenegro has education in place digital education strategies for primary, secondary and higher. The country contributed to the Western Balkans Digital Summit in Pristina in October 2022, where digital skills were high on the agenda.

SELFIE is an EU tool to promote the digitalisation of school-based and work-based learning. In 2020, Montenegro took part in the EU SELFIE pilot on work-based learning. The Government carried out a SELFIE school assessment series in 2021. The SELFIE for teachers' tools may be piloted with the support of the JRC and ETF in 2023.

With funding from the European Investment Bank, the Government launched the 'Digital Classroom' project by digitising content for primary education and upgrading the infrastructure throughout the country. However, the initiative has been delayed in particular due to the political situation in Montenegro. In the meantime, prices have increased as everywhere in Europe, which will put a further constraint on implementing the initiative.

### Statistics on education and training

As a candidate country, the Montenegrin Statistical Office (MONSTAT) provides data on education and training on a regular basis to the EC. In 2022, due to the cyberattack in Montenegro, this was not possible. The relevant Department in the Ministry of Education has an important role and contribution to restore this through its Education Management Information System.

The VET Centre undertook an analysis of a survey tracking VET students after completion of the 2019/2020 school year. The ILO (2021) recommended setting up a graduate tracking system.

The efforts to link the Education Management System of the Ministry of Education, the Labour Market Information System of the Ministry of Labour and Social Affairs and the Social Security Data have slowed down.

The ETF (ETF, Key indicators on education, skills and employment, 2022) also has relevant data on the reform process based on the longstanding cooperation with MONSTAT.

## 3. LABOUR MARKET AND EMPLOYMENT

### 3.1 Trends and challenges

#### Labour market characteristics

The consequences of both the pandemic and the war in Ukraine have aggravated the situation in the labour market. The most vulnerable groups in the labour market continue to be women, young people and people with low skills; while long-term unemployment continues to be a structural challenge. Key challenges in Montenegro include increasing employment among women and young people and tackling long-term unemployment.

The activity rate (15+) dropped to 50.9 % in 2021. In 2019, it stood at 53.3%<sup>1</sup>. As could be expected, the inactivity rate in 2021 showed an increase, at 49.1% in 2021 compared to 46.7% in 2020. The employment rate (15+) has significantly reduced due to the crisis, reaching 42.4% in 2021, compared to 43.8% in 2020.

Unemployment (15-74) decreased to 16.6% in 2021, compared to 17.9% in 2020. High long-term unemployment persists, at 11% in 2021, with 70% of all unemployed people being long-term unemployed.

While the unemployment rate among women in 2020 (18.4%) was only slightly higher than that for men (17.4%), the gender employment gap remains high, standing at 37.9% for women compared to 50% for men in 2020 (ETF, 2022).

The pandemic also had a significant negative impact on labour market indicators for young people. Youth employment (15-24) decreased from 27.3% in 2019 to 18.7% in 2021. Youth unemployment (15-24) increased from 25.2% in 2019 to 36% in 2020. In 2021, the youth unemployment rate stood at 37.1% (World Bank, 2022), while the EU average 2021 amounted to 16.6%. Before the pandemic, the rate of young NEET (15-24) stood at 21.3% in 2019 and increased to 26.5 in 2021, indicating that there are difficulties in transitioning from education to employment, paired with a skills mismatch. While the highest share of unemployed people continues to be those with lower educational attainment, there is an important percentage of NEET among those with higher education.

The skills mismatch continues to be a significant challenge for the labour market, both for youth and adult workers. In this context, the 2022 SME Policy Index assessment highlighted the lack of SME skills as a critical factor for economic development. A vertical mismatch is present particularly amongst workers with a tertiary level of education. Around 15% of these workers are employed in jobs requiring qualifications below their level of education, while the same type of mismatch affects only slightly over 8% of employed people with a medium level of education (ETF, 2022). Many young people transition from VET to higher education or other programmes with less relevance for the labour market, which contributes to further discrepancies. While tertiary educational attainment stands at 41.3% of total population and is in line with the EU average in 2021, there continues to be an oversupply of tertiary education graduates from certain fields, such as business and humanities, while medical and STEM graduates are lacking (ETF, 2020).

Geographical disparities remain large with the north of Montenegro being the most disadvantaged. Roma and people with disabilities face additional challenges in integrating into the labour market, despite the continued support for employment and education programmes targeting these groups.

#### Statistics on the labour market and employment

A labour market information system is still being developed with the support of ILO. Discussions are on hold for Montenegro to join EURES. MONSTAT and the Ministry of Labour and Social Affairs have regularly provided data on employment in line with EUROSTAT methodologies. However, this did not

<sup>1</sup> break in series, therefore not comparable

happen in 2022 due to the cyber-attack on public institutions. The consequences for data delivery, policy-making and monitoring have to be examined.

## 3.2 Employment policy and institutional settings

### Strategy and legal framework in the employment policy field

The National Employment Strategy for 2021-2024 and the Action Plan 2022 are being developed with some delay. The priorities therein are particularly relevant for addressing the regional differences in the Montenegrin labour market. The documents also reflect 'Europe Now', the Montenegrin reform programme.

In line with Chapter 19 for accession, the Labour Law was adopted by the Parliament on 23 December 2019 (Official Gazette of Montenegro, No 74/19). The law is being revisited to include amendments regarding teleworking as well as platform work and other recent directives of the European Commission.

Work on general collective agreements has been on hold in 2022 mainly because of the political instability.

The amended legislative framework for innovation has incentivised start-ups and women entrepreneur participation. The law on encouraging research exempts start-ups from mandatory social contributions. The overall aim is to foster employment.

### Initiatives to boost employment

As in other economies in the region, the most active labour market measures implemented to date have been subsidised employment schemes, while the provision of (re)training and start-up incentives remains scarce, mainly due to underfunding. Part of the solution relies on greater private-sector involvement.

Active labour market policies (ALMPs) are not adequate to assist jobseekers in finding sustainable, long-term employment, and continue to focus insufficiently on re- and up-skilling. Except for some reviews with the support of the RCC, there is a lack of comprehensive monitoring and impact assessment of the effectiveness of ALMPs, including following up on the number of beneficiaries that remain employed in the long term. This issue prevents continuous policy adjustments, which would allow quality training offers for unemployed people. A recent evaluation of ALMPs by the RCC under ESAP II points to missing data and digitised feedback loops to allow monitoring and inform reforms (RCC, 2021). The cyber-attack on government institutions in August 2022 made data management even more complex.

To address the high youth unemployment, in July 2021 the Government committed to launching and pushing ahead with the Youth Guarantee scheme, in line with flagship investment number 10 of the Economic and Investment Plan. Together with the European Commission (DG EMPL and DG NEAR), the ILO and the ETF are supporting the country in this endeavour. In 2022, Montenegro has worked on the preparation of an Implementation Plan and submitted a revised version in November 2022. The Ministry of Economic Development in 2021 set up a working group that includes ministries, NGOs, and social partners. Trade unions and young people are also part of the group. Given the political instability, the lead is now with the State Secretary in the Ministry of Labour and developments are on hold. Furthermore, in October 2021 the Government launched a programme to encourage youth employment with state funding, and in preparation of the Youth Guarantee Implementation Plan. Support and cooperation with the private sector will be encouraged.

For nearly a decade, the Government has offered a professional training programme for higher education graduates to foster smoother transition into the labour market through practical experience. Until 2019, around 3 000 unemployed graduates took part, around 50% of whom continued to be employed after participating in the programme. In 2021, 3 400 graduates benefitted from the initiative. There has been an evaluation of the programme in 2021 with recommendations on how to reorganise

the initiative to tailor it to youth and to include it in the Youth Guarantee programme. Details of its operationalisation will need to be discussed.

### **Initiatives to increase the capacity of the public employment services**

Employment policy is implemented by the Employment Agency of Montenegro (EAM). Also in 2022 the work of the EAM has experienced serious constraint and challenges, in terms of staffing, budgeting and infrastructure.

With IPA funding in 2022, a twinning arrangement for the EAM is planned to unblock the problematic situation. These considerations are reflected in Reform Measure 17 of the Montenegrin Government's Economic Reform Programme 2020-2022: Operational capacity-building at the Employment Agency of Montenegro (EAM) for the performance of services and measures through digitisation. The digitisation of the EAM based on the results of the revision of the processes should facilitate its work and improve the provision of tailor-made and targeted services.

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## Statistical annex – Montenegro

EU monitoring indicators	2015	2019	2020	2021	EU (2021b)
Share of early school leavers (% aged 18-24)	5.7	5	3.6	6.7	9.7
Women	6.6u	4.9u	m	8.7	12.6
Share of those aged 20-29 low-educated (ISCED 0-2)	7.0	4.1	4.1	3.4	14.8
Women	7.7	4.5	4.1	2.5	12.7
Share of those aged 20-24 who attained ISCED levels 3-8	93.4	95.2	96.1	97.2	84.6
Women	93.7	95.3	96.2	97.8	87.3
Share of those aged 25-34 high-educated (ISCED 5-8)	31.9	39.3	40.4	41.3	41.2
Women	36.3	42.2	45.0	46.3	46.8
Participation in formal education (% aged 15-29)	43.4	39.0	42.2	45.7	39.5
Women	43.9	43.6	45.7	49.8	41.1
Participation in formal education and work (% aged 15-29)	5.2	5.0	2.6	8.8	15.2
Women	5.2	6.2	2.6	7.9	15.7
Not in employment/education/training (NEETs) aged 15-29	23.4	21.3	26.6	26.5	13.1
Inactive	10.5	10.1	12.9	m	8.2
Unemployed	12.9	11.2	13.7	m	4.9
Men	22.8	21.0	26.2	24.6	11.8
Inactive	8.3	8.4	11.7	m	6.3
Unemployed	14.5	2.6	14.6	m	5.5
Women	24.1	21.5	26.9	28.3	14.5
Inactive	12.8	12.0	14.2	m	10.2
Unemployed	11.3	9.6	12.7	m	4.3
Youth employment rate (% aged 15-24)	18.8	27.3	19.8	18.7	32.7
Women	17.7	23.5	15.0	16.4	30.3
Employment rate of tertiary graduates aged 20-34	61.3	65.4	54.1	60.7	79.6
Employment rate of ISCED 3-4 VET graduates aged 20-34	48.9	58.5	51.0	m	76.4
Employment rate (% aged 20-64)	56.7	60.8	55.2	54.2	73.1
Women	51.6	54.2	48.8	48.7	67.7

Youth unemployment rate (% aged 15-24)	37.6	25.2	36.0	37.1	16.6
Women	34.5	24.3	39.7	32.7	16.7
Unemployment rate (% aged 15+)	17.6	15.2	17.9	16.6	7.0
Women	17.3	15.7	18.4	15.9	7.4
Lifelong learning during past 4 weeks (% aged 25-64)	3.0	2.5	2.7	5.2	10.8
Low-educated (ISCED 0-2)	m	m	m	m	4.3
Unemployed	m	m	m	m	12.7

Sources: Monstat, Eurostat

# KEY DONOR PROJECTS IN EDUCATION, TRAINING AND EMPLOYMENT

## Donor support to education and VET for young people and adults

The EU continues to be the major donor to Montenegro. Montenegro has submitted a revisited strategic response for 2021-2027 in view of future assistance from the EC. In 2022, one priority of the IPA II support has been to prepare a twinning agreement for the employment office and on developing active labour market measures, including the Youth Guarantee Programme. The IPA II education and labour market component of SOPES (2015-2017) is in its final stages. The IPA III planning continues, albeit with a focus on energy in 2023 and on education and training only in 2024. The education sector review, with the support of UNICEF was released in November 2022 and is expected to inform the IPA III/2024 education strategy programming.

The ERASMUS Plus programme is another important tool for supporting education and VET for young people in Montenegro, which is an associated country at this moment in time.

The German KfW Bank, through its Western Balkans Challenge Fund for VET, brings together companies and training providers for infrastructure and skills development in the countries in the region. Montenegro is an active player in this programme and the Chamber of the Economy is the lead partner of the initiative in the country.



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