

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT – ALBANIA 2023

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EXECUTIVE SUMMARY

In the year 2023, Albania has been actively engaged in addressing and recovering from significant challenges that emerged over recent years. These challenges include the aftermath of the 2019 earthquake, the impact of the 2020 pandemic and inflationary pressures resulting from Russia's invasion of Ukraine. These events have had profound effects on the Albanian economy, the labour market and the nation's capacity to fund its social initiatives, particularly within an under-funded education system with declining participation rates.

Despite these formidable obstacles, notable accomplishments have been achieved in 2023.

Building upon the successes of the previous national strategy, which encompassed a comprehensive renewal of the vocational education and training (VET) legal framework, the approval of the Albanian referencing report to the European Qualification Framework (EQF) and the establishment of two sector skills councils, Albania introduced the new National Employment and Skills Strategy (2023-2030) in response to the multifaceted impacts experienced. This strategy addresses infrastructure, digitalisation, environmental sustainability, VET quality, lifelong learning, work-based learning (WBL) and civil society engagement.

Additional developments include the reinforcement of public employment services with updated service guidelines and relevant training. Active labour market measures have been expanded and diversified to cater to the needs of hard-to-reach vulnerable groups and to support apprenticeship programmes.

With substantial donor support, the Ministry of Finance and relevant institutions have identified needs and formulated a National Implementation Plan for the Youth Guarantee. This initiative will undergo a pilot phase in three regions before being scaled up nationwide.

Albania's employment situation has seen improvements since the onset of the COVID-19 pandemic, although it has not fully returned to pre-pandemic levels. Key indicators have demonstrated progress, despite the challenges of lockdowns and sluggish employment growth. Notably, the NEET (not in education, employment or training) rates have gradually declined over seven consecutive years, indicating a positive trend in combating youth inactivity. Moreover, both the employment rate and average income have experienced modest increases.

Crucially, Albania is actively engaged in EU accession negotiations, with the opening of essential chapters related to human capital development, including Chapter 26 and Chapter 19. These negotiations have been accompanied by significant developments, such as minimum wage increases and substantial aid investment packages. Albania continues to maintain the highest level of public support among Western Balkan countries for EU accession.

1. KEY POLITICAL, DEMOGRAPHIC, ECONOMIC AND SOCIAL CHARACTERISTICS

Political developments

'The current Prime Minister, Edi Rama, regarded as pro-European by most observers, secured his third consecutive victory in the parliamentary elections held in April 2021. It is highly likely that he will continue to lead the government in this parliamentary democracy until 2025. Notably, he has skilfully established himself as a key negotiator in the Serbia-Kosovo disputes throughout 2023.

The Albanian government has been primarily focused on two major challenges: recovering from the November 2019 earthquake and addressing the impact of the COVID-19 pandemic while maintaining the momentum of ongoing reforms.

In 2014, Albania was granted official candidate status for accession to the European Union (EU), and formal accession talks began in March 2020. The first intergovernmental conference occurred in July 2022. In 2023, several bilateral meetings between the European Commission (EC) and Albania have been conducted to assess progress in aligning with the EU acquis.

An overwhelming 92 % of Albanians view EU membership as a positive development, with 85 % expressing the belief that their government should intensify efforts to strengthen relations with the EU. This level of support for EU integration consistently ranks among the highest in the region (RCC, 2023).'

Demographics

The demographic landscape of Albania reveals several concerning trends. The number of births in the country only marginally offsets the combined effects of mortality and emigration rates. Consequently, the population is undergoing rapid aging, and its overall growth rate has hovered around zero for the past two decades. As of 2023, Albania's estimated population stands at 2 771 785, reflecting a continued decline of approximately 1% compared to the previous year (INSTAT, 2023).

Depopulation has emerged as a pressing issue across most regions of Albania, while Tirana, the capital, experiences significant urbanisation. Approximately two thirds of the population resides in urban centres, with Tirana hosting one third of the total population. It is the sole prefecture in the country witnessing population growth (Betti et al., 2018; INSTAT, 2023).

In January 2023, the youth dependency ratio (ratio of the number of persons under working age 0-14 with the number of persons of working age 15 to 64) has decreased compared to January 2022: from 24.0 % to 23.8 %, while the old dependency ratio (ratio of the number of persons above the working age 65+ with the number of persons of working age 15 to 64) has increased: from 23.1 % to 24.4 % during the same period. (INSTAT, 2023).

Albania contends with a notably high level of emigration, ranking among the top countries worldwide in terms of emigration as a percentage of the current population. Although emigration witnessed a temporary dip during the COVID-19 pandemic, historical data reveals a consistent upward trajectory in emigration across diverse socioeconomic strata and educational backgrounds. Notably, the brain drain phenomenon, particularly among well-educated and highly skilled individuals in their twenties, predominantly targets destinations within the European Union and North America (ETF, 2021a). Recent surveys indicate that 49 % of respondents expressed a desire to leave the country (RCC, 2023).

One contributing factor to emigration is the perceived inadequacies of the Albanian education system. Many individuals seek opportunities abroad to access higher-quality education for themselves or their children. Consequently, Albania boasts a notable presence among Western Balkan countries regarding the number of students studying abroad. Interestingly, there has been a slight increase in the number of returning emigrants, amounting to 5.9 % from 2021 to 2022 (INSTAT, 2022).

Moreover, in the academic year 2022/23, formal education in Albania recorded a decline in enrolment, with 554 222 pupils and students, marking a 4.3 % decrease compared to the previous year and a more significant 13.5 % decrease compared to the 2018/19 school year. This decline across all education levels has far-reaching implications for educational institutions and workforce planning within the education sector (INSTAT, 2023).

Key economic developments

The European energy and food crisis stemming from Russia's war against Ukraine has added significant strain to the Albanian economy, primarily composed of micro-enterprises with fewer than 10 employees. In 2020, SMEs accounted for 99.8 % of all enterprises and employed 81.9 % of Albania's workforce, predominantly operating in trade, accommodation and food services – the sectors hardest hit by the pandemic. Global lockdowns also inflicted substantial losses on manufacturing and tourism. However, prompt and resolute government and central bank interventions mitigated pandemic-related adversities, maintaining macroeconomic and financial sector stability (OECD, 2022).

Albania's GDP exhibited a 4.8 % growth in 2022, attributed to robust consumer demand, increased tourism and heightened construction activities. Most recently, the GDP in the second quarter of 2023 has increased by 3.23 % compared with the second quarter of 2022. The three branches that gave the highest positive contribution are: construction (+1.43 pp), real estate (+0.72 pp), and public administration, education and health (+0.66 pp).

A survey (Williams, 2020) disclosed that 44.7 % of businesses reported competing with unregistered or informal counterparts. Another study revealed a notably high proportion of informal employment, constituting 56.7 % of total employment, with agriculture (63.9 %), wholesale & retail trade (12.6 %), and construction (7.6 %) being the most prevalent sectors in the informal economy (ILO 2020). INSTAT (2023) further documented that, in 2020, informal employment accounted for 34.1 % of employment in the non-agricultural sector. The incidence of vulnerable employment has increased in Albania from 48.2 % in 2021 to 49 % in 2022, a very worrying figure, as half of the employed population works in precarious and informal jobs.

Remittances sent to Albania in 2020, amounting to USD 1.4 billion, equated to 9.9 % of its GDP, an indicative figure consistent with multiple preceding years, including 2018 and 2019 (INSTAT 2023).

Key social issues

Despite favourable employment trends, labour markets in Albania are grappling with inherent structural difficulties. A deficiency in high-quality employment opportunities, along with elevated rates of youth and prolonged unemployment or inactivity, coupled with a substantial portion of vulnerable individuals remaining outside the workforce, exerts a considerable strain on citizens' mutual support capabilities and places significant stress on the social welfare system.

'Making ends meet' measures a household's ability to cope financially. Eurofund conducted a survey in 2021 and found that Albania has the highest rate in geographical Europe of citizens who claim to have 'difficulty making ends meet' at 69 %, which is more than twice the EU27 average (Eurofund 2022).

Similarly, also in 2021, the rate for people who are 'at risk of poverty' stood at 22 % (INSTAT 2023).

According to World Bank estimates, the 'national poverty rate' is 23.4 %, representing a continuous improvement from previous years (World Bank, 2022).

Inequality particularly affects the unemployed, low-skilled people, people in rural areas, vulnerable women, persons with disabilities, and Roma and Egyptian minorities. According to INSTAT, in 2022, almost 42 % of Albanians' income was spent on food, 10 % on housing, energy and water, and 7 % on furniture and clothing.

2. EDUCATION AND TRAINING

2.1 Trends and challenges

Albania, once among the lowest-performing countries in the Western Balkans, has undergone a remarkable transformation over the past two decades. It has made substantial strides in enhancing access to education and elevating learning outcomes. During this period, there has been an increase of 2.3 years in the average duration of schooling, and the expected duration of schooling has risen by 3.1 years. In 2021, Albania achieved a Human Development Index (HDI) of 0.796, classifying it as a country with high human development and placing it 67th out of 191 nations. Nevertheless, it remains the second lowest in Europe, above only Bosnia and Herzegovina. However, when accounting for inequality, Albania ascends to the 50th position (UNDP, 2022).

Significant developments in 2023 include the commencement of Chapter 26 in Albania's EU accession negotiations and a notable modification to the Law on Pre-University Education, poised for parliamentary approval, which extends compulsory education. In 2022, Albania introduced its new education policy, effective until 2026, with a focus on enhancing teacher development, fostering inclusivity and upgrading ICT infrastructure.

Over the past four years, Albania has undertaken institutional reforms and restructured key agencies responsible for educational support and external evaluation. These efforts aim to decentralise governance mechanisms and enhance service delivery. For instance, the Albanian Quality Assurance Agency (known as ASCAL) emerged from the restructuring of the Public Accreditation Agency for Higher Education (PAAHE). ASCAL is the sole institution in the higher education sector entrusted with monitoring and evaluating the quality of higher education.

Additional recent advancements encompass the gradual introduction of competency-based curricula across various subjects and grade levels in basic education, the establishment of teacher training standards, and the implementation of a school evaluation indicator framework.

Education strategy and legal framework for education

Recent initiatives have encompassed the formulation of the new National Education Strategy and Action Plan spanning from 2021 to 2026. Remarkably, this strategy now encompasses all educational stages, from preschool to higher education, marking a significant departure from previous approaches. The overarching vision centres on providing high-quality education grounded in inclusive principles and fostering lifelong learning, thereby facilitating individual potential development. This vision is underpinned by three overarching policy objectives, namely: increasing access to pre-school and ensuring compulsory education, improving quality assurance throughout educational levels, and achieving excellence in tertiary education.

The section dedicated to higher education within this strategy entails goals associated with the internationalisation of higher education, enhancing the quality of assessment frameworks for higher education programmes, advancing research infrastructure, and upgrading ICT infrastructure and services for public higher education institutions.

Furthermore, both initial and ongoing vocational education and training (VET) as well as adult learning initiatives fall within the purview of the National Employment and Skills Strategy, as detailed below.

Education expenditure

Government expenditure on education amounted to 3.95 % of GDP in 2020, which corresponds to 12.1 % of total government expenditure (World Bank World Development Indicators, last available year).

Access, participation and early school leaving

Despite long-term underinvestment in education and training, the last decade has witnessed significant improvements. Early school leaving halved from a total of 31.9 % in 2010 to 17.8 % of young men and 17.1 % of young women in 2021. Moreover, the rate of low educational attainment fell from 51.6 % in 2010 to 40.5 % in 2022.

In the academic year 2022/23, the total enrolment in formal education in Albania amounted to 554 222 pupils and students, continuing a downward trend in recent years due to demographic decline. To provide context, in the 2018/19 academic year, there were 641 161 students enrolled (INSTAT 2023).

Albania has consistently maintained strong access to primary education, with a net enrolment rate of 96 % in 2020. However, it's important to note that Roma children and children with disabilities do not have equitable access (Maghnouj et al., 2020). According to the Human Development Report, Albanian children entering school in 2019 can anticipate receiving an average of 14.7 years of education (UNDP, 2022).

The vocational education system in Albania is relatively modest and faces challenges in attracting female participants. Presently, initial vocational education programmes are available in 34 vocational schools, some of which are quite small, offering only a limited range of profiles and accommodating a small number of students. Additionally, there are 10 vocational training centres. In 2022, the net enrolment rate for secondary education (ISCED levels 2 and 3) was 87.1 %, with vocational education and training (VET) students (ISCED level 3) comprising 17.6 % of the total enrolment (INSTAT, 2023). This demonstrates a relatively small enrolment in vocational education programmes at the secondary level.

Turning to the subject of lifelong learning, the participation of adults in Albania remains minimal. According to INSTAT (2023), the rate of participation in formal and non-formal education and training among individuals aged 25 to 64 has consistently remained below 1 % for multiple years, registering at 0.7 % in 2022. This figure falls well below the EU27 average, underscoring the need for targeted interventions and measures to enhance adult education and training opportunities.

PISA results

Despite sustained improvements since 2009, Albanian continued to receive moderate scores in the last edition of the Programme for International Student Assessment (PISA) tests, in 2018. 50.3 % of 15-year-olds performed poorly in reading and 53.3 % performed poorly in mathematics. Albania has a higher proportion (29.7 %, OECD average: 13.4 %) of students who are unable to demonstrate basic proficiency (Level 2) in all three core domains of PISA (OECD, 2020). These results illustrate that education quality remains a challenge for the country. This is particularly true for schools in rural, mountainous and isolated areas, which struggle to attract well-qualified teachers.

Albania participated in PISA 2022¹. The PISA 2022 results were released on 5 December 2023 and are available at [Albania | Factsheets | OECD PISA 2022 results](#).

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

Increasing educational attainment does not provide full insulation for young people against labour market challenges. The latest available statistics reveal that the incidence of young individuals not engaged in employment, education or training (NEET), age group 15-29, remains persistently high in Albania, standing at 25.2 % in 2022 (INSTAT, 2022). This NEET category predominantly comprises inactive young people who are discouraged and uninterested in pursuing work. While there has been a notable decline from the figures in 2015 (32.8 %) and 2020 (27.9 %), the NEET rate continues to exhibit gender disparities, with a higher prevalence among woman. Moreover, an examination of the education profiles of NEET individuals indicates that those with low and medium educational attainment levels face nearly equal risks of unemployment or inactivity.

¹ [Albania | Factsheets | OECD PISA 2022 results](#)

In 2022, the proportion of NEETs among 15-29-year-olds was highest among secondary school graduates (39.2 %), followed by those with primary (33.7 %) and tertiary (27.3 %) levels of educational attainment. This underscores the necessity for a nuanced approach to policy measures, tailored to the unique expectations and employability levels of each NEET subgroup. Albania has adopted and is currently implementing the National Implementation Plan for the Youth Guarantee, bolstered by substantial EU IPA support.

However, a notable challenge lies in the fact that 10 % of young NEETs aged 15-29 (specifically 18 142 out of 175 209) were registered as jobseekers in the third quarter of 2021 (National Implementation Plan for the Youth Guarantee in Albania), potentially complicating the execution of the EU Youth Guarantee scheme.

2.2 Initial VET and adult learning

Strategic and legal framework for initial VET and adult learning

Over the past decade, significant strides have been made in Albania's VET system through the establishment of a comprehensive legislative framework. This framework has defined essential principles, system structures, roles and responsibilities of key stakeholders, and overarching standards for VET provision, assessment and certification. Notable legislative milestones include the amended Labour Code in 2015, the enactment of the Law on Craftsmanship in 2016, the introduction of a new VET Law in 2017, revisions to the Albanian Qualifications Framework (AQF) Law in 2018, amendments to the Law on Pre-University Education in 2018 and the implementation of the Employment Promotion Law in 2019. However, the remaining challenge lies in the full implementation and effectiveness of this legal framework.

The National Employment and Skills Strategy (NESS) 2014-2022 has been the cornerstone of Albania's strategic framework for skills development, employment services and active labour market policies (ALMPs). Aligned with relevant EU strategies, the NESS has been committed to promoting high-quality employment opportunities and skill development opportunities for all Albanian citizens across their lifetimes. This commitment is articulated through four pillars: (i) facilitating decent job opportunities through effective labour market policies, (ii) providing high-quality VET for young people and adults, (iii) promoting social inclusion and territorial cohesion, and (iv) reinforcing the governance of the labour market and qualification systems. Recent assessments have highlighted continuous advancements in the AQF and individual qualifications, the revision of framework curricula for VET, the organisation of basic pedagogical training for all VET teachers and instructors, and the development of flexible VET and job opportunities, including school- and work-based VET and ALMPs. Furthermore, the consolidation of the institutional framework in the employment and skills development sector represents a significant institutional achievement (Ministry of Finance and Economy – MoFE, 2022).

Throughout 2022, the Ministry of Finance and Economy (MoFE) diligently crafted the new NESS 2023-2030. A ministerial order was issued to establish a working group dedicated to this endeavour, leading to the formal submission of the new strategy to the Council of Ministers in November 2022, followed by its official launch in March 2023.

Similar in structure to its predecessor, the NESS 2023-2030 is founded on four strategic priorities: (i) ensuring the efficiency of institutions, complete enforcement and further consolidation of the legal framework, (ii) promoting effective engagement of the private sector in VET and employment and enhancing the responsiveness of VET institutions to labour market demands, (iii) ensuring high VET quality and employability rates, and (iv) implementing a comprehensive learning agenda across all age groups and environments. This agenda leverages the advantages of the digital era and supports the green transition, as well as addressing global development challenges. It is important to note that it is too early to provide a comprehensive report on its achievements.

Moreover, Albania remains steadfast in its commitment to achieving the objectives outlined in the EU Council Recommendation on VET from November 2020 and the Osnabruck Declaration. The country's

integrated monitoring efforts are guided by its National Implementation Plan, involving both the Directorate General for Vocational Training (DGVT) and the Albanian Council for Vocational Training (ACVT), with the first report scheduled for the end of 2023.

In June, Albania formally signed association agreements for the Digital Europe Programme, which will come into force upon the completion of related ratification processes. Once in effect, businesses and public administrations will gain access to the programme's calls, which boasts an overall budget of EUR 7.5 billion through 2027. Furthermore, Albania has endorsed the Western Balkans Declaration, emphasising the sustainable integration of young people into the labour market, and is dedicated to the gradual implementation of the EU Youth Guarantee scheme (details elaborated below).

VET governance and financing arrangements

The MoFE and its employment and VET Department holds responsibility for formulating strategies and policies, crafting legislation, managing funding, making appointments of directors and overseeing related matters. Meanwhile, the National Agency for Employment and Skills (NAES) assumes the day-to-day administrative duties of VET providers. Given Albania's size, no VET administrative structures exist at subnational levels.

The National Agency for VET and Qualifications (NAVETQ) plays a pivotal role in implementing the AQF. It manages the national catalogue of occupations, vocational qualifications, and associated standards and descriptions. Additionally, the NAVETQ devises framework curricula for all programmes within the formal vocational education system. The agency supports the development of courses in vocational training centres (VTCs), issues guidelines and instructions for skills assessments and certification, and oversees national activities concerning the continuous professional development of VET teachers and instructors.

The Agency for Quality Assurance in Pre-University Education (AQAPE) is responsible for national key competency frameworks, standards, curricula and teacher training pertaining to general subjects. It also manages State Matura exams, including those in upper secondary VET. Furthermore, the Educational Services Centre, established in accordance with Council of Ministers Decision No 371 dated 26 April 2017, administers the State Matura, develops national exams, including the State Exam for Regulated Professions, and maintains the state database.

Recent years have witnessed significant achievements, notably the establishment and full functioning of the NAES in June 2019, which expanded its staff from 36 to 90 employees at its head office. Similarly, the NAVETQ underwent a restructuring process, resulting in a new organisational structure with 30 staff (increased from 16), encompassing new functions related to the AQF, VTCs and teacher training. At the time of drafting, the NAVETQ employed 23 full-time staff.

The National Council of Vocational Education and Training (NCVET), established by the VET Law, serves as a tripartite advisory body with a key focus on VET system reform, fostering collaboration with businesses and enhancing their engagement in VET. Although not fully operational yet, the NAVETQ oversees the management of the Council and reports its activities to the MoFE.

Albania's social partners comprise the Chamber of Commerce and Industry (representing regional businesses), the National Chamber of Crafts (established in December 2017), employers' associations and trade unions. There are approximately 80 recognised trade unions in Albania, the government engages them in consultations on crucial strategic issues related to employment and VET. However, their involvement in VET remains limited due to a lack of clearly defined roles in legislation.

Integrated Policy Management Groups (IPMGs) have evolved into integrated sector management mechanisms, serving as high-level forums for policy dialogue and partnership. IPMGs and Sector Steering Committees (SSCs) have been established by the government within priority areas and sectors to move the country closer to accession. IPMGs focus on cooperation at the steering level in good governance and public administration; competitiveness and investment; employment and skills; and integrated land management. SSCs focus on cooperation at the steering level within sectors of special importance for reforms and inter-institutional coordination. They ensure leadership and

coordination in sectors of special importance, with participation from all key stakeholders, including the ETF.

The primary source of funding for public initial and continuing VET is the state budget. However, the Law 15/2017 on VET allows VET providers to access a broader array of financing sources, encompassing income generated by public VET providers (including revenues from training adults, except for unemployed jobseekers), donor contributions and sponsorships. The VET system faces underfunding, particularly in relation to teacher salaries, skill development needs, infrastructure improvements, funds for extracurricular activities, scholarships and dormitories. Innovative solutions are needed to explore additional funding sources beyond the state budget or donor interventions. Achieving equitable funding would be more feasible if the private sector were encouraged to invest in skills training, although this aspect is not explicitly addressed in current legislation.

Qualifications, validation and recognition

Albania adopted its national qualifications framework, the AQF, in 2010 and amended it in 2018 (AQF Law). Albania is a candidate country for EU accession and a member of the EQF Advisory Group. It referenced its AQF to the EQF and self-certified against the QF-EHEA in 2021. Thus, the AQF has reached the activation stage (ETF, 2023).

In February 2022, the Advisory Board of the European Qualifications Framework (EQF) approved Albania's report on referencing the AQF to the EQF and its self-referencing to the Qualifications Frameworks in the European Higher Education Area, which allows for certificates and diplomas awarded for AQF qualifications (obtained in VET, general secondary education or higher education) to be linked to the specific EQF level (MoFE, 2022).

Inspired by the EQF, the AQF consists of eight levels whose descriptors are written in learning outcomes organised in the three domains: knowledge, skills and competences. The eight levels include all types and levels of qualifications and certification and correspond to those of the EQF on a one-to-one basis.

Article 4 of the AQF Law stipulates that flexibility and consideration of lifelong learning in formal and non-formal contexts are some of the main principles of the AQF. Furthermore, in Article 5, the improvement of access to qualifications and assuring flexibility of routes to qualifications are listed among the objectives of the AQF.

The AQF is open to all types of qualifications. There are three main categories of qualifications identified in the AQF handbook and the 2018 AQF Law: (i) general and higher education qualifications; (ii) professional or VET qualifications; and (iii) Life Long Learning (LLL) qualifications catering to adults and people undertaking specialised courses for professional development. The term 'qualifications for LLL' in the AQF Law is used to distinguish between the formal qualifications that are regulated in the corresponding laws on higher education, general education and VET, and that are automatically included in the AQF on the one hand, and all other qualifications on the other hand.

The AQF Law stipulates that the AQF should facilitate the accumulation and transfer of credits. The European Credit Transfer and Accumulation System (ECTS) is operational only in higher education.

The AQF is seen as an enabler of LLL meaning that, in principle, all types of qualifications available in the country can be included in the AQF if they meet certain quality criteria. This involves structuring qualifications based on qualification standards and procedures that are regulated in DCM No 427 of 26 June 2019, which stipulates criteria and procedures to assign such qualifications to AQF levels. This regulation should open the way for applications for qualifications obtained outside the formal subsystems to be assigned to levels in the AQF (ETF, 2023). Thus, provisions are already made (through DCM No 427) in view of qualifications for LLL to be included in the AQF (these can be short courses for adults, special courses for continuous professional development or study programmes for continuous education provided by the higher education institutions) but the AQF is not yet fully operational, and the focus is currently on full implementation.

Quality and quality assurance

The VET system formally relies on a comprehensive quality assurance framework encompassing various facets, such as opening procedures and criteria for public VET providers, licensing procedures and criteria for private VET providers, self-assessment, accreditation, monitoring and inspection. A decision of the Council of Ministers issued in 2021 laid out new procedures and criteria for the inspection of both non-public and public VET providers. The ministry overseeing VET will be responsible for developing and approving detailed internal regulations governing VET inspections. An online platform has been instrumental in facilitating the self-assessment process of VET providers in 2023, serving as a cornerstone of their ongoing efforts to enhance institutional development and overall quality.

In 2020, NAVETQ devised an accreditation model for VET providers, which outlined roles and responsibilities of institutions, accreditation standards and procedures, and a roadmap to support the accreditation process rollout. After extensive consultations involving the MoFE and NAES, pre-university education institutions, social partners, and public and non-public VET providers, this model was officially adopted in 2021. Subsequently, NAVETQ developed a roadmap to guide the implementation process, which commenced with the capacity-building of 38 external evaluators and NAVETQ staff. Since then, six VET providers have received formal accreditation (MoFE, 2023).

In the realm of pre-university education, the Quality Assurance Agency of Pre-University Education (QAAPE) is responsible for guaranteeing and evaluating the performance of both public and private pre-university education systems. It also plays a key role in curriculum development, employee professional development and quality assurance for pre-university education, whether public or private.

Additional bodies involved in pre-university education include the Centre for School Leadership, tasked with supporting the professional development of in-service and aspiring principals and vice-principals in public or private pre-university educational institutions. The Centre for Education Services (CES) is responsible for the development, administration, and analysis of national and international test results. The National Council of Pre-University Education (NCPE) functions as an advisory body to the minister, focusing on the development policies of pre-university education. Similarly, the National Council of Parents operates as an advisory and independent body representing the interests of parents at the national level.

Significant efforts have been made to enhance the quality of non-formal training opportunities available to young people. The NGO RISI Albania collaborated with five private non-formal training providers, assisting them in diversifying their training portfolios to align with market needs and improve their training offerings. Furthermore, RISI Albania provided career orientation and intermediation services for graduates, resulting in a notable 52 % employment rate among those who benefited from these training programmes. Additionally, a pilot collaborative methodology between providers and companies was successfully tested in the cities of Elbasan, Durrës and Fier, with plans for institutionalisation supported by RISI. In the context of continuous professional development (CPD) for VET teachers in Albania, NAVETQ obtained the mandate and increased staff for this function, establishing a new unit. In 2021, a draft concept paper was developed to guide future institutional and legal changes and provide direction for technical support. CPD coordinators were appointed in each school development unit, and four soft skills training modules (covering communication, teamwork, positivity and integrity) were developed and tested, and are now available to all VET teachers.

Work-based learning arrangements

Following the Riga Summit², Albania took decisive action to implement WBL. The regulatory framework for establishing WBL is in the Law on Vocational Education adopted in 2017. This was followed in 2020 by Ministerial Order No 220, which regulates: (i) responsibilities of central institutions, social partners, public VET providers and businesses engaged in the implementation of company-based vocational practice; (ii) procedures and tools for planning, developing and implementing vocational practices in businesses; and (iii) quality assurance aspects to ensure the achievement of learning outcomes of VET qualifications.

WBL is included in the vocational education programmes (NQF 2, 3 and 4 / EQF 2, 3 and 4). For each vocational qualification, an education programme is developed, consisting of theoretical and practical parts. The programme may be implemented entirely in the school (school-based learning), including the practical part, or by combining school-based learning with learning at the employer (work-based learning). The practical part is integrated in the organisational and business schemes of employers during the academic year. The share of WBL in the total number of lessons in Albania is 45-50 % for two-year programmes, 50 % for three-year programmes and 20 % for four-year programmes (ETF, 2022).

In recent years, it has become increasingly common for VET students to pursue their vocational practice in the workplace from the first year. Students typically rotate between different employers. However, businesses offer internship places to an insufficient number of students, which is why WBL has not been made compulsory in initial VET. When VET schools are unable to find suitable companies, vocational practice may take place in the VET schools' own workshops.

In Albania, each provider forms a special development unit, which is responsible for the connections with the employer and the placement of students at the employer. The coordinator for business relations must identify and contact employers and place students in companies. School-business coordinators are in charge of establishing links with companies and other partners. The NAVETQ, with support from the regional Austrian-funded 'School Meets Business' project, has developed a course and trained 21 coordinators since 2019. It also organised regional round tables for school and business representatives to introduce the regulation and its implications and to improve mutual understanding among schools and companies.

Digital education and skills

The digital skills indicator serves as a crucial tool for monitoring the EU's Digital Decade target, aiming to ensure that at least 80 % of adults in EU countries possess at least basic digital skills by 2030. As at 2021, this indicator has categorised digital skills into six levels: none, limited, narrow, low, basic and above basic. In Albania, the data for 2021 reveals that 24 % of adults have at least basic digital skills. Although this percentage is the lowest in Europe for that year, it is noteworthy that this rate is relatively consistent between men and women, indicating a unique aspect of digital skill distribution (UNESCO, 2023).

Furthermore, in 2020, the availability of computers in schools for 15-year-old students was just slightly above 0.2 per student, making it one of the lowest rates in Europe, above only Montenegro (UNESCO, 2023).

Albania's internet penetration rate in 2020 stood at 91 % (Eurostat). However, the country is grappling with a significant urban-rural divide in broadband coverage and underdeveloped digital infrastructure, posing challenges to fully harnessing the benefits of digitalisation. According to ITU data from the

² At the Riga Summit in June 2015, EU Member States, EU Candidate Countries, the European Social Partners and the European Commission committed to a set of medium-term deliverables (MTD) between 2015 and 2020. The first of these commitments centred on work-based learning in Vocational Education and Training (VET), which highlights the importance of apprenticeships.

same year, 72.2 % of the population in Albania used the Internet, considerably lower than the European regional average of 84.9 %. Nevertheless, there has been a steady increase in the number of Internet users year on year. Based on the 2021 Survey on Information and Communication Technologies in Households and by Individuals, 79.3 % of the population aged 16-74 use the internet, with 91.7 % using it on a daily basis.

In 2021, Albania witnessed an overall increase in technological and computer skills, with the most significant growth recorded in skills related to 'software/application installation' and 'materials transfer'. The former saw an 8.6 percentage point increase, while the latter increased by approximately 6 percentage points (INSTAT, 2021). Additionally, Albania has the highest per capita number of workers using online platforms such as freelancers.com or upwork.com among its regional neighbours (ETF, 2022).

Several national policies explicitly emphasise the development of digital skills, including the Digital Agenda of Albania, ICT Priorities 2022-2026, the National Employment and Skills Strategy 2023-2030 and the National Education Strategy 2021-2026. Albania also aligns with the Digital Agenda for the Western Balkans, an EU-funded initiative aiming to enhance digitisation in the learning process, which encompasses upgrading digital school infrastructure, providing high-speed internet access for schools, and establishing digital communication channels between schools and regional education units, among other initiatives.

According to the 2022-2025 Digital Agenda Strategy, ICT and coding knowledge have been integrated into the curriculum starting from the 2022 school year. The new ICT programme for first graders was drafted and approved by the Ministry of Education, and two manuals were developed to support teachers and students at this level. In the 2022-2023 school year, the implementation of the ICT subject commenced from the first grade in 100 pilot schools across 34 cities, benefiting 7 079 students.

In tertiary education for the academic year 2022-23, out of 121 352 enrolled students, 9 297 opted for courses related to ICT, marking a consistent increase over several years (INSTAT, 2023).

The ICT sector in Albania is known for its well-compensated professions, making it a focal point in the country's employment market. Students pursuing ICT-related fields are highly sought after, and many secure employment opportunities during their undergraduate studies

Statistics on education and training

The National Statistics Office (referred to as INSTAT) regularly publishes quality data on all dimensions of societal development, including education and employment. The institution has regular professional exchanges with ETF through events and data collection initiatives.

3. LABOUR MARKET AND EMPLOYMENT

3.1 Trends and challenges

Labour market characteristics

In 2022, the labour force participation rate for individuals aged 15 and 64 was 73.2 %, with a notable disparity between the rate of 80 % for man and 66.7 % for woman.

Among the same population group in 2022, the employment rate reached 65 %, with rates of 71.3 % for men and 58.9 % for women. The unemployment rate was 11.3 % – 10.9 % for men and 11.7 % for women. Additionally, 26.8 % of individuals in this age group were classified as economically inactive, a rate of 33.3 % for men and 20.0 % for women.

These statistics reflect a consistent upward trend, particularly in 2022, in the employment rate and labour force participation, albeit remaining below the EU27 averages, primarily due to significantly lower female and youth participation rates.

In the first quarter of 2023, the average monthly gross wage for employees in Albania was ALL 64 706, which is approximately EUR 600, marking a 10 % increase from the previous year (INSTAT, 2023).

In 2022, NAES registered a total of 39 815 vacancies, the biggest number being reported in (i) the manufacturing industry, (ii) wholesale and retail trade, repair of motor vehicles and motorcycles, and (iii) accommodation and food services. By major occupational groups, the largest demand is for craft and related trades workers (ISCO group 7), elementary occupations (ISCO group 9) and plant and machine operators, and assemblers (ISCO group 8).

Statistics on and labour market and employment

INSTAT now carries out labour force surveys in line with Eurostat methodologies and publishes results quarterly and annually. The NAES maintains a labour market information system. As part of the National Employment and Skills Strategy, the NAES is planning to establish a sophisticated unified VET information system. Additionally, the Centre for Education Services has initiated work to establish an integrated information system for the entire pre-university education system. In 2020, the NAES conducted a first analysis of the VET Management Information System (VET MIS) and found that, problematically, most of the data and information at the provider level is collected and processed manually.

3.2 Employment policy and institutional settings

Strategy and legal framework in the employment policy field

Albania is currently in a transitional policy year. The previous Employment and Skills Strategy, in effect from 2018 to 2023, underwent a comprehensive assessment that resulted in numerous recommendations for addressing the ongoing needs of the labour market and skill development systems. Building upon this evaluation, the government spearheaded the formulation of a new National Employment and Skills Strategy, officially approved in March 2023, and slated to run until 2030. This strategy will serve as the primary strategic planning framework for the employment and skills sector, with all support programmes aligning with its objectives. It will undergo regular monitoring and receive periodic updates to ensure its effectiveness.

The key measures outlined in this strategy encompass the following:

- enhancing the relevance, flexibility and evidence-based nature of the VET offerings while ensuring continuity;

- strengthening the quality assurance mechanisms of the VET system;
- systematic involvement of the private sector in VET governance and provision;
- promoting inclusive lifelong learning opportunities;
- recognising and validating prior non-formal and informal learning experiences;
- advancing the digital transformation of employment services and the VET system;
- establishing a skills intelligence system to inform decision-making;
- expanding services for employers and jobseekers to foster better matches in the labour market;
- facilitating labour force mobility to align the workforce with labour market needs;
- delivering training and employment promotion programmes targeting skills development;
- supporting the inclusive school-to-work transition for NEET (not in education, employment or training) individuals through the Youth Guarantee scheme;
- enhancing the integration of persons with disabilities into the labour force by focusing on skills development;
- promoting women's participation in the labour market to achieve greater gender balance;
- strengthening labour inspection mechanisms to ensure compliance with labour standards;
- fostering social dialogue to involve stakeholders in policy discussions;
- improving policies to promote decent employment for all.

In essence, the overarching goal of this strategy is to revamp existing programmes, reorienting them to provide swift, effective and short-term training solutions that respond to the urgent demand for new skills and the upskilling of the current workforce. This transformation necessitates a shift towards a demand-driven system.

Significant achievements in modernising employment services, as outlined in the previous strategy (NESS 2023), include:

- development of service manuals detailing services, standards and tools for employment offices;
- reorganisation of all employment offices according to the national service model, which maintains uniform standards and instruments;
- training of management staff in the implementation of individual employment plans for special groups;
- establishment of an integrated ICT system for use by all employment offices, incorporating a performance evaluation module with indicators at all levels (MoFE, 2022).

Since 2022, the implementation of the EU Youth Guarantee scheme has been a central topic of policy discussions involving various state institutions and the EU. With EU-funded technical support, Albania conducted a comprehensive mapping of NEETs and reviewed the existing legal framework. A multi-stakeholder group and a technical expert team were assembled to craft the Youth Guarantee Implementation Plan, which was finalised during the summer of 2023 and is scheduled for pilot implementation in the upcoming months.

Initiatives to boost employment

The implementation of active labour market programmes (ALMPs) underwent a comprehensive reform in 2019 and 2020, with a primary focus on addressing the specific needs of the NAES client base and enhancing the implementation procedures. This reform sought to create a service portfolio rooted in a balanced approach that caters to both demand and supply aspects, while also recognising and nurturing the potential of diverse groups of jobseekers through personalised action plans and

mediation measures. The full-scale execution of the reformed ALMPs commenced in 2021, with ongoing expansion efforts in 2022 and 2023.

As part of NAES's overarching strategy to bolster employment, there has been a concerted effort to broaden the scope and reach of ALMPs. These endeavours encompass a range of measures summarised as follows:

- conducting an analysis of the needs of special groups within the jobseeker population;
- reviewing the legal and regulatory framework governing ALMPs to diversify programme offerings;
- designing and launching a self-employment programme;
- rolling out specialised ALMPs aimed at addressing the needs of NEETs ;
- developing and approving a National Implementation Plan for the Youth Guarantee As regards registered unemployment³, in 2022, the number of registered unemployed was 76 879, a lower value compared to previous years, with around 17 000 being under the age of 29. Over the years, a slightly higher number of women have been registered as unemployed (40 620 of females versus 36 259 males in 2022). A significant proportion is represented by job seekers with low levels of educational attainment (over 42,000), followed by those with medium-level qualifications (almost 28,000). Less than 10 % of registered unemployed hold a tertiary-level diploma.

In 2022, NAES provided job-matching services to 12 363 registered unemployed, a considerably higher number than in 2021. As per NAES procedures, all registered unemployed receive counselling services. Therefore, in 2022 and in the years before, all registered unemployed received information and counselling services.

The main labour market measures implemented by NAES are training, direct job creation and employment promotion. The number of trainees has grown since 2020, reaching 14 917 in 2022. The NAES Vocational Training Program is implemented through the regional directorates of public vocational training providers. They offer various professional training courses (training, retraining, and professional retraining) to help individuals obtain professional qualifications in line with labour market demand. In general, more males participate in training, but in 2022 the difference was small: 8 154 males vs 6 763 females. Young and adult jobseekers hold equal shares among participants in (re)training. By educational attainment, the overall trend in 2022 shows that the largest group of beneficiaries is the unemployed with medium-level education (9 077), followed by persons with low education attainment (3 185) and the smallest share goes to those with tertiary education (2 655).

The Start Smart initiative was used by only 88 people in 2022, compared to 1 503 in 2021. It is a measure that has been available since 2019, when NAES, with the support of GIZ, started to implement the Start Smart package in all vocational training centres to develop soft skills of unemployed job seekers, which are expected to influence the development of employability skills.

Direct job creation has seen a big leap forward with 12 363 participants in 2022, compared to 7 649 in 2021.

In 2022, 4 344 jobseekers benefited from Employment Promotion Programs (EPPs), facilitated through partnerships with 1 278 private sector companies and non-profit organisations. Notably, 53 % of the beneficiaries were women, with 47 % being youth, comprising women and men.

Furthermore, in 2022, the distribution of the number of beneficiaries across various programmes achieved greater balance, with increased participation of jobseekers in the Community Employment Program, as detailed in the next table.

³ The remainder of this section is based on data and information communicated by NAES to ETF as part of ETF ALMPs data collection (wave 2023)

Table: EPP beneficiaries by programme type

Type of Programmes	No of partner companies	No of beneficiaries	% of beneficiaries
Wage subsidy programme	266	523	12.0 %
On-the-job training programme	150	338	7.8 %
Internship programme	229	929	21.4 %
4-month employment programme	9	20	0.4 %
8-month employment programme	106	515	11.8 %
12-month employment programme for informal workers	163	466	10.8 %
Programme for community employment	69	1 267	29.2 %
Self-employment programme	286	286	6.6 %
Total	1 278	4 344	100 %

Source: NAES, 2023

Initiatives to increase the capacity of the public employment services

One of the central objectives of the previous strategy, NESS 2022, was the modernisation of public employment services. In 2022, a comprehensive reorganisation of all employment offices was executed, aligning them with the National Services Model, ensuring uniformity in standards and service delivery across the board. A service manual was developed, detailing the services provided, the associated standards and the tools used by employment offices.

In 2022, the total expenditure of NAES was ALL 2 003 450 542, which is slightly less than the previous year. Nevertheless, expenditure on labour market policies amounted to ALL 769 159 561, a strong increase compared to 2020 (only ALL 306 563 649), with both sub-categories of spending – employment and training measures – registering higher values.

To equip employment office staff with the necessary skills and knowledge to implement the service manual effectively, a total of 643 training sessions were conducted. These training sessions covered various aspects, including counselling and individualised in-depth employment plans. Furthermore, in collaboration with partners, NAES organised an additional 360 training sessions addressing topics such as migration services, service quality development and counselling.

As part of the modernisation efforts, periodic employability plans were drafted and implemented in accordance with predefined tiers. Managerial staff received training to ensure the successful execution of the employability plans for special groups. The quality of services provided by each office was rigorously assessed and monitored.

To enhance the physical infrastructure of public employment services offices and promote the integration of technology into employment programmes, NAES initiated improvements across all offices. An integrated ICT system was designed and introduced, supported by staff training throughout the network of employment services. Furthermore, a call centre was established to enhance communication and outreach. Additional initiatives, including an interactive digital map of job vacancies and a revamped website, were planned, although they remained incomplete at the time of drafting.

In a concerted effort to ensure equitable services for individuals from disadvantaged categories, mainly persons with disabilities (PWDs), NAES invested in improving Employment Office No 2. This office was transformed into a more accessible, comfortable, and inclusive space, equipped with adapted technological devices that facilitate job seekers' access to essential services and vocational

training. This initiative seeks to empower PWDs and promote inclusivity in the workforce by ensuring equal opportunities in accessing crucial resources and support.

To further support employment offices, NAES provided essential equipment, including computers, printers, laptops, scanners and tablet devices, to enhance efficiency and fieldwork capabilities. These investments were made possible through cooperation with development partners and state budget allocations.

Based on a training needs analysis conducted by the IPA Technical Assistance "Support to the Reform of Employment and VET Policies" (SREPVET), NAES implemented various training initiatives in 2022. These training packages covered areas such as job seeker services, employer support and management skills.

With the aim of enhancing institutional visibility and maintaining a consistent image, NAES undertook a national branding campaign by introducing a new logo in all employment offices.

To ensure the quality of services provided, NAES conducted a satisfaction and public perception survey in 2022. The survey, based on a representative sample, encompassed core pillars, including the professionalism of employment office staff, office infrastructure and the quality of services. An impressive 92 % of jobseekers interviewed expressed positive assessments of the behaviour and professional skills of employment counsellors, underscoring the positive impact of the modernisation efforts.

As regards performance in job placement, the transition rates from unemployment to employment have been improving since 2020 (27.9 %) reaching 34.9 % in 2022, still below the pre-Covid level of 42.8 % (2019). In 2022, the transition rate of females was lower than males (32.1 % vs 38 %), while the percent was higher for young unemployed people (47.8 %) compared to adults (31 %). By level of educational attainment, the highest probability to transition to employment is among jobseekers with tertiary education attainment (64.9 %) and the lowest is among jobseekers with low educational attainment (26.7 %). This is a trend consistent over the years (NAES statistics, 2023).

An important challenge ahead for NAES and other partners and stakeholders is piloting and mainstreaming the Youth Guarantee scheme in Albania, which will require significant expansion of delivery capacities, outreach and counselling of NEETs, and strong monitoring and evaluation practices.

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ALBANIA: STATISTICAL ANNEX

The Annex includes annual data from 2010, 2015, 2019, 2020, 2021 and 2022 or the last available year.

	Indicator	2010	2015	2019	2020	2021	2022	
1	Total population (' 000) ⁽¹⁾	2913.0	2880.7	2854.2	2837.8	2811.7	2775.6	
2	Relative size of youth population (age group 15-24 and denominator age 15-64, %) ^{(1) C}	27.3	25.2	22.2	21.5	20.7	20.1	
3	GDP growth rate (%)	3.7	2.2	2.1	-3.3	8.9	4.8	
4	Gross value added by sector (%)	Agriculture	18.0	19.8	18.4	19.2	18.4	18.6
		Industry	24.9	21.8	20.6	20.1	20.7	21.4
		Services	44.0	46.3	48.4	48.3	47.9	47.3
5	Public expenditure on education (as % of GDP)	3.4	3.4	3.9	3.1	M.D.	M.D.	
6	Public expenditure on education (as % of total public expenditure)	11.5	11.2	13.4	12.1	M.D.	M.D.	
7	Adult literacy (%) ^C	96.8 ⁽⁶⁾	M.D.	98.1 ⁽⁷⁾	M.D.	98.4	M.D.	
8	Educational attainment of total population (aged 15+) (%)	Low ⁽²⁾	57.8	51.4	48.2	48.1	48.4	47.2
		Medium ⁽³⁾	33.3	34.4	34.8	34.4	34.1	33.9
		High ⁽⁴⁾	8.9	14.2	17.0	17.6	17.5	19.0
9	Early leavers from education and training (aged 18-24) (%)	Total	31.9	21.3	16.3	15.6	16.8	15.5
		Male	31.0	22.9	17.5	15.7	17.1	16.3
		Female	33.0	19.6	15.1	15.5	16.6	14.7
10	NET enrolment rates in secondary education (ISCED level 2-3) (%)	M.D.	87.4	85.7	85.2	87.1	M.D.	
11	Share of VET students in upper secondary education (ISCED level 3) (%)	14.2	16.3	18.2	18.0	17.6	M.D.	
12	Low achievement in reading, mathematics and science – PISA (%)	Reading	56.7 ⁽⁵⁾	50.3	52.2 ⁽⁷⁾	N.A.	N.A.	N.A.
		Mathematics	67.7 ⁽⁵⁾	53.3	42.4 ⁽⁷⁾	N.A.	N.A.	N.A.
		Science	57.3 ⁽⁵⁾	41.7	47.0 ⁽⁷⁾	N.A.	N.A.	N.A.
13	Activity rate (aged 15+) (%)	Total	55.2	55.7	60.4	59.5	59.8	62.4
		Male	64.0	64.3	68.0	66.9	67.2	68.4
		Female	46.9	47.2	53.0	52.3	52.6	56.5
	Inactivity rate (aged 15+) (%)	Total	44.8	44.3	39.6	40.5	40.2	37.6

	Indicator		2010	2015	2019	2020	2021	2022
14		Male	36.0	35.7	32.0	33.1	32.8	31.6
		Female	53.1	52.8	47.0	47.7	47.4	43.5
15	Employment rate (aged 15+) (%)	Total	47.5	46.2	53.4	52.5	52.9	55.5
		Male	55.9	53.3	60.1	59.2	59.5	61.2
		Female	39.5	39.2	46.9	46.1	46.4	50.1
16	Employment rate by educational attainment (aged 15+) (%)	Low ⁽²⁾	43.0	41.4	48.6	46.3	45.9	48.3
		Medium ⁽³⁾	50.1	47.9	53.7	54.0	54.9	57.9
		High ⁽⁴⁾	66.9	59.2	66.4	66.6	68.0	69.4
17	Employment by sector (%)	Agriculture	42.1	41.3	36.4	36.1	33.8	33.9
		Industry	20.6	18.6	20.1	18.2	19.3	21.9
		Services	37.3	39.9	43.5	45.7	46.9	44.2
18	Incidence of self-employment (%)		56.7	59.0	54.3	53.9	52.1 ^c	53.0
19	Incidence of vulnerable employment (%)		55.1	56.6	51.2	50.4	48.2	49.0
20	Unemployment rate (aged 15+) (%)	Total	14.0	17.1	11.5	11.7	11.5	10.9
		Male	12.6	17.1	11.6	11.5	11.3	10.6
		Female	15.9	17.1	11.4	11.9	11.8	11.4
21	Unemployment rate by educational attainment (aged 15+) (%)	Low ⁽²⁾	12.9	13.4	8.7	9.5	10.6	9.9
		Medium ⁽³⁾	15.7	20.4	14.4	13.6	13.2	12.4
		High ⁽⁴⁾	13.7	19.4	12.3	12.6	10.5	10.5
22	Unemployment rate (aged 15-24) (%)	Total	30.5	39.8	27.2	26.5	27.1	24.9
		Male	29.6	39.2	27.8	27.0	25.5	24.1
		Female	31.7	40.8	26.3	25.9	29.2	25.9
23	Proportion of people aged 15-24 not in employment, education or training (NEETs) (%)	Total	29.3	29.6	25.5	26.6	24.1	23.3
		Male	25.4	28.2	25.8	27.1	22.2	21.4
		Female	33.2	31.1	25.3	26.2	26.0	25.2
	Proportion of people aged 15-29 not in employment, education or training (NEETs) (%)	Total	31.4	32.8	26.6	27.9	26.2	25.2
		Male	25.6	29.4	24.3	25.8	23.2	22.6
		Female	36.9	36.6	28.9	30.0	29.1	27.8
		Total	2.1	1.0	0.8	0.8	0.8	0.7

	Indicator		2010	2015	2019	2020	2021	2022
24	Participation in training/lifelong learning (% aged 25-64)	Male	2.1	1.0	1.0	0.6	0.8	0.6
		Female	2.2	1.1	0.7	0.7	0.8	0.6
25	Human Development Index		0.754	0.795	0.810	0.794	0.796	M.D.

Last update: 07/09/2023

Sources:

Indicators 1, 2, 3, 4, 5, 6, 7: The World Bank, World Development Indicators database

Indicators 7,10, 11: UNESCO, Institute for Statistics

Indicators 8, 9, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24: INSTAT, LFS

Indicator 12: OECD PISA 2018 Results (Volume I) Annex B1

Indicator 25: UNDP

Notes:

(1) Estimation.

(2) Low – ISCED 0-2

(3) Medium – ISCED 3-4

(4) High – ISCED 5-8

(5) Applies to 2009

(6) Applies to 2011

(7) Applies to 2018

Legend:

C = ETF calculations

N.A. = Not Applicable

M.D. = Missing Data

Annex: definitions of Indicators

	Description	Definition
1	Total population (' 000)	The total population is estimated as the number of people having their usual residence in a country on 1 January of the respective year. When information on the usually resident population is not available, countries may report legal or registered residents.
2	Relative size of youth population (age group 15–24) (%)	This is the ratio of the youth population (aged 15–24) to the working-age population, usually aged 15–64 (or 15–74 or 15+).
3	GDP growth rate (%)	Annual percentage growth rate of GDP at market prices based on constant local currency. Aggregates are based on constant 2010 U.S. dollars. GDP is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for depreciation of fabricated assets or for depletion and degradation of natural resources.
4	Gross value added by sector (%)	The share of value added from Agriculture, Industry and Services. Agriculture corresponds to ISIC divisions 1–5 and includes forestry, hunting, and fishing, as well as cultivation of crops and livestock production. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs. It is calculated without making deductions for depreciation of fabricated assets or depletion and degradation of natural resources. The origin of value added is determined by the International Standard Industrial Classification (ISIC), revision 3 or 4. Industry corresponds to the International Standard Industrial Classification (ISIC) tabulation categories C-F (revision 3) or tabulation categories B-F (revision 4), and includes mining and quarrying (including oil production), manufacturing, construction, and public utilities (electricity, gas, and water). Services correspond to ISIC divisions 50-99 and they include value added in wholesale and retail trade (including hotels and restaurants), transport, and government, financial, professional, and personal services such as education, health care, and real estate services. Also included are imputed bank service charges, import duties, and any statistical discrepancies noted by national compilers as well as discrepancies arising from rescaling.
5	Public expenditure on education (as % of GDP)	Public expenditure on education expressed as a percentage of GDP. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit organisations (transfer to private households and enterprises). Both types of transactions together are reported as total public expenditure on education.
6	Public expenditure on education (as % of total public expenditure)	Public expenditure on education expressed as a percentage of total public expenditure. Generally, the public sector funds education either by directly bearing the current and capital expenses of educational institutions, or by supporting students and their families with scholarships and public loans as well as by transferring public subsidies for educational activities to private firms or non-profit organisations (transfer to private households and enterprises). Both types of transactions together are reported as total public expenditure on education.
7	Adult literacy (%)	Adult literacy is the percentage of the population aged 15 years and over who can both read and write a short simple statement on his/her everyday life, and understand it. Generally, 'literacy' also encompasses 'numeracy' – the ability to make simple arithmetic calculations.
8	Educational attainment of total population (aged 15+) (%)	Educational attainment refers to the highest educational level achieved by individuals expressed as a percentage of all persons in that age group.

	Description	Definition
		This is usually measured in terms of the highest educational programme successfully completed, which is typically certified by a recognised qualification. Recognised intermediate qualifications are classified at a lower level than the programme itself.
9	Early leavers from education and training (aged 18-24) (%)	Early leavers from education and training are defined as the percentage of the population aged 18–24 with at most lower secondary education who were not in further education or training during the four weeks preceding the survey. Lower secondary education refers to ISCED 1997 levels 0–2 and 3C short (i.e. programmes lasting under two years) for data up to 2013 and to ISCED 2011 levels 0–2 for data from 2014 onwards.
10	NET enrolment rates in secondary education (ISCED level 2-3) (%)	This indicator covers the enrolments in a given level of education of children/youths belonging to the official age group corresponding to the given level of education.
11	Share of VET students in upper secondary education (ISCED level 3) (%)	Total number of students enrolled in vocational programmes at a given level of education (in this case, upper secondary), expressed as a percentage of the total number of students enrolled in all programmes (vocational and general) at that level.
12	Low achievement in reading, maths and science – PISA (%)	Low achievers are the 15-year-olds who are failing to reach level 2 on the PISA scale for reading, mathematics and science.
13	Activity rate (aged 15+) (%)	The activity rate is calculated by dividing the active population by the population of the same age group. The active population (also called 'labour force') is defined as the sum of employed and unemployed people. The inactive population consists of all people who are classified as neither employed nor unemployed.
14	Inactivity rate (aged 15+) (%)	The inactivity/out of the labour force rate is calculated by dividing the inactive population by the population of the same age group. The inactive population consists of all people who are classified as neither employed nor unemployed.
15	Employment rate (aged 15+) (%)	The employment rate is calculated by dividing the number of employed people by the population of the same age group. Employed people are all people who worked at least one hour for pay or profit during the reference period or were temporarily absent from such work. If a different age group is used, this should be indicated.
16	Employment rate by educational attainment (aged 15+) (%)	The employment rate is calculated by dividing the number of employed persons by the population of the same age group. Employed persons are all persons who worked at least one hour for pay or profit during the reference period or were temporarily absent from such work. If a different age group is used, this should be indicated. Educational levels refer to the highest educational level successfully completed. Three levels are considered: Low (ISCED level 0–2), Medium (ISCED level 3–4) and High (ISCED 1997 level 5–6, and ISCED 2011 level 5–8).
17	Employment by sector (%)	This indicator provides information on the relative importance of different economic activities with regard to employment. Data are presented by broad branches of economic activity (i.e. Agriculture/Industry/Services) based on the International Standard Industrial Classification of All Economic Activities (ISIC). In Europe, the NACE classification is consistent with ISIC.
18	Incidence of self-employment (%)	The incidence of self-employment is expressed by the self-employed (i.e. employers + own-account workers + contributing family workers) as a proportion of the total employed.
19	Incidence of vulnerable employment (%)	The incidence of vulnerable employment is expressed by the own-account workers and contributing family workers as a proportion of the total employed.
20	Unemployment rate (aged 15+) (%)	The unemployment rate represents unemployed people as a percentage of the labour force. The labour force is the total number of people who are employed or

	Description	Definition
		unemployed. Unemployed people comprise those aged 15–64 or 15+ who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work, i.e. had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months).
21	Unemployment rate by educational attainment (aged 15+) (%)	The unemployment rate represents unemployed people as a percentage of the labour force. The labour force is the total number of people who are employed or unemployed. Unemployed people comprise those aged 15–64 or 15+ who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work (had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months)). Educational levels refer to the highest educational level successfully completed. Three levels are considered: low (ISCED level 0–2), medium (ISCED level 3–4) and high (ISCED 1997 level 5–6, and ISCED 2011 level 5–8).
22	Unemployment rate (aged 15-24) (%)	The unemployment rate represents unemployed people as a percentage of the labour force. The labour force is the total number of people who are employed or unemployed. Unemployed people comprise those aged 15–24 who were without work during the reference week; are currently available for work (were available for paid employment or self-employment before the end of the two weeks following the reference week); are actively seeking work, i.e. had taken specific steps in the four-week period ending with the reference week to seek paid employment or self-employment, or had found a job to start later (within a period of, at most, three months).
23	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)	The indicator provides information on young people aged 15–24 who meet the following two conditions: first, they are not employed (i.e. unemployed or inactive according to the ILO definition); and second, they have not received any education or training in the four weeks preceding the survey. Data are expressed as a percentage of the total population of the same age group and gender, excluding the respondents who have not answered the question on participation in education and training.
24	Participation in training/lifelong learning (% aged 25-64)	Participants in lifelong learning refers to persons aged 25–64 who stated that they received education or training in the four weeks preceding the survey (numerator). The denominator is the total population of the same age group, excluding those who did not answer the question on participation in education and training. The information collected relates to all education or training, whether or not it is relevant to the respondent's current or possible future job. If a different reference period is used, this should be indicated.
25	Human Development Index	The index is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and have a decent standard of living.

List of abbreviations and acronyms

ACVT	Albanian Council for Vocational Training
AQAPE	Agency for Quality Assurance in Pre-University Education
ASCAL	Albanian Quality Assurance Agency
ALMPs	Active Labour Market Policies
CES	Centre for Education Services
CPD	Continuous Professional Development
DGVT	Directorate General for Vocational Training
EC	European Commission
ECTS	European Credit Transfer and Accumulation System
EPPs	Employment Promotion Programs
EQF	European Qualification Framework
HDI	Human Development Index
IPMGs	Integrated Policy Management Groups
LLL	Life Long Learning
MoFE	Ministry of Finance and Economy
NAES	National Agency for Employment and Skills
NAVETQ	National Agency for VET and Qualifications
NCPE	National Council of Pre-University Education
NCVET	National Council of Vocational Education and Training
NEET	Not in Education, Employment, or Training
NESS	National Employment and Skills Strategy
PAAHE	Public Accreditation Agency for Higher Education
PISA	Programme for International Student Assessment

PWDs	Persons with Disabilities
QAAPE	Quality Assurance Agency of Pre-University Education
SSCs	Sector Steering Committees
VET	Vocational Education and Training
WBL	Work-Based Learning

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