Key policy developments in education, training and employment – Armenia 2023

EXECUTIVE SUMMARY

Armenia has experienced a substantial number of socio-political and economic shocks in recent years, from the 2018 Velvet Revolution, the COVID-19 pandemic and the 44-day conflict with Azerbaijan in 2020, to the military escalations in Nagorno-Karabakh in September 2023 and the consequent displacement of over 100 000 ethnic Armenians in October 2023. As of October 2023, the government and the international community have been putting in place a series of crisis-response measures to deal with the urgent needs of the displaced population.

Despite the challenges, Armenia has made progress on its reform agenda.

The Government Programme of the Republic of Armenia 2021-2026 calls for evidence-based policy and strategic planning in all sectors. It assigns education a key role in achieving sustainable and inclusive development and welfare, in line with the wider goals of the Armenian Transformation Strategy 2050.

The State Programme for the Development of Education in the Republic of Armenia until 2030 (the new 'Education Strategy'), which was adopted by the National Assembly in November 2022, covers the whole educational spectrum. It also widely addresses vocational education and training (VET) and assigns a key role to lifelong learning (LLL) and to opportunities for upskilling and reskilling – still at an early development stage in Armenia. Transition from school to work and the provision of skills in line with labour market needs are some of the key areas which the strategy addresses, with the aim of reducing youth unemployment. The Education Strategy Action Plan up until 2026 was adopted in March 2023 following widespread stakeholder consultations.

Further to the adoption of the new strategy, progress has been made with the review of the legislation covering the various education levels: both a new VET law and a new law on Higher Education and Science have been drafted and are expected to be adopted soon.

Strengthening the links between education and the labour market is also a priority set by the 2019-2023 'Work Armenia' initiative of the Office of the Deputy Prime Minister. Building on the priorities of this initiative and of the Government Programme 2021-2026, the Ministry of Labour and Social Affairs (MoLSA) is working on a comprehensive strategic framework structured around a five-year umbrella Strategy on Labour and Social Protection and four underlying sub-strategies covering Employment, Unified Social Services, Demography and Social Protection respectively. It is expected to be passed in the near future. As regards the upcoming employment strategy, the key focus will be on increasing labour force participation among women, young people and the rural population. Planned initiatives include strengthening VET and incentives to encourage women in employment.

The adoption of such key strategies on education and employment is a concrete opportunity for Armenia to create new synergies between employment and VET programmes and between the public and private sectors, to strengthen the link between skills development and quality employment.

The Comprehensive and Enhanced Partnership Agreement (CEPA) between the European Union (EU) and Armenia – signed in 2017 and in force as of 2021 – sets the framework for cooperation between the EU and Armenia. Among its pillars are better living standards (more jobs and business opportunities) and more choice in education (better quality of education, with a focus on lifelong learning). The Partnership Implementation Report, issued in May 2022 (EC, 2022) following the Partnership Committee and the Partnership Council meetings, highlighted that work is on track in areas such as multi-sectoral support in the southern regions of the country, education and the digital domain.

The 9th EU-Armenia Subcommittee on People to People meeting held on 20 September 2023 also highlighted positive progress in many fields, including Armenia's active participation in regional programmes such as EU4Youth, EU4Health and Erasmus+. Armenia became a member of the European Alliance for Apprenticeship (EAfA) in October 2023.

1. KEY POLITICAL, DEMOGRAPHIC, ECONOMIC AND SOCIAL CHARACTERISTICS

Political developments

The military operation conducted by Azerbaijan against the Armenian population of Nagorno-Karabakh in September 2023, and the subsequent displacement of around 100 000 people, generated considerable pressure on the government of the Republic of Armenia. The government is currently addressing the urgent socio-economic needs of the displaced population to ensure access to basic services such as healthcare, shelter, schooling, food security and livelihoods, as well as offering psychological support.

Despite the challenges faced during recent years – the Covid-19 pandemic, the hostilities in Nagorno-Karabakh and the impact of Russia's aggression against Ukraine – the government led by the Civil Contract party continues its commitment to reforms and economic recovery.

Demographics

Armenia is a landlocked country with an area of 29 800 km^2. The country has 10 administrative territorial units (*marz*) plus the capital city of Yerevan, which has special status. The population – composed of a total of 98.1% Armenians – has shrunk over the last 20 years, from 3 034 000 in 2002 to 2 780 500 on 1 January 2023, though some reverse of this trend has been recorded in the last 10 years. The fertility rate declined from 2.62 in 1990 to 1.31 in 2000, but has showed some increases since the mid-2000s, reaching 1.58 in 2021 (ARMSTAT, 2021 and World Bank, 2023).

The population is ageing, with a decreasing proportion of young people. The ratio of the youth population to the working-age population decreased from 27.5% in 2010 to 17.3% in 2022.

According to the World Bank, more than 22% of Armenia's population will be aged 65 and over by 2050, creating a growing demand for social services and increasing associated government expenditure (World Bank, 2019).

Armenia has one of the highest emigration rates in the world, with about 30% of the population living outside the country (OECD, 2017). Poverty and the lack of jobs are the main drivers of emigration, while emigrants are mainly low-skilled workers. Following the September 2023 military operation, over 100 000 Armenian civilians from Nagorno-Karabakh arrived in Armenia (IOM, 2023). In terms of outward migration, Russia has been historically the most common destination country, receiving 56% of Armenia's emigrants (OECD, 2017), followed by the United States and France. However, Russia's aggression against Ukraine had an impact on these flows, especially seasonal labour migration, e.g. in the construction sector (Eurasianet, 2022). In the first quarter of 2022, more than 142 000 Russian citizens – mainly entrepreneurs and their families – moved to Armenia (Osservatorio Balcani e Caucaso Transeuropa, 2022).

Key economic developments

In 2018, Armenia became an upper middle-income country according to the World Bank classification.

The country's economy is characterised by market orientation, sustained growth, and inflows of capital and remittances. In 2022, Armenia witnessed outstanding economic growth, positioning itself as the fastest growing country in Eastern Europe and Central Asia, although after a sharp GDP contraction of 7.2% in 2020. The economy recorded growth of 12.6% in 2022, boosted by an influx of migrants, businesses, and increased capital in the aftermath of Russia's aggression against Ukraine (World Bank, 2023). Around 2 600 non-resident companies and 6 000 non-resident individual enterprises, mainly from Russia, were registered in Armenia in the period March 2022 – February 2023. Approximately 40% of these companies and 65% of these entrepreneurs were registered in the IT sector (IMF, 2023).

In Armenia, there has been a consistent shift from employment in industry and agriculture towards services. Nevertheless, agriculture continues to remain essential for the Armenian economy, accounting for 10.4% of GDP in 2022 (World Bank, 2023). Armenia's Agriculture Strategy (2020-2030) recognises sustainable agriculture as key for rural development and aims to promote sustainable land management, using environmentally friendly processes, prioritising sustainable and climate-smart agricultural practices, digital agriculture and technological innovation. In 2022, industry contributed to 25.6% of GDP, compared to 27.8% in 2012 (Statista, 2023). The services sector has been consistently growing in recent years, contributing to 55.3% of GDP in 2022 compared to 45.7% in 2012 (Statista, 2023).

Figures from the Labour Force Survey for 2022 show a sharp decrease in the share of employment in agriculture (22.2% compared to 38.6% in 2010) and an increased share in industry, plus construction and the services sector (21.8% and 55.9% respectively compared to 17.4% and 44% in 2010). The economy's most dynamic growth sectors are the food industry, information and communication technology (ICT), tourism, mining products, garment and footwear manufacturing, tobacco, jewellery making (the diamond industry) and the production and processing of fresh fruits and vegetables.

Small and medium-sized enterprises (SMEs) represent 99.8% of all companies, with a significant share in the number of persons employed (69.7% in 2019) (Statistical Committee of the Republic of Armenia, 2019).

Approximately 35% of the labour force is estimated to work in the informal economy (ARMSTAT, 2021), which contributes to approximately 36% of Armenia's GDP. Informality also remains widespread in non-agricultural sectors, which had a 15.3% informal employment rate in 2020 (ARMSTAT, 2021). There is a large gender gap among entrepreneurs (86% men, 14% women) and in the overall labour market in Armenia. The divide is smaller in the ICT sector due to open work environments, young staff and opportunities for remote work – nevertheless, only 11% of leaders in the ICT sector are women (NIRAS, 2021).

Remittances play an important role in household economies and employment choices. After the peak in 2013 when money sent home from abroad amounted to 19.7% of GDP, the figures dropped to 11.2% in 2019 and 10.4% in 2022 (World Bank, 2023).

In 2022, the government of Armenia launched the policy dialogue platform 'Green Armenia' in cooperation with the EU, the World Bank and the UNDP. The overall goal of this platform is to facilitate the country's transition to a green economy.

Key social issues

According to a recent assessment by UN Women (UN Women, 2021), Armenia has made some progress in tackling poverty in recent years thanks to a combination of economic growth and investment in social protection. Due to the continued strong economic growth experienced in 2022 (and in the first half of 2023), poverty is projected to decrease from 51.7% in 2021 to 37.6% in 2023 – though these forecasts do not reflect the possible impact of the Nagorno-Karabakh crisis (World Bank, 2023).

However, an uneven distribution of wealth left 23.5% of the population living below the poverty line in 2018, with large differences across the *marzes*, communities and rural and urban areas in the proportion of poor and extremely poor (UNDP, 2020). In 2018, the poverty rate in the Shirak, Lori, Tavush and Armavir regions was higher than the country average, and 42% of the population in the Shirak region lived below the poverty line (ARMSTAT, 2019).

While there are no major gender differences in poverty levels, children, young people and people with a lower educational attainment are more exposed to poverty (UN Women, 2021).

At the same time, there is a clear gender gap in employment and young women face particular challenges in transitioning from school to work, as evidenced by a high NEET rate. The government of Armenia has recently approved the 2024-2026 strategy for implementing the gender policy and the action plan. The strategy envisages establishing efficient mechanisms to support the active

participation of women in all sectors of public life. The policy and action plan will be implemented with the shared objectives of the Armenia Transformation Strategy 2050 and the Employment Strategy (currently under discussion). Further specific implementation will take place through active labour market measures to be designed in line with the plan.

More than 100 000 refugees have arrived in Armenia from Nagorno-Karabakh following the Azeri military operation in September 2023, requiring both immediate assistance and longer-term support. Before their arrival, this population suffered months of blockades that restricted their access to essential services, such as food and medicine. The majority of refugees are settling in areas where they have pre-existing family connections and access to services. As of the beginning of October 2023, over 50% of the refugees had been accommodated in government-run temporary facilities (Government of the Republic of Armenia, 2023). Of the 100 670 reported as having crossed the border, 52% are women, 28% are children (0-17) and 18% are elderly people (60+) (IOM, 2023).

Social support programmes were launched promptly by the government to counter the emergency: each person forcibly displaced from Nagorno-Karabakh will receive from the State a lump sum of AMD 100 000, AMD 40 000 to rent an apartment and AMD 10 000 for utility costs. The government will allocate AMD 2 billion from the state budget's reserve fund to provide financial assistance to the forcibly displaced persons of Nagorno-Karabakh.

More than 21 000 school-aged children arrived in Armenia from Nagorno-Karabakh. As of 24 October 2023, two-thirds of these have enrolled in the Armenian school system. Further action is to be taken to increase access to schooling for the 1 in 3 refugee children not yet enrolled in education (UNESCO, 2023).

The international community has granted support measures to help the Armenian Government to address the emergency. The EU outlined further emergency and long-term support measures for Armenia on 5 October 2023 in the form of humanitarian assistance (a further EUR 5.25 million in emergency assistance added to the previously announced EUR 5.2 million), the EU4Peace programme (which will be topped up with an additional EUR 800 000), annual programmes (EUR 15 million, to be used as budget support to the state to address socio-economic needs and purchases of food and fuel), technical assistance (including through the TAIEX and Twinning programmes) and the Economic and Investment Plan (EIP) (EUR 413 million, including extensive assistance to the Syunik region).

2. EDUCATION AND TRAINING

2.1 Trends and challenges

Education strategy and legal framework for education

The Armenian Development Strategy (ADS) 2014-2025 identifies education as a fundamental driver for the country's sustainable development. Increasing the quality, effectiveness, relevance and access to all levels of education is a major priority.

The new Education Strategy 2030 – the State Programme for the Development of Education in the Republic of Armenia until 2030 – was endorsed by the National Assembly in November 2022. Following wide stakeholder consultations, the Strategy Action Plan running until 2026 was adopted in March 2023. The Strategy covers the whole educational spectrum – pre-school education, primary and secondary schools, vocational education, higher education and, to some extent, informal and non-formal education – and focuses on education quality, accessibility and efficiency.

In the meantime, the MoESCS has initiated a review of the legal framework regulating the different levels of education, in line with the Education Strategy 2030.

Education expenditure

Public expenditure on education is low. It ranged from 3.2% as a share of GDP in 2010 to 2.8% in 2021. In 2021, education represented 8.3% of total government expenditure, confirming a decreasing trend (12.4% in 2010) (UNESCO, 2022).

Access, participation and early school leaving

Armenia has made strong progress in improving access to general education. The gross enrolment rate in general education during recent years has been relatively high, scoring around 90% on average. Gross enrolment rates in primary and secondary education were 91.24% and 87.25% respectively in 2020 (UNESCO 2021).

The rate of transition from primary to lower secondary general education is also high (99.8% in 2019) and in line with similar trends in further education, where the gross enrolment rate in tertiary education reached 50.8% in 2020. Trends in net enrolment rates in secondary education (ISCED level 2-3) are increasing slightly, from 84.6% in 2019 to 87.3% in 2021 (UNESCO, 2021). The share of VET students in upper secondary education (ISCED level 3) is also increasing (from 15.1% in 2010 to 28.7% in 2021).

There are no formal mechanisms in place to track children who are not in school or are at risk of dropping out (UNESCO, 2022). VET students face a significantly higher dropout risk compared to students in general education. Many VET programmes still lack adequate links to the labour market, negatively affecting the employability of their graduates. Access to VET – both initial and continued – and adult learning is well below the international average, though IVET appears to be more accessible and attractive than CVET (ETF, 2023).

Several issues exist with access to IVET, such as a growing share of paid education in recent years at preliminary and, especially, middle-level VET institutions, creating challenges for accessibility, especially for economically disadvantaged groups. Access to CVET for the unemployed, disabled or other vulnerable groups is ensured only within the limits of available funding provided by the state budget.

Participation in lifelong learning is on the rise, reaching 9.3% of the population aged 25-64 in 2022 versus 7.4% in 2018 (ARMSTAT, 2023).

PISA results

Armenia is the only country in the Eastern Partnership that does not participate in the Programme for International Student Assessment (PISA). It is therefore hard to compare Armenia's achievements in relation to other countries in the region in terms of the abilities of secondary students or the distribution of achievement, particularly between VET and gymnasium, rural and urban, or male and female students.

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

Armenia faces persistently high numbers of NEETs for the 15-24 age group (20.3% in 2021), although figures have been consistently decreasing over recent years (from 44.5% in 2010). Young women continue to be more seriously affected than young men, with female NEET rates peaking at 24.6% in 2021 (ARMSTAT, 2022). In 2019, half of VET graduates aged 15-29 were NEETs in Armenia, as was the case in neighbouring Georgia and Moldova (ETF, 2022). Such outcomes point to a difficult school-to-work transition for young people, which is also due to the quality of VET education and the limited availability of jobs.

Additionally, there are currently limited opportunities for IVET graduates to transition to higher education institutions, as admission is only granted to graduates with high academic grades and within the professions and quotas decided at central level. Students also have to pay. There are no short higher education courses available to VET graduates (ETF, 2023).

2.2   Initial VET and adult learning

Strategic and legal framework for initial VET and adult learning

The formal VET system in Armenia has two levels:

- Preliminary – or initial – vocational (craftsmanship) education is given in vocational (craftsmanship) schools, other professional educational institutions, educational centres and penitentiary institutions. Graduates of craftsmanship education are awarded a diploma in initial vocational (craftsmanship) education and the 'Craftsman' qualification level. The duration of the initial VET programmes to obtain a 'Craftsman' qualification is from 6 months to 3 years. The specific titles of qualifications reflect the profession, e.g. 'forester', 'butcher', 'baker', 'carpenter', etc. Courses last 3 years when starting from basic general education and around 1 year for students who have completed their secondary general education.

- Middle professional vocational education can be acquired at colleges and universities. Its duration depends on the student's previous attainment (basic or secondary general) and on the profession and varies from 2 to 5 years. Graduates are awarded a middle professional vocational education diploma with the 'Specialist' qualification level. Examples of specific qualifications are: 'accountant', 'fermentation production and wine making technician', 'agricultural mechanisation technician', 'veterinarian', etc.

In the school year 2021/2022, there were 6 761 students in the initial VET system in Armenia.

Before the new Education Strategy 2030, the education system in Armenia was regulated by three main laws – the Law on Education (1999), the Law on Higher and Postgraduate Vocational Education (2004) and the Law on Preliminary Vocational (Craftsmanship) and Middle Vocational Education (2005) with the related Implementation Plan 2017-2023, approved in 2019.

Since the new Education Strategy, the MoESCS has launched a review of the legal framework regulating the different levels of education. A bill on Higher Education and Science has been drafted, aiming to ensure student-centred education by introducing new forms of higher education, to allow more flexibility in study routes and to empower students to take an active part in developing their education.

The MoESCS has also drafted a new law on Vocational Education and Training, which is currently before the National Assembly for adoption. Among the key features of the new draft VET law are: harmonisation of concepts and definitions; implementation of a cooperative model for education management, with increased responsibility by non-governmental partners; revised general requirements for VET programmes, including the opportunity for additional courses certifying learning outcomes obtained and providing the basis for micro-qualifications and micro-credentials; revision of the VET financing system and promotion of entrepreneurial activity; review of recruitment and training mechanisms of administrative and teaching staff at VET institutions; and regulation of rights and responsibilities of VET students and trainees.

Despite the progress made, the system is still quite fragmented and further efforts could be made to ensure a more active role for the private sector and a comprehensive and coherent vision of LLL.

VET governance and financing arrangements

VET in Armenia is centrally managed under the MoESCS, which is responsible for policy design, implementation and day-to-day administration of the system. The MoESCS receives support and advice mainly through the following entities.

- The tripartite National Council for VET Development (NCVD), established in 2008, is a consultative body that includes an equal number of representatives from government, employers and trade unions. Its main function is to provide advice to the MoESCS on decision-making and on developing VET programmes.

- The National Centre for Vocational Education and Training Development (NCVETD) is the main support institution for VET. It participates in developing VET policies and strategies, medium-term and long-term development programmes and action plans; it carries out different types of research in the VET system; it analyses and evaluates its performance; it ensures communication between the VET system and the labour market institutions; it organises the development and continuous updating of qualification (educational) standards and curricula; it provides professional expertise; it identifies and adapts international best practices in VET; and it supports the development of the NQF and compatibility with the EQF, and the introduction of the credit accumulation and transfer system in VET.

- The National Centre for Professional Education Quality Assurance (ANQA), established in 2008, has the mandate to implement and oversee quality assurance processes in preliminary, vocational and higher education.

- The National Centre for Educational Technologies (NCET), established in 2004, is responsible for different aspects of the introduction and use of ICT in all levels of education (general, vocational and higher), including distance learning, and for the development of the education management information system (EMIS).

- The National Training Fund (NTF), established in 2011. Its objective is to ensure links between the VET system and the labour market and specifically to encourage the involvement of employers and their organisations in different aspects of VET. The NTF's main responsibilities are focused on labour market research and identifying skills needs, as well as on organising continuing VET for different categories of jobseekers, including employed and unemployed adults.

School governing boards act as the collegial management bodies in public VET colleges and craft schools. VET institutions have a certain degree of autonomy; they approve their own budgets and curricula and decide on teaching methods.

The main source of funding for VET is the state budget. Financial allocations are low and normally just sufficient to cover staff salaries (ETF, 2020). Donors provide more tangible investments, directly or via budget support schemes. Some VET institutions generate their own income through education and training services. However, the legal status of public VET institutions is currently an obstacle for such activities, as well as for producing and selling goods. Discussions are currently taking place about a

review of the legal framework, however, to change their legal status and allow commercial activities within the ongoing debate on work-based learning (WBL).

Qualifications, validation and recognition

The Armenian National Qualifications Framework (NQF) was first adopted by Government Decree in March 2011 and then updated in July 2016 with new definitions for each level. The Armenian NQF – mainly oriented towards the formal education system – has eight levels, covering general education, vocational education and training (VET) and higher education (levels 6 to 8 are reserved for higher education). Steps have been taken to establish the NQF, yet further actions are still needed to put it into operation and to increase the allocation of qualifications to the framework in order for it to directly support end users (ETF, 2021).

The MoESCS is the lead organisation for the NQF and develops related tools and approaches. VET qualifications are defined by VET standards that are validated by the corresponding sectoral committee and then approved by the MoESCS. VET qualifications are included in the lists (classifiers) of primary and secondary VET professions (specialities) and are delivered and awarded by VET institutions or other training providers licensed and accredited by the MoESCS. Secondary VET qualifications can be acquired at secondary vocational educational institutions (colleges) and higher education institutions. Higher education qualifications are awarded by the higher education institutions accredited by the National Centre for Professional Education Quality Assurance (ANQA) (ETF, 2021).

In 2015, the government approved the procedures for continuing vocational training and validation of non-formal and informal learning (VNFIL). The National Training Fund (NTF) was appointed by the MoESCS as the body responsible for implementing the VNFIL system, though mechanisms are not yet operational (ETF, 2021). Following the adoption in early 2023 of the Action Plan of the Education Strategy until 2030, the NTF is working on reinforcing mechanisms and processes related to non-formal and informal education, including setting up a register of non-formal training providers and drafting the relevant legislation and regulatory framework.

Within the Erasmus+-funded project 'Beyond Europe with Micro-Credentials (BEM)' (Armenian partners: Lori Regional State College and NCVETD), micro-credentials will be piloted in a few sectors.

Quality and quality assurance

VET monitoring and quality assurance is carried out through three processes: a) licensing to implement programmes for the implementation of programmes; b) internal quality assurance in VET institutions; c) external quality assurance for state accreditation.

The National Centre for Professional Education Quality Assurance (ANQA) implements and oversees quality assurance processes in preliminary, vocational and higher education. Among its responsibilities are: a) developing standards and procedures for accreditation and quality assurance of institutions and programmes (then subject to approval by the government); b) audits and quality assessments on training institutions; c) advice on developing standards and methodologies for student assessment. ANQA has adopted quality criteria from the European Quality Assurance in VET (EQAVET) framework (ETF, 2019) and has been a member of the ETF's Quality Assurance Forum since 2021.

The NCVETD periodically reviews the state educational standards performance and carries out an annual evaluation of VET reforms and their impact on selected institutions. It covers aspects such as education content and relevance, increased quality of careers guidance and other services to students, improved facilities and improving teaching and learning materials and human resources. The NCVETD is also in charge of VET teacher training, including content development (ETF, 2019).

A road map for work-based learning (WBL) is currently being updated to put in place an internal and external quality assurance system. Currently, the lack of a formal system of quality assurance of the different forms of WBL is a challenge. Possible ways to address this are being explored, such as through capacity-building at companies and VET institutions, establishing procedures and a toolkit for

WBL implementation for both VET institutions and companies and designing formal quality assurance mechanisms.

Work-based learning arrangements

The Government Programme of the Republic of Armenia 2021-2026 foresees the introduction of work-based learning (WBL) and dual education pilots in VET. It aims to have at least one new specialty each year in two institutions in the period 2022-2026, as well as to bring in legislation for further WBL and dual education. The Education Strategy 2030 makes WBL a key priority for the Armenian VET system. The draft VET law ultimately aims to provide a solid basis for work-based learning and dual education and to improve the legislation in cooperation with the private sector.

In 2019, the National Council for VET Development (NCVD) approved the 'Concept paper and roadmap for developing WBL in Armenia 2019-2025'. The document envisages three different forms of WBL and their integration into the VET system. The three forms are: i) learners' internship programmes; ii) 'real' companies running commercial activities adjacent to the VET institutions ('Armenian system' of WBL); and iii) apprenticeship/dual training schemes. The concept paper and its road map are currently being reviewed with support from the ETF. Key achievements to date are a) identifying the policy framework needed to develop WBL in the VET sector in Armenia; b) identifying priority actions within the roadmap, targeting a gradual implementation of different forms of WBL; c) running dual education programme pilots through donor support.

Several pilots have been conducted under several different programmes, such as:

- the GIZ Programme on Private Sector Development and Technical Vocational Education and Training South Caucasus (PSD TVET) in cooperation with the private sector. Since mid-2023, dual education has been experimentally introduced in 20 VET institutions, covering 24 professions in agriculture, IT, precise engineering, winemaking, tourism and hospitality, technical maintenance and repair and cooking, with over 1 000 students involved to date (MoESCS, 2023).

- the multi-donor MAVETA project implemented by the Strategic Development Agency. The dual education approach is being piloted in agriculture professions – such as veterinary specialist, milk and dairy technologist, farmer, agricultural machinery operator, milk farm manager, orchard worker / nut and fruit farmer – in close cooperation with public and private partners.

- the 'Skills for Jobs' project under the EU4Youth – SAY YES initiative carried out by World Vision Armenia has developed short-term curricula for four professions – cheese-making, wine-making, agro-machinery maintenance and veterinary.

- The EU-funded project 'Transition from Education to Employment' run by People In Need. It pilots apprenticeship schemes in short non-formal courses in agriculture and textile sectors in cooperation with VET institutions in the Shirak region.

- The 'Apprenticeship for better job placement of the vulnerable youth in Armenia' project, funded by the Global Apprenticeship Network (GAN) and run by the Miassine Foundation, provides support to VET institutions' careers services in developing their capacity to deliver apprenticeships in partnership with companies.

Armenia became a member of the European Alliance for Apprenticeship (EAfA) in October 2023. Among the targets set in the national commitment document, the country aims to raise the share of WBL specialties being taught from 8.4% in 2022 to 22% by 2030, to increase the share of colleges providing WBL and dual education from 7% in 2022 to 30% by 2030, and to improve the quality of training and teaching.

Digital education and skills

Armenia has made major steps forward in the field of digitalisation. In addition to the National Digital Strategy of the Republic of Armenia 2021-2025 adopted in February 2021, the Government Programme of the Republic of Armenia 2021-2026 sets out measures to 'increase the digital literacy of

the population and the implementation of programmes targeted at the growth of volumes of application of digital tools'. The new Education Strategy 2030 refers to the 'introduction of digital and other tools appropriate to the transformation of the effective and creative learning environment', and the 'modernisation of digital technologies'.

The National Centre of Educational Technologies (NCET) is very active in reinforcing digital education and skills. Building on the experience with the 'E-school Armenia' project initiated during the Covid-19 pandemic, the NCET has recently launched the 'Mentor School' project with the objective of ensuring the continuity of education through online teaching in schools in rural areas of Armenia facing teacher shortages. The project was launched in 2021 by selecting 17 Mentor Schools throughout Armenia. Each Mentor School appointed at least two mentors who were trained and mentored by online teaching experts from the Distance Learning Department of NCET. The trained mentors are carrying out the training and mentorship of schoolteachers who provide online teaching to learners in rural schools with teacher shortages. In 2022, six new Mentor Schools joined the project.

Building on the achievements of the Mentor School project, the pilot of the SELFIE tool was launched in 2023, with the objective to improve the digital capacity of Mentor Schools for effective digital and online learning. The SELFIE tool aims to support (i) the innovative use of digital technologies in teaching and learning in primary, secondary general and vocational schools, and (ii) the provision of digital skills.

An excellence example in the digital sphere is the Tumo Centre for Creative Technologies – https://tumo.org/ – which provides free IT training for 12-18-year-olds, and helps 19-to-26-year-olds to specialise in particular areas by providing web-based training. Students get insights into 3D modelling, robotics, photography and graphic design. TUMO has hubs in Yerevan, Dilijan, Gyumri and Stepanakert, with five TUMO boxes operating in neighbouring towns. Linked to this initiative is the upcoming EU-TUMO Convergence Centre for Engineering and Applied Science. It will be a unique STEM hub in Yerevan, where academia and industry come together. The Centre will offer training in areas such as coding, robotics, artificial intelligence and digital media, and will provide incubation and acceleration services to tech start-ups, promoting innovation and collaboration between the private sector, universities and the government. In early 2023, the centre launched incubation programmes on green and educational technologies (Green-Tech and Ed-Tech).

Statistics on education and training

The Statistical Committee (ARMSTAT) publishes a range of education and education-related statistics annually and throughout the year. The Education Strategy 2030 highlights that the current Education Management Information System (EMIS) does not yet provide exhaustive data. The need to develop a more comprehensive data system has been raised. As in neighbouring countries in the region, 'graduate tracking practices in Armenia should be mainstreamed in education and training, both at upper secondary and tertiary levels as well as for continuous training programmes.' (ETF, 2022).

A database for tracing graduates has been established for the purpose of monitoring the job placement rates of graduates benefitting from career guidance services, with input from the Career Guidance and Capacity Development Centre (CGCD) and relevant departments at the MoESCS.

3. LABOUR MARKET AND EMPLOYMENT

3.1 Trends and challenges

Labour market characteristics

The labour market in Armenia has a number of peculiarities, such as low diversification in terms of sectors, a large informal sector and labour migration. Key labour market challenges include the significant mismatch between labour demand and supply (the share of occupationally mismatched employees has increased over time), the lack of jobs and the quality of existing jobs. The private sector is still too small to facilitate a substantial transition of workers from less productive to more productive sectors (World Bank, 2019). In addition, the labour market suffers from geographical imbalances. Economic dynamism and job creation potential are to a large extent concentrated in the capital city Yerevan (World Bank, 2020).

Activity and employment rates are low in Armenia. The activity rate decreased from 62.5% in 2015 to 55.7% in 2022 (ARMSTAT, 2023) and the trend is similar for both men and women. The reasons behind such high inactivity rates are different: for women, family care responsibilities; for men, circular and seasonal migration; and for lower-educated people, seasonal migration and discouragement are the most cited reasons for inactivity (World Bank, 2019).

Employment rate has been fluctuating at low levels, between 49.6% in 2010 and 48.3% in 2022, hitting the bottom rate of 45.4% in 2020, due to the Covid-19 pandemic. There is a large disparity between employment rates for men and women: 59.4% versus 38.9% in 2022 (ARMSTAT, 2023). A major reason for women's absence from the labour market is their involvement in unpaid household and care activities (NIRAS, 2021). Employment rates by level of educational attainment show higher opportunities for high-skilled workers with higher (tertiary or post-graduate) education qualifications (61.4% in 2022), followed by employment of those with secondary VET education (48.8% in 2022). The need for continuous learning seems to be gaining traction as participation in lifelong learning is increasing, with 9.1% of people aged 25-64 in training in 2022.

Unemployment rates have been decreasing, reaching 13.4% in 2022 compared to 18.5% in 2015. Unemployment has particularly decreased for those with higher skills levels and tertiary graduates in VET specialties. However, the unemployment rate has substantially increased for low skilled workers (by 4.3 percentage points) between 2022 and 2023, rising to 16.1% The youth unemployment rate remains high (27.1% in 2022) although it has decreased (from 38.9% in 2010). The risk of long-term unemployment is also high – in 2020, the majority of the unemployed (49.3%) had been searching for a job for more than a year. Moreover, about one third of overall employment is considered to be vulnerable. In the search for business opportunities, 34.7% of the workforce was self-employed in 2022.

While employment in agriculture has been decreasing, it still remains relatively high, at around 22% in recent years. Employment in industry has been expanding slightly but remains at low levels (21.8%), while the services sector is expanding, reaching 55.9% of employment share. The ICT sector has been growing considerably, offering new opportunities to young professionals. However, skills shortages are limiting the sector and companies' expansion (Eurasianet, 2022). Young people are taking up digital job opportunities, including through online labour platforms, but they are often pushed to work informally (ETF 2021).

The total number of registered jobseekers in the 'GORTS' (JOB) system in 2015-2021 varied from around 89 000 to 86 000, with a sharp decrease to 70 544 in 2022. Only about one quarter of the total number of unemployed persons (based on the LFS) are registered with Unified Social Services (USS). USS and its regional centres provide services only to registered jobseekers or unemployed persons. No special mechanism is in place to motivate jobseekers or unemployed persons to register with USS regional offices (ETF, 2022).

Statistics on the labour market and employment

The Statistical Committee of the Republic of Armenia (ARMSTAT) releases updates on the socio-economic situation twice a year, carries out the Labour Force Survey and publishes a yearbook on labour market developments in Armenia.

To address job-matching challenges, the government has begun to set up an extensive online labour market information system (LMIS), which includes information about in-demand occupation profiles and the skills needed to work in specific occupations.

Within the scope of the 'Work Armenia' Strategy, the Edu2Work platform is now operational in analysing labour market trends in Armenia. The platform is designed to analyse the high-skilled labour force in Armenia through AI-powered software, which gathers and analyses thousands of job vacancies – from almost all economic sectors – posted on 10 online job portals in Armenia on a daily basis.

A job search platform has been operationalised at the USS for the Eurasian Economic Union countries. The 'Work without Borders' platform provides access to job vacancies and jobseekers in the member states of the Union (Armenia, Russian Federation, Belarus, Kazakhstan and Kyrgyzstan).

Additionally, a number of skills demand analyses are being conducted in the country, such as:

- the annual employer skills surveys on occupations in demand, conducted by Unified Social Services (USS);

- the annual tracer study for VET graduates, conducted by the MoESCS in the 6 months after graduation;

- short sector profiles and analysis of specific skill needs, conducted by the National Institute of Labour and Social Research;

- research work in the fields of data science (i.e. Natural Language Processing), behavioural experiments and design thinking, conducted by the National SDG Innovation Lab.

Work is also ongoing towards establishing the 'e-borsa State platform' under the MoLSA initiative. The new platform – which is conceived as an evolution of the current GORTS information system – has three objectives: a) ensuring a standardised CV format accessible to anyone for registering CVs; b) allowing employers to post vacancies, internship and training opportunities; c) creating a matching system. E-borsa, funded by the Eurasian Development Bank, is expected to be launched in 2024.

3.2   Employment policy and institutional settings

Strategy and legal framework in the employment policy field

The Ministry of Labour and Social Affairs (MoLSA) is the main government institution responsible for employment policy in Armenia. Until April 2021, regulatory functions in the sphere of employment were delegated to the State Employment Agency (SEA). As of April 2021, as part of the amendments to the Law on Social Assistance (March 2020), Unified Social Services (USS) were established, unifying all four bodies of social protection in Armenia – social security department, medical and social examination, state employment offices and regional and community social assistance agencies (ETF, 2022).

The MoLSA has begun developing a comprehensive strategic framework structured around a five-year umbrella Strategy on Labour and Social Protection, with four underlying sub-strategies covering employment, Unified Social Services, demographics and social protection respectively.

The Employment strategy, drafted with the UNDP's support, aims to comprehensively address interlinked issues in labour and employment through human capital development. The 'Work Armenia' strategy and the Government programme 2021-2026 provide the legal basis for this strategy. This latter programme sets the key priorities in human capital development for the coming 5 years as

strengthening the link between education and the labour market and alleviating extreme poverty. The new Employment Strategy and related action plan are expected to be submitted for adoption into law soon.

In parallel, the MoLSA is developing action plans based on specific components and target groups. Ad hoc actions are being designed to support the transition to the labour market, focusing on lifelong learning, upskilling and reskilling of specific population groups, such as young men returning from military service and 40+ women who have never been in employment.

Initiatives to boost employment

The services provided and the active labour market policies (ALMPs) currently implemented in Armenia can be classified as follows:

- Labour market services

  - Jobseekers in Armenia are registered at regional USS offices in the centralised 'GORTS' information system. After registration, jobseekers can benefit from counselling, needs assessments, be provided with information on sought-after professions on the labour market, develop an individual programme and identify the ALMPs that best fit their profile, and enrol in schemes.

- Active Labour Market Policies (ALMPs)

  - Training: vocational training programmes designed to train or retrain jobseekers can be provided by select educational institutions and at the workplace (981 beneficiaries in 2021, of whom 772 were women and 382 in the 16-29 age group – ETF, 2022).

  - Employment incentives in the form of supporting the unemployed in obtaining work experience, or lump-sum or partial compensation to employers hiring a 'non-competitive in the labour market' person (745 beneficiaries in 2021, of whom 615 were women and 453 in the 16-29 age group – ETF, 2022).

  - Supported employment and rehabilitation to promote the integration/reintegration of jobseekers into the labour market. This entails monetary support to unemployed persons willing to move to another location to accept a suitable job or to actively meet employers for a job interview, or interrupt their childcare leave (3 years under current legislation) (597 beneficiaries in 2021, mainly in the 16-29 age group – ETF, 2022).

  - Direct job creation – creating additional jobs (albeit temporary) of benefit to the community, to employ non-competitive, long-term unemployed or rural unemployed persons, in order to help the agricultural industry and farming. Assistance to farmers in promoting seasonal work is one of the largest ALMPs by number of beneficiaries enrolled (28% of the total number of beneficiaries in the period 2018-2021 – ETF, 2022).

  - Start-up incentives to promote entrepreneurship by supporting unemployed persons who start their own business or become self-employed (475 beneficiaries in 2021, of whom 202 were women and 273 in the 16-29 age group – ETF, 2022).

  - The 'Acceleration Programme', implemented by the MoLSA jointly with the UNDP, provides for training programmes aimed at upskilling and reskilling different segments of vulnerable populations in entrepreneurship both for beginners with an idea for a business and for advanced participants and private entrepreneurs. In some cases, the UNDP has also provided post-training support.

  - To address the emergency situation in October 2023, the Ministry of Labour and Social Affairs launched the platform www.workforall.am, through which people forcibly displaced from Nagorno-Karabakh can apply for a job (Government of the Republic of Armenia, 2023).

In 2021, of the 101 000 registered jobseekers placed into work, only 20% were placed through the Public Employment Service (PES) (USS, 2022).

In addition to labour market services and ALMPs, a career development support system is in place in Armenia. The state bodies responsible are the MoLSA and the MoESCS. The Career Guidance and Capacity Development Centre (CGCD) under the MoLSA provides careers support services, develops policy and methodology in the field of vocational guidance and career education models, develops technologies and capacity building for service providers, and monitors the establishment of cross-sectoral networks. The MoESCS provides the operational and institutional basis for the introduction of career guidance services in education and training. In terms of beneficiaries, only 21.4% of Armenian schools currently provide careers education in grades 8 to 11, whereas students at all 96 VET institutions in the country have access to careers guidance and careers education services. People not in formal education, NEETs, adults and people who are considered 'not competitive' in the labour market – i.e. facing employment challenges and requiring upskilling/reskilling – can receive careers guidance services in the 49 regional centres of Unified Social Services, which operate in the capital city and in all the regions. The career development system could be enhanced: by integrating careers guidance services into the USS system, by professionalising careers guidance practitioners with a relevant qualification, and by ensuring access to quality information to all groups of users (ETF, 2022).

Initiatives to increase the capacity of the public employment services

Labour market public expenditure for active programmes in 2021 accounted for 0.02% of GDP and has been slightly decreasing over the last 10 years (RA Ministry of Finance, 2022).

The workload of PES employees is high: 268 employees in a total of 49 regional centres provide services to 864 000 registered jobseekers in the 10 regions of Armenia and Yerevan city, with a workload of 322 jobseekers per employee (ETF, 2022).

The PES faces a number of challenges, such as: the high workload of PES staff, the lack of institutional capacity for effective service provision (including counselling, provision of information and guidance and support in job placement), the low efficiency of job matching services, incomplete and fragmented labour market information, budget constraints and a subsequently limited outreach to potential beneficiaries. In order to increase the capacity of the Armenian PES (USS), the ETF is actively involving its staff in learning opportunities within the policy leaning programme on active labour market policies. Furthermore, Armenian PESs are following activities delivered to EaP PES under the EU4Youth regional programme, particularly related to supporting the integration of young people into the labour market.

For further information please contact Cristiana Burzio, European Training Foundation, email: Cristiana.Burzio@etf.europa.eu.

STATISTICAL ANNEX – ARMENIA

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 (in thousands)[1]		2946.3	2878.6	2820.6	2805.6	2791.0	2780.5
2	Relative size of youth population (age group 15-24 and denominator age 15-64) (%) [1] C		27.5	22.2	18.0	17.6	17.4	17.3
3	GDP growth rate (%)		2.2	3.2	7.6	-7.2	5.7	12.6
4	Gross value added by sector (%)	Agriculture	M.D.	17.2	11.5	11.3	11.3	10.4
		Industry	M.D.	25.7	25.0	26.8	26.6	25.6
		Services	M.D.	48.2	54.0	53.2	52.8	55.3
5	Public expenditure on education (as % of GDP)		3.2	2.8	2.6	2.7	2.8	M.D.
6	Public expenditure on education (as % of total public expenditure)		12.4	10.7	10.0	8.8	8.3	M.D.
7	Adult literacy (%) C		M.D.	M.D.	M.D.	99.8	M.D.	M.D.
8	Educational attainment of total population (aged 15+) (%)	Low[2]	M.D.	M.D.	9.5	9.9	9.5	8.7
		Medium[3]	M.D.	M.D.	65.5	64.7	64.3	65.6
		High[4]	M.D.	M.D.	25.1	25.4	26.2	25.7
9	Early leavers from education and training (aged 18-24) (%) [10]	Total	M.D.	M.D.	0.2	0.1	0.3	0.3
		Male	M.D.	M.D.	0.3	0.1	0.3	0.3
		Female	M.D.	M.D.	0.2	0.1	0.3	0.3
10	NET enrolment rates in secondary education (ISCED level 2-3) (%)		M.D.	M.D.	84.6	85.7	87.3	M.D.
11	Share of VET students in upper secondary education (ISCED level 3) (%)		15.1	26.2	25.9	25.9	28.7	M.D.
12	Low achievement in reading, mathematics and science – PISA (%)	Reading	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		Mathematics	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
		Science	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
13	Activity rate (aged 15+) (%)	Total	61.2	62.5	58.8	55.4	54.8	55.7
		Male	72.3	72.6	70.9	66.3	67.3	68.4
		Female	52.2	54.3	48.2	46.3	44.8	45.1
14	Inactivity rate (aged 15+) (%)	Total	38.8	37.5	41.2	44.6	45.2	44.3

	Indicator		2010	2015	2019	2020	2021	2022
		Male	27.7	27.4	29.1	33.7	32.7	31.6
		Female	47.8	45.7	51.8	53.7	55.2	54.9
15	Employment rate (aged 15+) (%)	Total	49.6	50.9	48.4	45.4	46.4	48.3
		Male	59.9	59.8	59.1	53.8	56.8	59.4
		Female	41.1	43.8	39.0	38.4	38.0	38.9
16	Employment rate by educational attainment (aged 15+) (%)	Low[2]	35.2	35.6	25.2	17.1	16.1	20.2
		Medium[3]	49.2	48.4	46.7	44.1	45.5	46.9
		High[4]	60.5	63.3	63.0	59.5	59.6	61.4
		VET[5]	51.5	51.8	49.9	46.8	49.6	48.8
17	Employment by sector (%)	Agriculture[6]	38.6	35.3	23.4	22.1	22.1	22.2
		Industry[7]	17.4	15.9	23.8	20.9	22.0	21.8
		Services[8]	44.0	48.8	52.8	57.0	55.9	55.9
18	Incidence of self-employment (%)		43.1	42.8	35.0	32.5	33.2	34.7
19	Incidence of vulnerable employment (%)		42.6	41.9	33.6	31.1	31.8	33.0
20	Unemployment rate (aged 15+) (%)	Total	19.0	18.5	17.7	18.1	15.4	13.4
		Male	17.0	17.6	16.6	19.0	15.6	13.1
		Female	21.2	19.5	19.2	17.1	15.2	13.7
21	Unemployment rate by educational attainment (aged 15+) (%)	Low[2]	13.6	14.9	19.9	24.2	11.8	16.1
		Medium[3]	19.5	19.1	18.7	18.9	16.3	14.0
		High[4]	19.5	17.9	15.2	15.8	13.9	11.8
		VET[5]	20.3	21.5	19.0	18.9	15.7	15.2
22	Unemployment rate (aged 15-24) (%)	Total	38.9	32.5	32.2	32.3	30.5	27.1
		Male	31.9	28.6	29.3	31.6	28.0	24.3
		Female	48.0	37.2	35.6	33.3	33.6	31.6
23	Proportion of people aged 15–24 not in employment, education or training (NEETs) (%)[9]	Total	44.6	27.5	23.9	23.0	20.3	M.D.
		Male	41.8	20.0	17.4	17.5	16.2	M.D.
		Female	47.3	34.8	30.7	28.8	24.6	M.D.
24	Participation in training/lifelong learning (% aged 25-64)	Total	M.D.	M.D.	8.2	6.8	8.6	9.3
		Male	M.D.	M.D.	8.3	6.4	8.5	9.1

ETF — Working together. Learning for life. European Training Foundation

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT – ARMENIA 2023 | 18

Indicator		2010	2015	2019	2020	2021	2022
	Female	M.D.	M.D.	8.1	7.0	8.7	9.4
25	Human development index	0.746	0.766	0.778	0.757	0.759	M.D.

Last update: 20/10/2023

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: Armstat, Labour Force Survey
Indicator 25: UNDP

Notes:
[1] Estimation.
[2] Low – Primary and lower, general basic
[3] Medium – General secondary, vocational, secondary specialised
[4] High – Tertiary, post-graduate
[5] VET – Vocational, secondary specialised
[6] Agriculture(A)
[7] Industry (B-F)
[8] Services (G-U)
[9] 2010: Definition differs
[10] Detailed categories can introduce reliability challenges that need careful consideration.

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.

	Description	Definition
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. 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 a 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 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.

	Description	Definition
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 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) (%)(9)	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 having a decent standard of living.

KEY DONOR PROJECTS IN EDUCATION, TRAINING AND EMPLOYMENT

EU-funded

- The 'Resilient Syunik Team Europe Initiative' (five-year budget of initially EUR 51 million) was launched in January 2023 as a joint undertaking of the European Union, the European Investment Bank and EU Member States Austria, France, Germany, Poland and Sweden, with Switzerland also joining as an external partner. The aim of the initiative is to contribute to an improved business environment for micro, small and medium-sized enterprises (MSMEs), and to enhanced private sector competitiveness and improved access to high quality, people-centric public services. It also seeks to prioritise green regional development and increase protection and sustainable use as well as restore biodiversity.

- The EU-funded 'Local Empowerment of Actors for Development (LEAD)' programme (four-year budget of EUR 14.6 million) was launched in March 2021 with the aim of creating more than 250 jobs, supporting 160 rural businesses and funding 150 migrant businesses, as well as training at least 500 beneficiaries in business management and operations. The action is run in partnership with the United Nations Development Programme (UNDP), the Food and Agriculture Organization of the United Nations (FAO), the Austrian Development Agency (ADA) and the International Centre for Migration Policy Development (ICMPD).

- **Upcoming:**

  - Budget Support is in the pipeline with a focus on secondary education and improving the quality of STEM (science, technology, engineering and maths) teaching and learning, supporting improvement and modernisation of the school infrastructure and school management in rural areas, and piloting the proposed solutions in the Syunik *marz* of Armenia. Additionally, the programme plans to enhance access to education in the four *marzes* selected by the government (Ararat, Kotayk, Gegharkunik and Syunik) and to improve the national student learning outcomes assessment system.

  - An EU regional programme on education for Eastern Partnership countries, including Armenia, is under development. The objectives are to carry out a diagnostic assessment of the entire education system and identify capacity development needs for bilateral action and training and peer learning topics in the region, alongside other EaP countries.

Other donors / international organisations

- GIZ is implementing the Private Sector Development Programme (PSD TVET) 2017-2024 with the objective of improving the conditions for sustainable economic development and encouraging inclusive growth, particularly in rural regions. In cooperation with the MoESCS, it has launched long-term dual VET courses in VET institutions for selected specialisations in the winemaking, tourism and IT/precision engineering sectors. In addition, the programme has helped to pilot three short-term dual VET courses at four VET colleges, catering to the needs of private sector companies and focused on introducing new professions. The EU is co-funding the programme with a contribution of EUR 20.7 million.

- The USAID 'Armenia Workforce Development Activity' project (budget of USD 7.5 million) was launched in 2021 and will last until September 2026. The project is run by the Enterprise Incubator Foundation, the Armenian National Agrarian University, the Fund of Armenian Relief and CIVITTA Armenia. The goal is to improve the soft and technical skills of young people and women and increase their links to occupations in three target sectors: information and communications technology and the high-tech industry (ICT/HT); agriculture and food processing (agri-food); and hospitality, restaurants and cafes (HoReCA) by reducing the barriers to entering the labour market.

- The Modernising VET in agriculture in Armenia (MAVETA) project is funded by the Swiss Development Cooperation (SDC) and other partners. including the German Federal Ministry of Economic Cooperation and Development (BMZ), the Austrian Development Agency (ADA) and the Armenian Izmirlian Foundation for the period 2022-2025 (budget CHF 8.3 million). The aim is to contribute to higher productivity in agriculture, increased income and enhanced (self)-employment in agricultural and related fields through improving the knowledge and skills of farmers. The project is run by the NGO 'Strategic Development Agency' (SDA) in partnership with the Swiss Church Aid (HEKS/EPER), the School of Agricultural, Forest and Food Sciences of the Bern University of Applied Sciences (HAFL) and (GIZ).

- The joint UNDP-UNICEF project 'Strengthening Stability and Resilience of the Bordering Communities in Vayots Dzor, Gegharkunik and Syunik Regions' in the field of skills development is addressing challenges of the VET system, its responsiveness to regional labour market demand, the necessity for new or updated competency-based state education standards and corresponding curricula to form a labour force that meets the requirements of regional employers across the project's three neighbouring regions.

ABBREVIATIONS

ADS	Armenian Development Strategy
ALMP	Active labour market policies
ANQA	National Centre for Professional Education Quality Assurance
ARMSTAT	Statistical Committee of the Republic of Armenia
CEPA	Comprehensive and Enhanced Partnership Agreement
CGCD	Career Guidance and Capacity Development Centre
EIP	Economic Investment Plan
EMIS	Education Management Information System
EQAVET	European Quality Assurance in Vocational Education and Training
ETF	European Training Foundation
EU	European Union
GDP	Gross domestic product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
ICT	Information and communication Technology
ISCED	International Standard Classification of Education
LLL	Lifelong learning
LMIS	Labour Market Information System
MoESCS	Ministry of Education, Science, Culture and Sports
MoLSA	Ministry of Labour and Social Affairs
NCET	National Centre for Educational Technologies
NCVD	National Council for VET Development
NCVETD	National Centre for Vocational Education and Training Development
NEET	(Young people) not in employment, education or training
NGO	Non-governmental organisation
NQF	National Qualifications Framework
NTF	National Training Fund
PES	Public Employment Service
PISA	Programme for International Student Assessment
PSD	Private sector development
SEA	State Employment Agency
SME	Small and medium-sized enterprises
TVET	Technical vocational education and training
USS	Unified Social Services
VNFIL	Validation of non-formal and informal learning
WBL	Work-based learning

LIST OF REFERENCES

ARMSTAT, *The Demographic Handbook of Armenia,* 2010

ARMSTAT, *Poverty Snapshot over 2008-2018*, 2019. Available at:
https://armstat.am/file/article/poverty_2019_english_2.pdf

ARMSTAT, *The Demographic Handbook of Armenia,* 2021

ARMSTAT, *Labour Market in Armenia*. 2021. Available at https://armstat.am/en/?nid=82&id=2447

ARMSTAT, *Labour Force Survey*. 2021 and 2022

ARMSTAT, Statistical Yearbook of Armenia, 2022. Available at:
https://armstat.am/file/doc/99533263.pdf

Eurasianet, *Armenian labor migrants reassess work in collapsing Russian economy,* 2022. Available
at: https://eurasianet.org/armenian-labor-migrants-reassess-work-in-collapsing-russian-
economy#:~:text=Every%20year%2C%20tens%20of%20thousands.for%20seasonal%20work%20eve
ry%20year

Eurasianet, *Armenia's tech industry: Promise fulfilled?,* 2022. Available at:
https://eurasianet.org/armenias-tech-industry-promise-fulfilled

European Commission, *Joint Staff Working document: Partnership Implementation Report on
Armenia,* 2022. Available at: https://data.consilium.europa.eu/doc/document/ST-9214-2022-
INIT/en/pdf

Government of the Republic of Armenia, *Demographics,* 2022. Available at:
https://www.gov.am/en/demographics/

Government of the Republic of Armenia, *People forcibly displaced from Nagorno Karabakh can apply
for job through the website www.workforall.am*, 2023. Available at:
https://www.gov.am/en/news/item/10375/

ETF, *National Qualifications Framework – Armenia,* 2021

ETF, *New forms of employment in the EaP countries. Platform work. Armenia country profile,* 2021.
Available at: https://www.etf.europa.eu/sites/default/files/2021-06/platform_work_armenia_1.pdf

ETF, *Youth Transition and Skills Mismatch in Eastern Partnership Countries*, Working Paper, 2022.
Available at: https://www.etf.europa.eu/sites/default/files/2022-07/Youth_Eastern%20Partnership.pdf

ETF, *Labour Market policies – Armenia*, 2022. Available at:
https://www.etf.europa.eu/sites/default/files/2023-
01/Labour%20Market%20Policies%20ETF%20Report%20Armenia%202022.pdf

ETF, *Skills Mismatch in ETF Partner Countries Cross-Country Report*, 2022

ETF, *National Career Development Support System Review – Armenia,* 2022

ETF, *Torino Process System Monitoring Report: Armenia*, 2023. Available at
https://www.etf.europa.eu/sites/default/files/2023-10/System%20monitoring%20report%20-
%20Armenia%20EN.pdf

ETF, *Torino Process Level 2: Review of policies for lifelong learning in Armenia (unpublished draft,
2023)*

ETF, *Skills for the green transition – country report for Armenia (*unpublished draft, 2023)

IMF, *First review under the stand-by arrangement with Armenia,* 2023

IOM, *Response overview – Armenia refugee response plan October 2023 – March 2024,* 2023

Ministry of Education, Science, Culture and Sports, *European Alliance for Apprenticeships – National commitment Armenia*, 2023

Ministry of Finance of Armenia, *State Budget Reports.* 2010, 2021

NIRAS, EU4genderequality Reform Helpdesk, *Country Gender Profile Armenia.* 2021. Available at: https://www.eeas.europa.eu/sites/default/files/documents/Country%20Gender%20Profile_%20ARMENIA_ENG.pdf

Osservatorio Balcani e Caucaso, *Russians in Armenia. Looking for a normal life*, 2022. Available at: https://www.balcanicaucaso.org/eng/Areas/Armenia/Russians-in-Armenia-looking-for-a-normal-life-218331

Republic of Armenia, *State Programme for development of Education in the Republic of Armenia until 2030*, 2022

The Prime Minister of the Republic of Armenia, *Press release,* August 2022. Available at: https://www.primeminister.am/en/press-release/item/2022/08/25/Nikol-Pashinyan-met-with-Mikhail-Mishustin/

The World Bank, *Work for a better future in Armenia: an analysis of jobs dynamics,* 2019. Available at: https://documents1.worldbank.org/curated/en/387401564380250230/pdf/Work-for-a-Better-Future-in-Armenia-An-Analysis-of-Jobs-Dynamics.pdf

The World Bank, World Bank Country and Lending Groups. Available at: World Bank Country and Lending Groups – World Bank Data Help Desk

The World Bank data, 2022. Available at: https://data.worldbank.org/indicator/SE.XPD.TOTL.GB.ZS?locations=AM

The World Bank data, 2023. Available at: https://www.worldbank.org/en/country/armenia/overview#:~:text=Economic%20Outlook,4%25%20in%20the%20medium%20term.

UNDP, *Social and Economic Impact Assessment of the COVID-19 outbreak in Armenian communities,* 2020. Available at: https://www.undp.org/armenia/publications/socio-economic-impact-assessment-covid-19-outbreak-armenian-communities

UNESCO Institute for Statistics, *Data for the Sustainable Development Goals,* 2021. Available at: http://uis.unesco.org/

UN Women, *Assessment of the social protection floor in Armenia. Research paper,* 2021. Available at: https://georgia.unwomen.org/en/digital-library/publications/2021/11/assessment-of-the-social-protection-system-in-armenia

UNICEF, *Two-thirds of refugee children in Armenia enrolled in school, efforts must now focus on expanding access to education for all children*, Press release 24 October 2023. Available at: https://www.unicef.org/armenia/en/press-releases/two-thirds-refugee-children-armenia-enrolled-school-efforts-must-now-focus-expanding