

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT

2025

MONTENEGRO

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ABOUT THIS PAPER

Each year, the ETF monitors developments in education, skills, and employment in its partner countries to support informed decision-making by identifying trends, opportunities, and challenges. The results are reported by country, across countries, and by selected theme.

The present document is the country-level report (country fiche) for 2025 for Montenegro. Like all ETF monitoring, it draws on multiple sources of evidence and is the culmination of a year-long process of data collection, analysis, and consultations. One key source of evidence is the ETF Key Indicators on Education, Skills and Employment (KIESE) database, which provides internationally comparable indicators on areas such as country demography, economy, education, and employment. The indicators are sourced mainly from international repositories, including UNESCO, the World Bank, the OECD, Eurostat, and the ILO, while some come directly from partner countries, for instance, from their labour force surveys¹.

Another source of evidence is the Torino Process, a flagship monitoring initiative of the ETF, which compiles system performance indices (SPIs) on the basis of KIESE data and expert surveys. The SPIs combine selected KIESE indicators to track policy and system performance in education and vocational education and training (VET) in key areas such as access, quality, and system management. Where KIESE data is missing, the SPIs rely on expert surveys which help fill the gaps and contextualise the findings at the analysis stage. 'Performance' in this context refers to the extent to which policies and systems deliver results in these areas². In 2025, the ETF compiled SPIs for a total of 32 areas and sub-areas of performance, including for groups of learners such as youth and adults, males and females, socio-economically disadvantaged young people, and adults with no or low education.

ETF country missions complement these data sources by engaging with key policy stakeholders, gathering qualitative insights on policy developments, recently enacted legislation, and major reform steps. Finally, where necessary, the ETF draws on third-party publications and analytical work to complement gaps in available evidence or to clarify developments that are not fully captured in the ETF monitoring evidence.

The country fiche begins with Chapter 1 – a country profile that describes the demographic and socio-economic conditions in the country. Chapter 2 presents recent policies in education and training, together with the structure of the education system, including adult learning. Chapter 3 provides an overview of employment and labour-market policies and introduces the main strategies, institutions, and programmes. Chapter 4, which is the final chapter, presents the results of policies and arrangements in education and training.

¹ The full selection of KIESE indicators for 2025 can be found here <https://bit.ly/4j6taZW>.

² The subset of KIESE indicators used for the calculation of the Torino Process SPIs in 2025 can be found here: <https://bit.ly/433OR8j>. The full list of questions used in the 2025 round of Torino Process system performance monitoring can be found here: <https://bit.ly/3YUlbXE>. For a full overview of the Torino Process system performance monitoring framework, see <https://bit.ly/47YGA6l>. The methodology for the calculation of the SPIs can be found here: <https://bit.ly/3XJg101>.

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KEY TAKEAWAYS

- **Country profile and developments:** Montenegro's population of around 616 200 is shrinking slightly, with a high dependency ratio and significant migration flows reshaping its demographic profile and posing challenges and opportunities for education, training, and employment integration. Economically, the country experienced strong GDP growth of 6.3 % in 2023 and benefits from substantial diaspora remittances, yet high inflation and persistent poverty highlight vulnerabilities; recent political stabilisation and EU-aligned reforms, particularly in education and employment, are expected to support human capital development and socio-economic convergence.
- **Developments in education and training:** Montenegro has launched a comprehensive Education Reform Strategy 2025–2035, aimed at modernising its education system through new laws, dual education support, digitalisation, and inclusive policies, with strong donor involvement. Recent initiatives include the expansion of qualifications frameworks, enhanced work-based learning and career guidance, robust quality assurance aligned with EU standards, the establishment of Centres of Vocational Excellence, significant investment in digital education, and strengthened adult learning pathways to support lifelong learning and labour market relevance.
- **Employment and labour market developments:** Montenegro's employment rate rose to 56.4 % in 2024, with unemployment falling to 11.5 %, youth unemployment remaining high at 26 % and not in employment, education or training (NEET) rates declining but still above the EU average. Ongoing policy efforts include the National Employment Strategy, the Youth Guarantee Implementation Plan, and a range of Active Labour Market Policies (ALMPs), all coordinated by the Employment Agency and supported by interinstitutional working groups and international donors, aiming to improve employment outcomes, modernise labour legislation, and promote inclusion. Despite improvements, challenges persist in some areas of monitoring such as the digitalisation of services, transition to employment for youth and disadvantaged groups, participation in measures in the context of ALMPs, as well as structural barriers such as long-term unemployment and skills mismatch.
- **Trends in access, retention, completion:** Montenegro achieves universal participation in lower secondary education and high enrolment in vocational pathways at the upper secondary level, but adult participation in lifelong learning remains very low and gender segregation persists, with females underrepresented in STEM and technical fields, while disadvantaged groups such as Roma and Egyptian communities face particularly low access and completion rates. Although most students transition successfully to upper secondary education, completion rates are lower in three-year vocational programmes – especially for boys and disadvantaged learners – while barriers such as socioeconomic status, behavioural factors, and cultural norms continue to affect retention and outcomes for adults and females. Overall, however, the share of early leavers from education and training is low (4.9 % in 2024), well below the EU average.
- **Quality and relevance of learning:** Montenegro's education and training system faces persistent challenges in delivering strong foundational skills, as most learners complete vocational programmes without acquiring adequate competences, and national and international assessments reveal significant gaps in core subjects, with employers reporting that transversal skills are not sufficiently developed in initial VET. Nevertheless, recent reforms have improved the employment rate of recent graduates to 75.4 %, and employment prospects rise sharply with higher educational attainment. While system responsiveness is improving, structural barriers remain in translating qualifications into quality employment, especially for women and disadvantaged groups.
- **System management and organisation:** Montenegro's VET and lifelong learning system benefits from stable public funding and central governance, but faces challenges in diversifying resources, upgrading infrastructure, and ensuring systematic data collection. International donors play a crucial role in supporting digitalisation, inclusion, and capacity building, and having quality

assurance mechanisms that are robust internally; however, stakeholder engagement and transparency could be further strengthened.

1. COUNTRY PROFILE

Table 1.1 Demographic and socio-economic context: key indicators, Montenegro

Indicator	Value	Year	Source
Total population (in thousands)	616.2	2023	UN DESA, World Bank
Relative size of youth population (%)	19.1	2023	UN DESA
Population growth rate	-0.2	2023	World Bank, UN DESA
Dependency ratio	55.8	2023	World Bank, UN DESA
Immigrant stock as % of total population	14.4	2024	UN DESA
Emigrant stock as % of total population	14.2	2024	UN DESA
GDP growth rate	6.3	2023	World Bank
GDP per capita (PPP)	30966.7	2023	World Bank
Migrant remittance inflows (<i>million USD</i>) as % of GDP	10.7	2023	World Bank
Inflation rate	8.6	2023	IMF
Poverty headcount ratio (USD 8.30/day)	14.5	2021	World Bank
Gini coefficient (Income inequality)	34.3	2021	World Bank
Human development index (HDI)	0.862	2023	UNDP, World Bank

Source: ETF KIESE database

1.1 Demography

In 2023, Montenegro's total population was about 616 200. Annual growth was –0.2 %, which represents a slight contraction compared with the previous year. People of working age (15–64) made up 64 % of the population, while children and older persons accounted for 36 %. With a dependency ratio of 55.8, the working-age population supports a sizeable share of dependents.

Youth aged 15–24 accounted for 19.1 % of the population. This represents a steady flow of potential new entrants to education, training, and the labour market each year, which makes the quality of preparation and transitions to employment particularly important. Migration is also sizeable enough to influence the population structure, with more than one in seven residents born abroad and a similar share living outside the country. The country has the highest share of foreign-born residents in the Western Balkans (UN DESA, 2024).

The surge of immigrants since 2022 has been primarily driven by the Russia–Ukraine war, which led to thousands of Ukrainians and Russians to seek refuge or residence here. This wartime influx added to an already substantial immigrant base from regional and economic migration (Prague Process, 2025), turning the country into a hub for both humanitarian migrants fleeing conflict and economic or lifestyle migrants seeking opportunity. Although net migration is close to zero at 0.2 %, such substantial inflows and outflows affect the age profile, skills composition, and diversity of the population. They also have implications for policy – from the effective integration of migrants into

education and employment to engaging Montenegrins living abroad by mobilising their knowledge, skills, and professional networks in support of economic and social development.

1.2 Economy

In 2023, the GDP of Montenegro grew by 6.3 %, a pace that compares favourably with many European countries. GDP per capita, adjusted for differences in price levels between countries, was USD 30 966. This is indicative of a standard of living that is relatively high by regional standards. Taken together, the strong economic growth and the comparatively high level of average income point to an economy with a solid base for generating goods and services.

Income from the Montenegrin diaspora plays a considerable role in the economy of the country. In 2023, migrant remittance inflows were equivalent to 10.7 % of GDP, a share that is sizeable in international comparison and underlines how important the diaspora is as a source of household income. Inflation, however, was also high at 8.6 %. In real terms, this means that despite solid macroeconomic expansion, the population experienced a noticeable erosion of purchasing power.

1.3 Income and living standards

The Human Development Index (HDI) of Montenegro was 0.862 in 2023, which places the country in the ‘very high’ human development category. While this is consistent with its upper-middle-income status and relatively high GDP per capita (PPP), not all HDI components – income, health, and education – are equally strong. Education and health contribute most to the score; substantial years of schooling and a respectable life expectancy have been key in positioning the country within this tier.

Income, while not low in international comparison, is the weaker component, and poverty remains a concern. In 2021, 14.5 % of the population lived below the USD 8.30/day poverty line – a sizeable share for a country at this level of development. The Gini coefficient for the same year was 34.3, indicating a moderate – though not insignificant – degree of income inequality in international comparison. High average living standards coexist with pockets of vulnerability, leaving some groups more exposed to economic shocks and inflationary pressures.

1.4 Recent developments

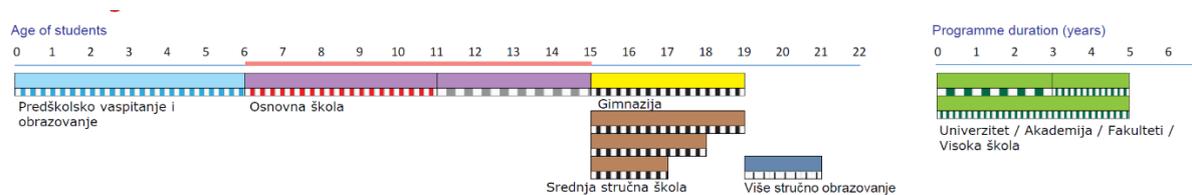
Since 2024, Montenegro has seen a more stable political environment following the appointment of a new government, addressing the political instability that marked 2023. Throughout this period, Montenegro has maintained its commitment to the EU accession process and the enlargement agenda. To date, 33 chapters have been opened, out of which 7 are provisionally closed. Montenegro’s Reform Agenda strongly aligns with the EU policy framework, prioritising rule of law, the fight against corruption, and fundamental rights (EC, 2024; 2023) aimed to advance Montenegro’s EU integration by accelerating alignment with EU values, laws, standards, and practices (the ‘acquis’) and promoting socio-economic convergence with the EU single market. The implementation of the Growth Facility began swiftly, with the Reform Agenda being submitted following extensive national consultations. Progress in 2025 related to the reform agenda was seen in Chapter 26 Education and culture – in particular thanks to the start of the implementation of the comprehensive Education Reform Strategy 2024-2035 and the Action Plan for 2025-2026, Chapter 19 Social policy and employment, Chapter 2 Freedom of movement of workers, Chapter 10 Information society and media, and Chapter 25 on Research and innovation (EC, 2025). Progress was especially visible in the areas of private sector development and business environment, green (energy), digitalisation, human capital, and fundamental rights and the rule of law.

2. EDUCATION AND TRAINING: POLICIES AND DEVELOPMENTS

2.1 Structure and levels of education, including VET

This section provides a brief description of how the education system is organised across different levels, including pre-primary, primary, secondary (distinguishing between general and vocational tracks), tertiary, and adult learning. It uses the UNESCO International Standard Classification of Education (ISCED) classification and is based on monitoring information collected through the Torino Process expert survey.³

Figure 2.1 Structure of the education system: Montenegro (2025)



Source: European Commission/EACEA/Eurydice. (2021).

Formal education

The education system in Montenegro spans from early childhood to higher education and is organised into several stages. Early childhood education and care is available for children from birth to the age of six, and it is not compulsory. Primary education is compulsory for all children, beginning at the age of six, and continuing for nine years, typically until the age of 15.

Alongside compulsory schooling, Montenegro offers optional primary art education, particularly in music, for children aged 6 to 14. This can last three, six, or nine years and is delivered mainly by state-funded primary music schools. These institutions provide structured tuition in instruments, music theory, and ensemble performance, require entrance assessments, and are free of charge apart from materials costs.

Secondary education, while not mandatory, is open to young people aged 15 to 19 and is organised into two main subsystems. The first is general secondary education, provided by 'gymnasiums', which offer four years of academic study and prepare students for higher education. Admission requires completion of primary school, with additional criteria for specialised departments such as mathematics, philology, and sport. Instruction in some subjects may also be available in English. All gymnasium students complete their studies by sitting the external Matura examination, a standardised national test taken by all upper-secondary graduates, including those in vocational tracks.

The second subsystem is vocational education, which is delivered through dedicated vocational schools, mixed schools combining general and vocational tracks, and secondary art schools. There are 15 VET sectors, each with its own sectoral commission, which cover areas from health and agriculture to engineering, tourism, IT, and the arts. Programmes last three or four years; two-year courses are not currently in use. Graduates of three-year programmes complete a final vocational exam combining general and occupational subjects and may either enter the labour market or continue their studies by progressing to the fourth year of a vocational programme or undertaking higher vocational training. Four-year vocational graduates take either an external vocational exam if they wish to continue their education, or an internal exam if they intend to move directly into employment.

³ The full questionnaire can be found here: <https://bit.ly/418jfwC>. In this document, the survey may be referred to interchangeably as the 'monitoring survey', 'expert survey', or 'Torino Process monitoring survey'.

Post-secondary vocational education is provided by higher vocational schools and leads to a higher vocational qualification (ISCED level 4) after two years of study. Admission is open to graduates of four-year secondary programmes and to holders of three-year vocational qualifications who have passed the master craftsman exam. Currently, the Police Academy is the only institution enrolling students in these programmes.

Education and care for children with special educational needs is provided in mainstream primary and secondary schools as well as in specialised resource centres.

Higher education comprises universities and independent faculties offering undergraduate, master's, and doctoral degrees. Montenegro has four universities – one public and three private – alongside five independent faculties.

Adult learning

Adult learning in Montenegro is provided by licensed institutions, including schools, specialised training organisations, and centres for people with disabilities, as well as other authorised legal entities. It is an instrument for implementing national policies on lifelong learning (formal, non-formal, informal), social inclusion, and employability. Post-secondary, non-tertiary programmes (ISCED 4) are open to adults – particularly graduates of vocational secondary education – who wish to obtain a higher-level vocational qualification.

Adults who did not complete compulsory education can access second-chance education through flexible pathways leading to primary or secondary school certificates. Curricula are adapted to adult learners, and the qualifications awarded have the same status as those earned through regular schooling. Professional development opportunities are provided through active labour market policies implemented by the Employment Agency, offering free training in areas like basic literacy, digital skills, key competences, foreign languages, and job-specific skills.

Non-formal adult learning is available through various formats, including short vocational courses, workshops, and community-based training. It is delivered by NGOs, workplaces, and adult education centres. Programmes cover topics from civic education and life skills to green competences and increasingly integrate guidance services and the recognition of prior learning.

2.2 Strategy and legal framework

Montenegro's National Strategy for Sustainable Development 2030 provides the overarching framework for aligning national policies with EU standards, with education at the heart of its vision for inclusive growth. The Medium-Term Work Programme (2024–2027) identifies education as a priority under Goal 14, 'Exceptional education for an exceptional Montenegro', and integrates it into the EU-funded Reform Agenda. Education is also key to the Economic Reform Programme (2024–2026), with measures aimed at improving higher education quality and inclusiveness to boost youth employability.

Building on these commitments, Montenegro adopted the Education Reform Strategy 2025–2035 and its Action Plan, which set out four strategic objectives: ensuring equitable, high-quality education; fostering lifelong learning competencies; strengthening governance and financing; and modernising infrastructure and teaching resources. Legislative progress includes amendments to the Law on Vocational Education introducing dual education support, alongside new laws on vocational qualifications and adult education. Additional reforms target digital skills for teachers, higher education, and inclusive education for children with special needs.

Further initiatives include Montenegro's participation in international assessments, development of new teacher training programmes, and efforts to reduce barriers for Roma students through financial support and outreach. The country is advancing its higher education strategy and engaging in global education monitoring platforms. Overall, the reform agenda prioritises infrastructure, teacher professional development, curriculum updates, and digital education, signalling a comprehensive

approach to improving quality and accessibility across the lifelong learning spectrum (Ministry of European Affairs, 2024).

General education

The most relevant legal documents for general education are the:

- **Law on primary education (amended 2025):** mandatory for all children, typically begins at age six and lasts for nine years.
- **Law on secondary education:** not mandatory, for adolescents aged 15 to 19, delivered through two subsystems, consisting of three types of schools: (1) Gymnasium education is general secondary education provided at gymnasiums, which offer four-year general academic education and prepare students for further studies; (2) vocational education is conducted at schools for lower, secondary and higher vocational education, as well as at secondary art schools; these educational institutions offer two, three or four years of vocational education and prepare students for the labour market.
- **Early and Preschool Education Strategy 2021–2025:** aims at strengthening accessibility, quality and fairness of preschool education.
- **Early Childhood Development Strategy 2023–2027:** aims at supporting early learning for all, both within educational systems and at home, and to improve system coordination for delivering evidence-based early intervention services for children with developmental disabilities.
- **Inclusive Education Strategy 2019–2025:** aims at promoting equal opportunities for children with special educational needs, preventing discrimination and providing support at all levels.
- **Education System Digitalisation Strategy 2022–2027:** aims at modernising teaching, digitising records and processes for efficient administration, and strengthening digital skills for students and teachers with a focus on safe technology use.
- **Higher Education Development Strategy of Montenegro 2024–2027:** aims at creating a high-quality, adaptable higher education system that meets labour market demands, promotes research and innovation, and upholds academic freedom.
- **Education Reform Strategy 2025-2035.** The key goals of the education reform strategy related to general education include: ensuring access to education for all children including reducing dropouts and increasing adult learning participation; reducing inequalities in educational coverage and performance; teaching focusing on developing key competences for lifelong learning and life skills; ensuring the education system has sufficient qualified and competent preschool educators, teachers, professional associates, headteachers, assistants and other necessary personnel; digitalisation of the education system; financing, management and planning of education to ensure quality, equity and the development of the education system; educational infrastructure and modern teaching resources to support contemporary, high-quality, equitable and safe education for all children and young people.

Vocational education

Montenegro's Education Reform Strategy 2025-2035 outlines the objectives, priorities, and reform efforts in VET planned for the next decade (2025–2035). This strategy is based on several documents adopted by the government in 2024: the 2024 Action Plan for implementing the Strategy for the Development of VET 2020-2024 (the 'old strategy'); the Final Report on the implementation of the old strategy (2020-2024); and the final evaluation of the prior strategy (December 2024), which informed the new Education Reform Strategy (2025–2035) (ETF, 2025). Montenegro's new Education Reform Strategy places VET at the centre of its efforts to modernise the education system and align it with labour market needs. The key goals related to VET include:

- **Expansion of dual education:** combining classroom learning with hands-on work experience to ease the school-to-work transition.

- Curriculum modernisation: focusing on 21st-century competences such as digital literacy, critical thinking, and entrepreneurship, especially in STEM fields.
- Career guidance: establishing career centres to help students plan their pathways.
- Digital transformation: digitising educational resources, training teachers, and introducing digital platforms.
- Infrastructure investment: renovating schools and equipping labs and workshops to support practical, hands-on learning.
- Quality assurance: implementing modular programmes, linking qualifications to labour market needs, and recognising non-formal learning.
- Inclusive education: providing more teaching assistants, Roma mediators, free transport, and school psychologists to ensure equal opportunities for all students.
- International support: collaborating with the EU, UNICEF, UNESCO, and ILO to strengthen reforms and provide funding.

The recent ETF report 'Monitoring the VET recommendation and the Osnabrück declaration' for Montenegro recognises the key actions and major achievements under each of the EU priorities in the area of VET (ETF, 2025). As highlighted above, the amended Law on Vocational Education introduces the Fund for Support of Dual Education, which will support dual education by providing incentives to students and employers in order to create conditions and an environment for their increased interest and involvement in this form of vocational education. The law also established the obligation to adopt a by-law that will regulate the conditions, amounts, method and procedure for the distribution of funds from the Dual Education Support Fund. The law further defines how practical education will function (Official Gazette, 2025).

The Fund can be used inter alia for students' participation to cover transportation and meal costs during the duration of the students' individual education contract, competitions in the country and abroad, as well as support for employers who have three or more students who are undergoing practical education with the employer. It can also be used for financial support for an employer who has concluded three or more permanent employment contracts with those students after they have completed their education, or for a portion of the employer's costs for the purchase of work equipment, occupational safety equipment, and compensation for the work of instructors during the duration of the individual education contract.

2.3 Main actors and governance

National level

General education governance in Montenegro is highly centralised, with the Ministry of Education, Science and Innovation (MoESI) overseeing policy, standards, funding, curricula, and supervision across all levels, including preschool, primary, and general secondary education. The MoESI is supported by advisory bodies and specialised agencies, while school boards and headteachers manage operations under MoESI-defined procedures. Municipalities contribute mainly to infrastructure, but the central government provides most funding, ensuring strong national control over education.

Vocational Education and Training (VET) and adult education follow a similar centralised model. The Centre for Vocational Education and Training (CVET) manages curriculum development, quality assurance, and licensing for VET and adult education providers, under the MoESI's strategic oversight. Public VET schools dominate, though partnerships with employers for work-based learning are growing, alongside limited private provision under strict licensing. Adult education is delivered by public institutions and licensed private entities, funded through public sources and private fees, with governance and quality assurance remaining firmly centralised.

International level: donors

Donor projects and initiatives are integral to Montenegro's education reform, providing financial resources, technical expertise, and alignment with European and international standards. They support infrastructure, digitalisation, inclusion, teacher development, and the overall quality and accessibility of education. Key donor projects and initiatives in education in Montenegro include:

UNICEF plays a central role in supporting the country in education sector reform. Through its project 'Quality education for every child in Montenegro' funded by the EU, UNICEF supported the MoESI in the development of the comprehensive Education Reform Strategy 2025–2035. The project supports strategic planning, policy development, and capacity building within the education sector. UNICEF further supported the development of the Education System Digitalisation Strategy 2022–2027 within another EU-funded project aimed at modernising teaching and learning through digital transformation. It includes the digitalisation of records and processes, enhancement of digital skills for students and teachers, and the safe use of technology. The strategy is aligned with the EU's Digital Education Action Plan.

The European Investment Bank (EIB), Council of Europe Development Bank (CEB), and European Bank for Reconstruction and Development (EBRD) have provided significant funding for the construction and renovation of educational facilities. Projects include building new kindergartens, primary and secondary schools, sports halls, and improving energy efficiency in schools. The Western Balkans Investment Framework (WBIF), a joint initiative of the EIB, CEB, and EBRD, supports infrastructure and energy efficiency projects. The German Development Bank (KfW) is involved in public building energy efficiency improvements, benefitting educational institutions.

Donor-supported strategies target the inclusion of vulnerable groups, such as Roma and Egyptian communities, children with disabilities, and returnees. Initiatives include the Inclusive Education Strategy (2019–2025), the Strategy for Social Inclusion of Roma and Egyptians (2021–2025), and the Strategy for the Protection of Persons with Disabilities from Discrimination and Promotion of Equality (2022–2027). These are often co-financed or technically supported by UNICEF, the EU, and other international organisations.

The ILO, in partnership with the Montenegro SDG Acceleration Fund, UNICEF, and UNESCO have implemented the project 'Digital, Inclusive, and Transformative: Quality Education for Montenegro' (Feb 2024 – Dec 2025) that targets 12 schools across six northern municipalities. Key components are digital skills training for ~300 teachers and ICT coordinators; launch of EdTech Hubs; development of over six digital courses (STEM, career guidance, inclusion of vulnerable groups); summer camps and extracurricular activities for ~6 000 students, with a 50 % student reach in targeted schools (ILO, 2025).

The Council of Europe and the EU ('Horizontal Facility for Western Balkans & Türkiye') support the project 'Quality Education for All – Montenegro' (2023–2026) with a total budget of EUR 850 000 (85 % EU, 15 % Council of Europe). It aims at enhancing inclusive and ethical principles in both pre-university and higher education; offering capacity-building, community awareness, teacher/student training on inclusion, ethics, digital citizenship; and targeting schools, universities, relevant institutions to foster inclusive, non-discriminatory learning environments (Council of Europe, 2025).

Youth Guarantee Programme (EU): This EU-backed programme addresses youth unemployment through reforms and initiatives that support young people's transition from education to the labour market, with pilot phases and the possibility of revision to align with labour market needs (2024–2026).

International donors support continuous professional development for teachers, including digital skills, STEM, and inclusive education. Funding is provided for training programmes, exchange visits, and the development of new curricula and teaching materials. Bilateral donor organisations are also very active. For instance, the Austrian Agency for International Cooperation in Education and Research (OEAD) implements a regional initiative with activities in Montenegro focused on integrating career guidance into primary education. Another key tool for supporting education and vocational education and training (VET) in Montenegro is the ERASMUS Plus programme, of which Montenegro is an

associated country. This programme aims to enhance educational opportunities and facilitate mobility for young people across Europe.

2.4 Policies and developments

Overview

In line with the above-mentioned goals of the Education Reform Strategy 2025-2035, Montenegro aims at fundamentally strengthening its education system by addressing key challenges. These include the low quality and coverage of education; an education system that is not sufficiently focused on students, learning or development; a lack of staff in educational institutions with the competencies and values required to fully and equitably support quality education, fostering key competencies in students, and maintaining high expectations and positive attitudes towards all children and young people; governance and leadership arrangements in the education system that do not inspire confidence among internal and external stakeholders; the need for stated priorities for improvement and development to be adequately reflected in plans and priorities, and for them to lead to real change; and for education sites to have proper physical facilities. The start of the strategy implementation therefore marks a cornerstone of system reform.

Qualifications, validation, and recognition

Montenegro's National Qualifications Framework (MQF), adopted in 2010, is a comprehensive lifelong learning framework that includes all types and levels of qualifications. It is coordinated by the Montenegro Qualifications Council (MQC). The MQF is referenced to the European Qualifications Framework (EQF) and self-certified against the Qualifications Framework for the European Higher Education Area (QF-EHEA) since 2014. Recent reforms have focused on aligning qualifications with labour market needs, especially in the context of the green and digital transitions (ETF, 2025a). Sector committees, in collaboration with social partners like the Chamber of Economy and trade unions, play a key role in shaping qualifications.

Montenegro has a well-established legal framework for Validation of Non-Formal and Informal Learning (VNFIL), particularly for vocational qualifications at MQF levels 1–5. Key legislative instruments include the Law on the MQF (2010), Law on National Vocational Qualifications (2008, amended 2025), Law on Adult Education (2011, amended 2025), and the Rulebook on VNFIL procedures (2019). Validation is carried out by licensed adult education providers using examination catalogues based on qualification standards. The Ministry of Education is responsible for overall coordination and monitoring of the validation process. The system allows for: direct assessment of knowledge, skills, and competences; modular acquisition of qualifications, which is awarding of partial qualifications based on validation; and the recognition of prior learning regardless of the acquisition method.

Higher education institutions can carry out assessments and award vocational qualifications at MQF levels 6-8 based on the special training programmes accredited by the Higher Education Council, in accordance with the Act of the Higher Education institution. VNFIL is, however, a rare exception. Only an Erasmus+ project (e-VIVA) aimed to combine higher education and professional practice to improve validation opportunities through ICT-based methods of self-assessment and testing.

Key competence certificates are issued upon completion of the adult education measures that the Employment Agency organises in cooperation with licensed adult education providers, on the basis of programmes approved by the National Education Council. They can be obtained through direct assessment in line with the legal regulations. This is in high demand: between 2019 and 2022, 988 certificates were issued for key competences (mostly foreign languages and to a lesser extent, digital skills) and two certificates for an adapted elementary education programme for adults.

Summing up, despite all achievements, information about VNFIL is not known or accessible to most of the population and awareness-raising initiatives are scarce. The Employment Agency and the VET

Centres remain pioneers in conducting initiatives; however, these are more focused on qualification measures in general and only marginally deal with validation (ETF, 2024; Eurydice, 2025).

Work-based learning

The implementation of dual education in Montenegro continues to expand, with vocational education programmes increasingly aligned with labour market requirements (ETF, 2025). For the 2024/2025 academic year, 515 students were enrolled in three-year VET programmes, developed in cooperation with approximately 150 employers who offer practical training placements. Enrolment data by grade indicate ongoing participation: 239 students in the first year, 227 second, and 49 in third year of study.

The Law on Vocational Education (2025) introduces measures to enhance work-based learning, called 'practical education', including formal recognition of Practical Education Instructors and institutional support for overseeing and managing workplace-based learning. In 2024, the Centre for Vocational Education assigned an advisor responsible for practical and dual education who will collaborate with those instructors to promote consistency and quality across institutions and employer partnerships.

To further define and standardise the instructor's role, a guidebook has been issued outlining operational procedures and recommended practices. This resource is intended to ensure uniformity and structure in the delivery of practical training across different educational sectors. Additionally, the Law establishes a Dual Education Support Fund, financed by the Ministry of Education, Science and Innovation, as well as donor, sponsor, and legacy contributions. The Fund facilitates the expansion and sustainability of dual education by supporting student participation and providing financial and logistical resources to employers including for post-training employment of students. Its objectives include reducing barriers, promoting cooperation, and enhancing the connection between education and employment by equipping students with skills relevant to the labour market.

Career guidance

Montenegro approved a new Strategy for Career Guidance and Counselling (2025–2030) as a first achievement of very ambitious targets within its reform agenda: (1) a new model for career guidance and counselling adopted within the Strategy on career guidance and counselling 2025-2030 by December 2025, and (2) 800 career guidance counsellors at primary and secondary schools and universities to be trained in line with the new model by December 2027.

A dedicated career guidance department is being established within the Ministry of Education to monitor and coordinate the implementation of career guidance and the related strategy. Networks like Euroguidance and Europass are planned to be integrated into Ministry services to benefit financially and profit from access to experts, resources and peer learning opportunities. Digital tools will be used, given that Montenegro's career guidance strategy is aligned with its Digital Transformation Strategy (2022–2026). The guidance strategy also foresees to establish graduate tracking. Montenegro also developed national career guidance standards relevant to education, employment, youth and social inclusions sectors. They build the backbone of training for school guidance teams, public employment service (PES) guidance counsellors, and others like youth and social workers, thereby also supporting the Youth Guarantee.

PES is the main actor responsible for delivering career guidance services to adults and young people (age 15-24) who are not in employment, education or training (NEETs), offered by a network of PES local branches at municipal level and the headquarters (ETF, 2022). However, PES services are only open to people who are registered as unemployed, as necessary condition for accessing PES career guidance.

Quality assurance

Montenegro has introduced significant reforms to improve education quality and align its system with European standards, particularly through harmonisation with the European Qualifications Framework (ETF, 2024a). The Education Strategy 2025–2035 prioritises quality enhancement, especially in VET, with measures for systematic external evaluations and quality assurance. The country applies

European Quality Assurance in Vocational Education and Training (EQAVET) tools across all education levels and has adopted a Rulebook and Methodology for evaluating educational work, covering teaching, management, and post-evaluation processes. Montenegro also engages in peer reviews through the ETF Forum for Quality Assurance in VET to refine evaluation practices. Quality assurance in VET combines internal and external evaluations, with institutions conducting regular self-assessments and external reviews every four years (ETF, 2023). Teacher training is a priority, supported by a catalogue of programmes focused on learning outcomes, methodologies, and key competencies. Accreditation for adult education providers remains voluntary, affecting programme availability. In sum (ETF, 2022a), while Montenegro benefits from a strong legal framework, stakeholder involvement and transparent reporting, governance and leadership development are weaker areas, as management roles lack experience requirements and professional development.

Centres of excellence

Montenegro's Education Reform Strategy 2025–2030 introduces a plan to establish Centres of Vocational Excellence (CoVEs) in each of the country's three regions, with preparations starting in late 2025 and EUR 1 million allocated for development. Alongside this, significant investments have modernised VET infrastructure: nine secondary VET schools have been renovated with EBRD support, and a nationwide furniture procurement initiative funded by the European Investment Bank has improved conditions in over 300 institutions.

Digital transformation and green skills are also priorities. In 2024, the creation of around 100 EdTech labs was funded to strengthen digital and soft skills, while five VET providers received grants for advanced equipment. Innovative projects such as 'Green Skills for Green Jobs' and 'INVEST' embed sustainability and digital competencies into VET programmes, promote public-private partnerships, and position VET institutions as hubs for lifelong learning across the Western Balkans, ensuring graduates meet evolving labour market needs.

Digital education and skills

Montenegro has made digitalisation a core element of its education reform, starting with the 2021 Strategy for Digitalisation of Education and reinforced by the Education Reform Strategy 2025–2035. These initiatives aim to embed digital tools and content across all education levels and align with EU goals, including participation in the EU Digital Agenda for the Western Balkans. Extensive teacher training supports this transformation, with thousands trained in Microsoft Teams, Office 365 analytics, Scratch programming, and 3D modelling. Tools such as SELFIE help schools assess digital readiness, and professional development for VET teachers includes mandatory digital skills training.

Significant investments have modernised infrastructure and learning platforms. The Digital School platform offers hundreds of courses and thousands of lessons, enabling flexible teaching modes and digital textbooks. Around 100 EdTech labs have been established, and projects like VIRAL promote ICT integration in agricultural education. Monitoring mechanisms, including annual SELFIE surveys and EU-aligned evaluations track progress, but challenges persist: a digital divide among learners, limited awareness of frameworks like DigComp, and infrastructure gaps in remote areas. Broader efforts are guided by the Montenegro Digital Transformation Strategy 2022–2026, which seeks to strengthen digital skills and ensure safe, efficient access to online services.

Green transition

Montenegro has integrated green skills into VET curricula by introducing new qualifications in renewable energy sectors, such as solar photovoltaic and wind power installation, developed in collaboration with employers to ensure labour market relevance (ETF, 2024c). Projects such as INVEST strengthen VET institutions' capacity to deliver green and digital skills across the Western Balkans (ETF, 2025). These initiatives reflect a systemic approach to aligning education with sustainability and employability goals.

Institutional reforms complement this by embedding sustainability in teaching practices and infrastructure through projects like EU4Green and the Eco-School Initiative, alongside digitalisation strategies that accredit training for educators. Adult education is also targeted through EPALEMNE, promoting green skills via regional cooperation (Ministry, 2025). Strategic planning under the Education Strategy and participation in EU programmes such as Erasmus+ reinforce Montenegro's commitment to the European Skills Agenda and the Green Deal, creating a comprehensive framework for equipping learners and educators for a sustainable future (Government of Montenegro, 2025).

Adult learning

Montenegro has made significant strides in aligning its lifelong learning (LLL) and adult education policies with European standards. The country's vocational education and training (VET) system is undergoing transformation to enhance inclusivity and responsiveness to labour market needs. Adult learning is delivered through licensed institutions and encompasses formal, non-formal, and informal modalities. Notably, post-secondary non-tertiary programmes (ISCED 4) are available to vocational graduates seeking higher-level qualifications, and second-chance education pathways exist for adults without compulsory education. The Ministry of Education, Science and Innovation has also prioritised validation of non-formal and informal learning, supported by analytical tools and frameworks to improve recognition and employability (ETF, 2025).

Policy coordination is reinforced through the Department for Lifelong Learning within the Ministry of Education, which oversees strategic development of adult education. Montenegro's initiatives include the integration of micro-qualifications, inclusive reskilling programmes, and partnerships with the Chamber of Economy and vocational schools to address evolving labour market demands (ETF, 2025). The country has also adopted EU policy tools such as individual learning accounts and micro-credentials to facilitate flexible learning pathways. These efforts are embedded within broader European frameworks like the European Skills Agenda and the Adult Learning Agenda, which promote coordinated and coherent approaches to upskilling for low-skilled adults.

Despite progress, challenges remain in ensuring systematic implementation and adequate financing. Fragmentation in strategic planning and monitoring persists, and public investment in adult learning systems is still below recommended thresholds (ETF, 2025). Also, participation of adults in education and training still only reached 3.6 % in 2024, well below the EU average. However, Montenegro's commitment to lifelong learning is evident in its education strategy action plan, which aims to integrate key competences for life and work into curricula, promote career guidance, and support gender-sensitive approaches in teacher education. These developments reflect a growing recognition of adult learning as a driver of social inclusion, economic resilience, and individual empowerment.

3. LABOUR MARKET AND EMPLOYMENT: POLICIES AND DEVELOPMENTS

3.1 Strategy and legal framework

Montenegro's employment policy is anchored in the National Employment Strategy 2021–2024, which aims to reduce regional disparities and improve employment outcomes in disadvantaged areas. The strategy is supported by targeted action plans and complemented by the Youth Guarantee Implementation Plan 2024–2026, which will be piloted in Ulcinj, Nikšić, and Bijelo Polje. The legislative framework further includes the Law on Employment and Unemployment Insurance and the Law on Encouraging Research, which provides tax exemptions for start-ups to stimulate job creation (Government of Montenegro, 2021a). These policies are aligned with Montenegro's broader EU accession goals and reflect a commitment to harmonising national labour legislation with EU standards.

The country has also implemented various Active Labour Market Policies (ALMPs), including subsidised employment schemes and training programmes, although coverage remains limited due to funding constraints (ETF, 2024d). The Employment Agency of Montenegro (EAM) plays a central role in implementing these measures and is undergoing digitalisation to improve service delivery and increase efficiency. Legislative reforms are ongoing, with updates to the Labour Law focusing on work-life balance, teleworking, and platform work. Montenegro is also aligning its legal frameworks with the EU acquis, including revisions to the Law on Occupational Health and Safety and the Law on Social and Child Protection.

The legal framework governing employment includes the Labour Law, which regulates employment contracts, working conditions, and termination procedures. Foreign nationals may work in Montenegro under temporary residence and work permits or work registration certificates, with strict conditions outlined by the Ministry of Labour and Social Welfare (Government of Montenegro, 2025a). The Law on Encouraging Research offers exemptions from mandatory social contributions for start-ups, promoting innovation and entrepreneurship.

Montenegro's commitment to EU integration is reflected in its adoption of the EU Council Recommendation on VET and the Osnabrück Declaration, with the National Qualifications Framework (NQF) playing a key role in aligning qualifications with labour market needs (Government of Montenegro, 2025a). These reforms are part of broader efforts to modernise the labour market, improve youth employment, and enhance the responsiveness of vocational education and training systems.

3.2 Main actors and governance

National level

The Employment Agency of Montenegro (EAM) is the central institution responsible for implementing employment policy. It manages active labour market programmes (ALMPs), including subsidised employment schemes, training initiatives, and the Youth Guarantee pilot launched in 2025 (Government of Montenegro, 2024). Despite its pivotal role, the EAM has faced challenges related to staffing, budget constraints, and infrastructure, prompting modernisation efforts supported by EU-funded Instrument for Pre-accession Assistance (IPA) projects aimed at digitalising its operations and improving data-driven decision-making (European Commission, 2024). The agency also collaborates with international partners such as the International Labour Organization (ILO) including on the Youth Guarantee.

Policy coordination is supported by interinstitutional working groups that include ministries, social partners, youth organisations, and other stakeholders. The Ministry of Labour plays a key role in

legislative updates, including amendments to the Labour Law and the development of career guidance strategies under the lead of the Ministry of Education. Montenegro's integration into the European Employment Services (EURES) network is underway, aiming to enhance mobility and employment opportunities across the EU. These developments reflect a multi-level governance approach, combining national reforms with EU-supported initiatives to strengthen employment policy implementation.

International level: donors

Montenegro's employment policy reform has received strong donor support, led by the European Union through initiatives such as the twinning agreement for the Employment Agency and the Youth Guarantee Programme. The EU's IPA III funding under the Multiannual Operational Programme 'Employment and Social Inclusion' (2024–2027) allocates over EUR 31 million to improve labour market access for vulnerable groups and strengthen administrative capacity for EU integration. These efforts aim to boost employment, lifelong learning, and social inclusion in line with EU standards. International partners like the ILO and UNDP complement these interventions, with the ILO's Decent Work Country Programme (2024–2027) addressing structural labour market challenges, promoting gender equality, and improving working conditions.

Additional support comes from the EBRD, which, alongside EU and Japanese grants, funds Montenegro's green transition through energy efficiency and renewable energy investments under the SME Go Green Programme and the Green Economy Financing Facility (GEFF). The World Bank contributes to employment outcomes via digitalisation and institutional strengthening, while GIZ supports EU accession and economic reforms through projects fostering sustainable development and VET improvements. Bilateral donors such as ADA back regional dual education initiatives and Montenegro's SDG Acceleration Fund. Collectively, the aim of these programmes is to reduce youth unemployment, enhance employability, and align Montenegro's labour market and education systems with EU integration and sustainable growth objectives.

3.3 Policies and developments

Overview

Montenegro's labour market policy is guided by the National Employment Strategy 2021–2024 and its associated action plans. Active Labour Market Policies (ALMPs), including subsidised employment schemes and training programmes, have been implemented to support jobseekers, although challenges persist in monitoring outcomes and digitalising feedback mechanisms. Recent reforms include the introduction of the Youth Guarantee Programme and initiatives to modernise labour legislation and strengthen social dialogue (European Commission, 2024b). The Youth Guarantee Implementation Plan (2024–2025) targets NEETs, with municipal-level pilots designed to improve transitions from inactivity to education and/or employment.

Women's participation is supported through exemptions for start-ups and targeted entrepreneurship initiatives, while vulnerable groups such as Roma and persons with disabilities benefit from tailored education and employment programmes. Long-term unemployment remains a persistent issue, particularly affecting a substantial portion of the unemployed population. This highlights ongoing challenges to re-employment for specific groups, such as low-skilled individuals and older workers. These trends underscore the importance of implementing coordinated and inclusive upskilling and reskilling programmes, expanding vocational education and training systems, and enhancing the effectiveness of public employment services (wiiw, 2025).

Youth Guarantee

Montenegro formally committed to the Youth Guarantee as part of the EU's Economic and Investment Plan for the Western Balkans, recognising it as a flagship initiative to tackle youth unemployment and NEET (Not in Employment, Education or Training) rates, which remain significantly above the EU

average. The country adopted its Youth Guarantee Implementation Plan (YGIP) for 2024–2026 in July 2024, following extensive preparatory work supported by the European Commission, ILO, and the ETF (Government of Montenegro, 2024). The plan aligns with the Council Recommendation on ‘A Bridge to Jobs’ and the European Pillar of Social Rights. Preparedness has been strengthened through the establishment of an inter-institutional working group, including ministries, the Employment Agency of Montenegro (EAM), social partners, and youth organisations.

Implementation moved from planning to pilot phase in January 2025, with pilots planned to be launched in three municipalities: Ulcinj, Nikšić, and Bijelo Polje. The ETF has supported capacity building for employment counsellors and the development of an outreach manual to ensure quality engagement with young people. Early progress includes the integration of career guidance and activation measures, as well as the digitalisation of EAM services to improve registration and follow-up.

3.4 Active labour market programmes (ALMPs)

Montenegro’s active labour market policies (ALMPs) encompass a set of measures that, taken together, aim to improve transitions from unemployment and inactivity into work. The policy mix includes adult education and training, on-the-job training with employers, training for independent work, employment incentives and wage subsidies, support for self-employment, public works, and the core public employment service (PES) functions of profiling, individual employment planning, career guidance and employer intermediation (Employment Agency of Montenegro, 2025). Since 2024–2025 the portfolio has been complemented by the Youth Guarantee (YG).

In terms of scale, participation in ALMPs remains relatively modest compared to the potential pool of beneficiaries. In 2024, over 20 000 individuals took part in employment mediation services and over 18 000 in counselling services (ETF, 2024a). That same year 37.2 % of registered unemployed people transitioned into employment – equivalent to 12 916 exits – with transitions particularly pronounced among young people under 29 years (69.5 %), while adults with low educational attainment registered much weaker outcomes at 14.9 %. The Employment Agency of Montenegro (EAM) recorded 34 760 registered unemployed persons, 20 426 of whom were women. Budgetary data show a constrained resource envelope for activation. Expenditure on ALMPs is around 0.03 % of GDP, excluding the professional training scheme for university graduates, which is accounted for separately (ETF, 2024a). For 2024, the total expenditure for labour market policies was EUR 62 162 075.20, covering active employment policy measures, grants for self-employment, professional rehabilitation and cash compensation for the unemployed.

Institutional modernisation has accelerated. The EAM Information System entered production on 24 December 2024 and was aligned in April 2025 with the Law on Employment Mediation and Rights during Unemployment, which Parliament adopted in March 2025. This legal and technological upgrade is designed to enable fuller digitalisation of services and interoperability for future participation in the EURES network, and optimisation work is ongoing to reflect evolving organisational processes, regulatory changes and user-experience improvements.

Collaboration with employers remains a central PES function and is reflected in robust vacancy intake. Between January and May 2025, employers reported 11 374 vacancies to the EAM, a level comparable to the same period of 2024. Employer demand continues to be strongest for elementary occupations, service and trade jobs, and a broad ‘expert/artistic’ category, with significant opportunities also reported in education, accommodation, and food services; sectors that are aligned with the structure of the economy and seasonal dynamics.

Evidence on programme effectiveness is emerging but remains uneven across measures, underscoring the need to strengthen monitoring and evaluation. At the system level, earlier assessments highlighted methodological and data gaps – particularly the absence of consistent follow-up at 6, 12 and 18 months – and recommended streamlining procedures, upgrading counsellor competencies and investing in IT and data interoperability to sustain performance improvements.

Further, while the 2024 EAM Annual Report provides extensive tabulations of participants by programme, municipality, sex and education (Employment Agency of Montenegro, 2025), micro-data are not yet available in open, machine-readable formats, limiting deeper analysis.

Overall, Montenegro's ALMP system has a coherent menu that matches labour-market needs and is increasingly underpinned by a modernised PES infrastructure. Yet the scale of participation, the outcomes for low-qualified adults, and the consistency of evaluation remain as critical areas to address.

4. KEY INDICATORS: EDUCATION, SKILLS, EMPLOYMENT

4.1 Headline indicators

Education and VET

Monitoring a complex education and training system typically starts with three straightforward questions: who takes part, what do they achieve, and what supports the process?

The first question explores the extent to which learners engage in education or training. It is addressed by indicators grouped under *Participation and access* in Table 4.1: net enrolment rates at lower and upper secondary levels, the share of students in upper-secondary VET, the gross enrolment ratio in tertiary education, and adult participation rates in lifelong learning. The second question – what learners achieve – examines key education outcomes, such as learner progression and the skills or qualifications they obtain. These are reflected in the indicators under *Attainment, completion and outcomes*: the share of adults with tertiary qualifications, the rate of early leavers from education and training, and the percentage of 15-year-olds underachieving in mathematics. The third question considers the financial, physical, and informational resources that sustain the education process, reflected by the indicators under *Resources and data*: public expenditure on education as a share of GDP, the adequacy of infrastructure, and the availability of internationally comparable data.

Table 4.1 Headline indicators: education and VET (Montenegro, EU average) (2022-2024)

Participation and access	2022	2023	2024	EU (1)	Source
Total net enrolment rate (lower secondary)	99.9	99.9	M.D.	98.1	UIS UNESCO
Total net enrolment rate (upper secondary)	86.3	86.7	M.D.	93.6	UIS UNESCO
Students in VET as a % of total upper secondary students	68.8	68.9	M.D.	48.8	UIS UNESCO
Gross enrolment ratio (tertiary)	57.4	55.2	M.D.	79.7	UIS UNESCO
Participation in training/lifelong learning in the previous 4 weeks (% aged 25-64)	3.2	M.D.	3.6	13.3	LFS
Attainment, completion and outcomes	2022	2023	2024	EU (1)	Source
Educational attainment of total population: % with ISCED 5-8	23.3	24.9	24.2	30.2	LFS
Early leavers from education and training (% aged 18-24)	5.2	6.8	4.9	9.3	LFS
Underachievers in maths (% aged 15)	59.5	N.A.	N.A.	31.1	PISA OECD
Resources and data	2022	2023	2024	EU (1)	Source
Public expenditure on education (as % of GDP)	M.D.	M.D.	M.D.	4.7	UIS UNESCO
Inadequate or poor-quality physical infrastructure (2)	33.8	N.A.	N.A.	27.9	PISA OECD
Availability of internationally comparable data on education	N.A.	36.8	56.3	N.A.	TRP (3)

Notes: 1. EU average, latest available year. PISA data: OECD average. 2. Percentage of students in schools whose principal reported that the school's capacity to provide instruction is hindered at least to some extent by inadequate or poor-quality physical infrastructure. 3. ETF Torino Process (TRP).

Source: ETF KIESE database.

The data in Table 4.1 show that participation in lower secondary education is universal; the net enrolment rate reached 99.9 % in both 2022 and 2023. At the upper secondary level, participation is stable at around 86–87 %, though somewhat lower than in many EU countries. A large majority of students enrolled at that level (close to 69 %) are in VET programmes, which probably reflects a mix of factors such as structural constraints, tracking practices, and student preference.

Far fewer students continue on to tertiary education than are enrolled at the upper secondary level. The gross enrolment ratio declined from 57.4 % in 2022 to 55.2 % in 2023. In the same vein, tertiary attainment has remained broadly unchanged over the past three years, fluctuating between 23 % and

25 %. At only 3.6 % in 2024, participation in adult learning is also very low in international comparison, well below the EU average.

The share of early leavers from education and training is low at 4.9 % in 2024, down from 6.8 % in 2023 and well below the EU average. This may be, in part, due to good student support and retention, but it also signals the possible presence of permissive assessment practices, as will be discussed in Section 4.2 on system performance. Learning outcomes point in the same direction: in 2022, 59.5 % of 15-year-olds failed to reach the baseline level in mathematics, almost twice the share in EU and OECD countries. This suggests that staying in school – whether in general education or VET – in Montenegro does not necessarily translate into achieving proficiency in basic skills and key subjects.

Data on the share of GDP that Montenegro allocates to education is unavailable for the reference period, which makes it difficult to assess the overall level of public investment in the sector. However, there is indirect evidence of funding constraints: in 2022, over a third of students attended schools where principals reported that inadequate or poor-quality facilities were hampering the work of the school (Table 4.1).

On average, the share of internationally comparable headline indicators available for Montenegro has risen from 36.8 % in 2023 to 56.3 % in 2024. Yet key indicators – including public expenditure figures and most 2024 enrolment rates – are missing for recent years.

Employment and demand for skills

The set of labour-market indicators follows the same question-and-answer logic applied to education and training, but from the perspective of employment. The indicators are organised into two complementary groups. The first group, *Employment and labour-market outcomes* (Table 4.2), addresses how effectively the labour market absorbs people. It consists of the overall employment rate (ages 15+), youth employment rate (ages 15–24), employment rate of recent graduates (ages 20–34, ISCED 3–8), unemployment rate of the overall population (ages 15+), and the NEET rate (ages 15–29). The second group, *Demand for skills* (Table 4.2), looks at the types of jobs and skills that the economy generates. It consists of employment by broad economic sector (agriculture, industry, services), the incidence of vulnerable employment, and the educational mismatch.

Table 4.2 Headline indicators: employment (Montenegro, EU average) (2022-2024)

Employment and labour market outcomes	2022	2023	2024	EU (1)	Source
Employment rate (% aged 15+ or similar age group)	50.3	55.6	56.4	54.7	LFS
Employment rate (% aged 15-24 or similar age group)	27.4	33.7	29.6	35.0	LFS
Employment rate of recent graduates aged 20–34 (ISCED 3–8)	57.5	63.4	75.4	82.4	LFS
Unemployment rate (% aged 15+ or similar age group)	14.7	13.1	11.5	5.9	LFS
Unemployment rate (% aged 15-24 or similar age group)	29.4	23.3	26.0	14.9	LFS
NEET rate (% aged 15-29 or similar age group)	23.2	20.3	16.5	11.0	LFS
Demand for Skills	2022	2023	2024	EU (1)	Source
Employment by broad economic sectors (%): agriculture	4.3	4.5	4.3	3.3	LFS
Employment by broad economic sectors (%): industry	19.0	18.4	19.1	24.1	LFS
Employment by broad economic sectors (%): service	76.7	77.1	76.6	72.1	LFS
Incidence of vulnerable employment (%)	12.6	11.0	11.1	10.0	LFS
Employment by 'educational mismatch': % matched	72.1	M.D.	M.D.	M.D.	ILOSTAT

Notes: 1. Data refer to 2019. 2. Data refer to 2019, age group 15-59. 3. Data refer to 2019, age group 16-24. 4. Data refer to 2019, age group 15-24.

Source: ETF KIESE database

In 2024, Montenegro's employment rate was 56.4 %, 6.1 percentage points higher than in 2022 and slightly above the EU average. The unemployment rate stood at 11.5 %, 3.2 percentage points lower than two years earlier, although still almost double the EU rate.

Youth employment fell to 29.6 %, while unemployment rose to 26 % compared to the previous year. The share of young people aged 15–29 not in employment, education or training declined to 16.5 %, 3.8 percentage points lower than in 2023 and 6.7 percentage points lower than in 2022, but still considerably higher than in EU countries, on average. This suggests that in Montenegro, fewer young people were inactive, but that a greater proportion of those active were unable to find work.

Employment outcomes for recent graduates improved considerably in the reference period. The employment rate for those aged 20–34 and holding qualifications from ISCED levels 3–8 rose to 75.4 %. While this is still below the EU average, the magnitude of the change (12 percentage points within a year) likely reflects shifts in labour market conditions rather than changes in the quality of learning alone.

The sectoral structure of employment remained stable and broadly similar to that of advanced OECD and EU economies. Services accounted for 76.6 % of jobs, industry for 19.1 %, and agriculture for 4.3 %. The share of workers in less secure forms of employment is broadly in line with EU levels too: the incidence of vulnerable employment declined to 11.1 %, close to the EU benchmark. Data on educational mismatch are only available for 2022, when 72.1 % of workers were in jobs matched to their qualifications. This is also broadly within the range observed in many EU countries.

4.2 System performance indicators

As noted in the introduction to this paper, 'performance' in the context of ETF monitoring describes the extent to which VET systems deliver on their commitments to learners and stakeholders in support of lifelong learning. These commitments typically cover three key areas: ensuring broad and equitable access to opportunities for education and training; delivering high-quality and relevant education; and maintaining effective and efficient organisation and management of the education system, including adequate resourcing.

To measure performance systematically, the ETF uses System Performance Indices (SPIs), which summarise the extent to which education and training systems fulfil each of their commitments. Each SPI is presented on a scale from 0 to 100, with higher scores indicating stronger performance.

Both the headline indicators in Section 4.1 and the SPIs presented in this section are guided by the same core questions: Who takes part? What do they achieve? How do education and training systems support them? The main difference between these two sets of data lies in how these questions are answered. Headline indicators answer the questions with single, stand-alone measures drawn directly from international data sources. The SPIs, on the other hand, are evaluative, composite measures. They are designed explicitly to assess how well VET systems fulfil broader policy commitments that cannot be adequately captured through individual statistics.

Access and participation

This section presents system performance in VET and adult learning against two specific policy outcomes: support for equitable access and participation for young people and adults, and support for young people in initial VET (IVET) to successfully complete their programmes.

The scope of SPIs tracking access differs according to the target group of learners. For youth, the SPI assesses access specifically to IVET, while for adults it captures access to continuing VET (CVET) and other adult learning opportunities, such as those provided through active labour market policies (ALMPs). A separate SPI measures how effectively young learners in IVET are supported in progressing through their programmes and achieving graduation.

In both cases, performance depends on the policies and measures the country is implementing. They provide the opportunities, incentives, and guidance needed to encourage participation and successful

completion. The SPI results therefore reflect how effectively these policies deliver on their intended objectives.

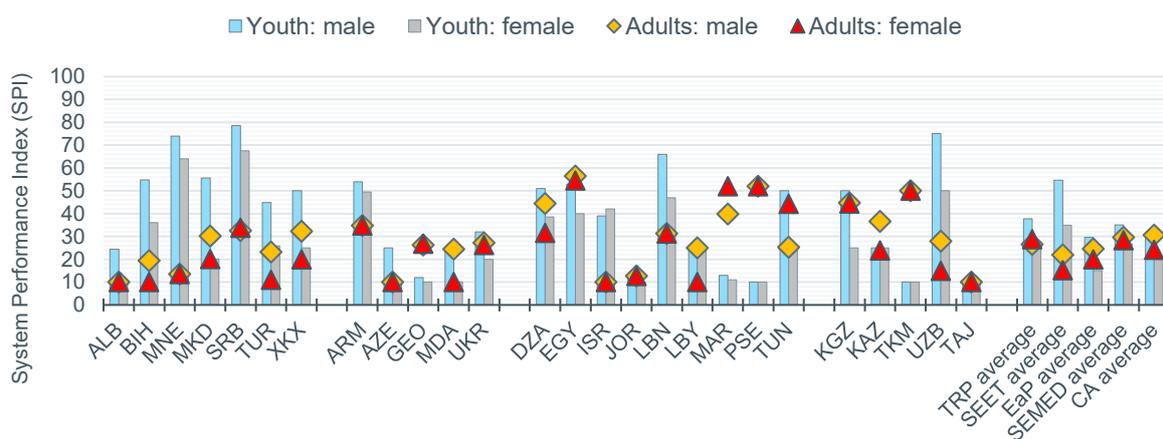
Access by age and gender

In Montenegro, VET system performance in support of access to IVET for boys (SPI of 74) and girls (SPI of 64) is well above the averages for both the Torino Process monitoring sample (38 and 28, respectively) and the South Eastern Europe and Turkey (SEET) regional average (55 and 35, respectively) (Figure 4.1).

According to the monitoring survey and KIESE indicators, participation in IVET is among the highest in the Western Balkans. In 2024/25, around 70% of all secondary students were enrolled in IVET programmes (KIESE SPI Indicators 1 and 4). VET institutions operate in 22 of 24 municipalities, although smaller towns often provide only a limited range of options. Most students attend ISCED level 4 programmes, which in 2023/24 attracted 78.7 % of IVET enrolments, while 21.3 % followed ISCED level 3 pathways geared towards faster entry into the labour market. Entry into four-year VET programmes requires a minimum of 48 points from primary school results, with lower-scoring students entering three-year tracks. IVET provision is free of charge in public institutions, supported by subsidised dormitories for students living away from home.

In Montenegro, the patterns of enrolment in IVET are highly gender-dependent. Although overall participation in 2023/24 was relatively balanced – 54.5 % boys and 45.5 % girls – this conceals significant segregation. At the programme level, boys account for 71.8 % of enrolment in level 3 programmes, while level 4 has an almost equal gender split. Segregation is even more pronounced by field of study. Girls are concentrated in textiles and leather (98 %), health and social care (73 %), personal services (71 %), and economics, law, and administration (60 %), but very few are in mechanical engineering and metal processing (3.7 %), geology, mining, and metallurgy (4.8 %), and electrical engineering (8 %). Dual VET programmes show similar patterns, with three-quarters of participants being male. These enrolment trends reflect entrenched stereotypes steering girls toward care and service sectors and away from STEM and technical fields. National strategies, such as the 2021–2025 Strategy for Gender Equality, aim to counter these disparities by promoting non-traditional career choices, integrating gender perspectives into guidance, and increasing exposure to STEM-related VET. Initiatives like ‘Girls in ICT’ and the LEAS⁴ project complement these efforts, though systemic barriers remain.

Figure 4.1 Access to learning opportunities by country, age and gender of learners - system performance index, ETF partner countries and international average (2025)



Note: Theoretical index range: min/low performance=0, max/high performance=100⁵.

Source: ETF KIESE and Torino Process databases

⁴ Learning to Empower Adolescent Girls at Scale - a [global and multi-sectoral learning platform](#) launched by the World Bank, geared towards showcasing evidence, knowledge, and best practices on what works to empower adolescent girls.

⁵ The Torino Process makes a distinction between theoretical (full) index range and index range used for reporting purposes. For reporting purposes, rare instances of extreme values on the low end (SPI < 10) and on the high end (SPI > 90) of the index

In contrast, system performance in support of adult participation in learning is considerably lower (SPI of 14), similar to the SEET average (22 for men and 15 for women) and below the Torino Process sample averages (27 and 29, respectively) (Figure 4.1). Despite a network of 129 licensed providers offering 484 accredited programmes, most are concentrated in Podgorica and other urban centres. In 2024, 18 389 adults participated in education and training activities, down sharply from 34 961 in 2023. Participation in lifelong learning remains low at 3.2 % in 2022, compared with the EU average of 10.8 % (KIESE SPI indicator 17), though women participate slightly more than men. The Montenegro Education Information System (MEIS) data for 2022 and 2023 show women accounting for just over half of all participants in accredited adult education. Programmes range from vocational qualifications and key competence courses to professional development and basic education for adults without primary schooling.

The Employment Agency of Montenegro plays a central role in delivering continuing VET as part of its active labour market policies (ALMPs). In 2024 they reached 1 235 unemployed individuals, prioritising women (60.5 % of participants), youth, the long-term unemployed, and Roma and Egyptian communities. Most training targets female-dominated occupations such as teaching assistants, accounting technicians, healthcare, hospitality, and personal services, with few measures encouraging women to enter STEM or technical fields.

Barriers to adult learning affect both men and women but often weigh more heavily on women. These include caregiving responsibilities and cultural norms discouraging participation in male-dominated areas, alongside general obstacles such as indirect costs, limited local provision, and lack of awareness of opportunities. Some donor-supported projects have attempted to mitigate these through flexible schedules, transport subsidies, and childcare provision. Yet they operate in a wider context of structural labour market inequalities. Women's concentration in lower-paid, less secure jobs, their underrepresentation in STEM, and lower workforce participation rates not only limit opportunities but also reduce the perceived returns from further education.

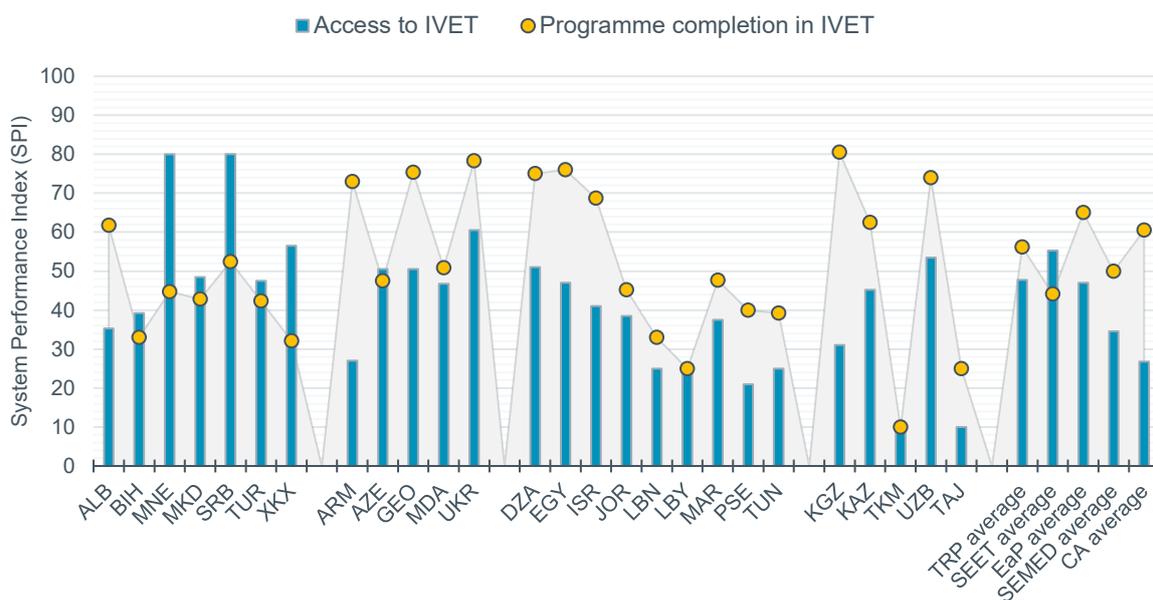
Retention and programme completion

Secondary education in Montenegro is not compulsory, yet transition rates from lower to upper secondary are high as most students continue their education, including in vocational pathways. In three-year IVET programmes, however, completion remains a concern.

According to the monitoring survey, the average school life expectancy for secondary education improved from 3.12 years in 2015 to 3.35 years in 2020, approaching the nominal duration of programmes and suggesting better retention. National data confirm strong lower-secondary completion (94.7 %) and somewhat lower upper-secondary completion (86.2 %). Yet survival rates in three-year vocational pathways remain below 90 % in most years, compared to 93–94 % in four-year programmes. In 2021/22, almost five percent of students in three-year vocational programmes left school, and slightly more than three percent did not return. Boys made up the majority of leavers (74 %), with expulsions for disciplinary violations as the most common reason, alongside voluntary withdrawals, relocation abroad, early marriage, and employment.

scale are truncated at the upper (10) and lower (90) decile end. This means that the reporting does not discriminate SPI values below 10 and above 90. The international average, on the other hand, is calculated using the full range of the index.

Figure 4.2 Access and programme completion in IVET - system performance index, ETF partner countries and international average



Note: Theoretical index range: min/low performance=0, max/high performance=100

Source: ETF KIESE and Torino Process databases

The expert survey suggests that dropout risk in secondary education is shaped by behavioural, socioeconomic, and equity-related factors. Disadvantaged students are more likely to leave early, and wealth-related gaps in completion are more pronounced at secondary level than at primary. Gender disparities are minimal at lower secondary – 96.9 % for girls and 97.1 % for boys in 2023 – but boys are overrepresented among repeaters and leavers, suggesting engagement issues rather than systemic bias. Roma and Egyptian students face particularly low access and completion rates, despite improvements in primary education. These risks affect three-year IVET disproportionately, as these programmes tend to enrol the most disadvantaged students. As a result, equity challenges in secondary education overall have their greatest impact on completion in the three-year vocational pathway. This also pulls down Montenegro’s system performance in this area of monitoring (SPI of 45, Figure 4.2).

In contrast, the rest of the secondary system, including four-year VET, faces the opposite challenge: completion and graduation rates are high, but questions remain about whether they reflect genuine achievement. Observers have noted permissive assessment and grade inflation, including the awarding of the Luča diploma to disproportionately large numbers of graduates despite weak results in international assessments (Centre for Civic Education, 2023).

Policy measures have targeted both dropout prevention in three-year IVET and the credibility of completion in the broader secondary system, but challenges remain. Dropout rates have been kept well below the European Strategy (2020) benchmark of 10 %, yet the upward trend in three-year programmes has prompted calls for stronger intervention. Responses include measures to improve inclusion of students with special needs, expanding access for disadvantaged groups, and monitoring reasons for withdrawal through the MEIS portal. In 2024, the Ministry of Education, Science and Innovation announced plans to tighten grading criteria and diploma requirements in the broader secondary system to ensure that graduation outcomes more accurately reflect the actual knowledge and skills of students (Centre for Monitoring and Research, 2024).

Quality and relevance of learning outcomes

In this section, the SPIs capture the quality of the provision of basic skills and key competences to learners in IVET, as well as the degree to which adults possess foundational skills. These results are

complemented by selected KIESE indicators, which track the relevance of learning outcomes by examining employment rates of individuals aged 15 and older, disaggregated by educational attainment in ETF partner countries.

ETF monitoring keeps quality and relevance separate because, although they often reinforce each other, they do not always coincide. Learners with strong foundational skills may still struggle to find suitable employment, while individuals might secure jobs without acquiring a comprehensive skillset. By tracking these aspects separately, the reporting hopes to identify both the intrinsic benefits of education and how effectively it aligns with the needs of the labour market.

Quality of learning by age and gender

Most countries in the ETF Torino Process monitoring sample and in the SEET region struggle to deliver adequate skills and competences to learners in initial VET, irrespective of gender. Montenegro is no exception. The monitoring results suggest that many learners complete their programmes without acquiring an adequate level of skills and competences. Performance in this domain is low for boys (SPI of 24), matching the average for the Torino Process sample for that gender, while performance for girls is at a similar level (SPI of 27) but considerably lower than the international average (SPI of 40).

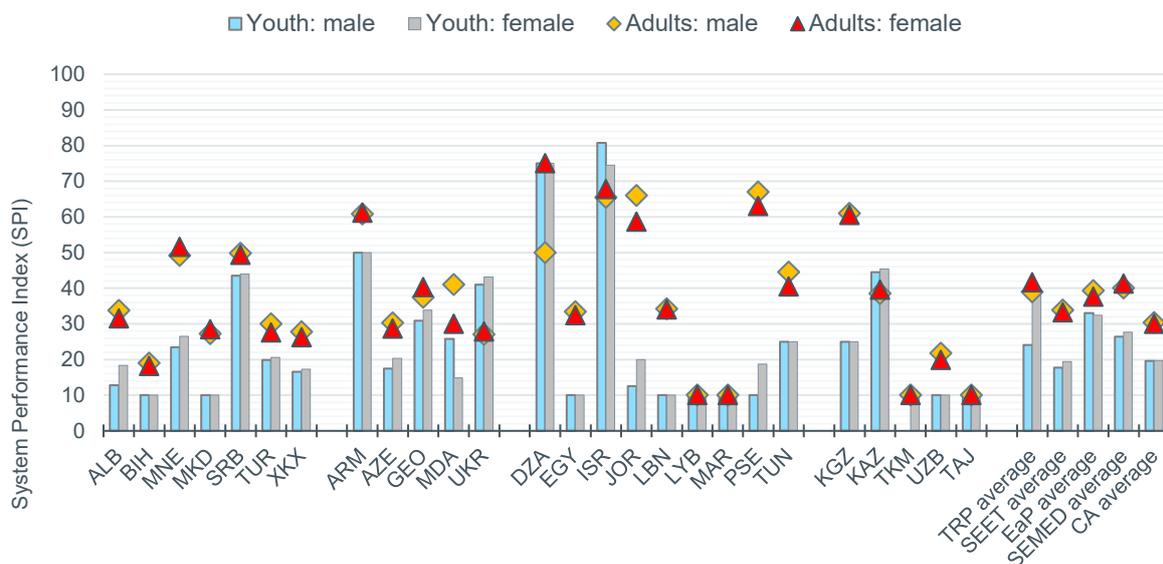
International assessments used in the SPI calculation confirm the scale of underachievement. In PISA 2022, 61.2 % of boys (KIESE SPI indicator 24) and 44.1 % of girls (indicator 24) were underachievers in reading; in mathematics (indicator 25) and science (indicator 26) the shares of underachievers were close to or above 40 % for both sexes. Girls outperform boys in all three domains, with the largest gap in reading, yet this advantage is smaller than in many other countries, which contributes to the lower SPI result for girls compared to the international average.

National examination results at the end of four-year VET programmes confirm these challenges. In 2024, the average grade in the mother tongue was 2.35 on a five-point scale, down from 2.78 in 2023. For elective subjects, averages were 2.44 in English (down from 2.58 in 2022) and 1.75 in mathematics (down from 1.93 in 2023). These findings suggest that many learners graduate with significant gaps in core skills, limiting readiness for further learning and work.

Employers echo these concerns. According to the Torino Process survey, while technical competences are valued, employers place particular emphasis on transversal skills such as communication, teamwork, problem-solving, adaptability, and work ethic, and indicate that these are not always sufficiently developed in initial VET. Patterns of gender segregation in enrolment further affect skill acquisition. Although gender parity has improved, women remain underrepresented in some vocational fields, limiting their exposure to higher-level competences, particularly in STEM.

In response to these challenges, Montenegro has aligned VET programmes with the eight domains in the European Reference Framework for Key Competences for Lifelong Learning. These competences are embedded across programmes through curriculum design, qualification standards, and cross-curricular approaches. While the frameworks do not specify pedagogical methods or expected outcomes, the intended competences are set for each module. Recent reforms, supported by an EU-backed project between 2019 and 2021 that trained around 1 900 teachers, 300 school principals, and quality assurance professionals, have placed particular emphasis on entrepreneurship and digital competences.

Figure 4.3 Quality of skills and competences by country, age and gender of learners – system performance index, ETF partner countries and international average (2025)



Note: Theoretical index range: min/low performance=0, max/high performance=100

Source: ETF KIESE and Torino Process databases

The ETF monitoring results for adults reflect the current level of foundational skills and competences among working-age adults in Montenegro, irrespective of how or when these were acquired. The data show comparatively strong outcomes (SPI of 49 for men and 52 for women), above the Torino Process average (SPI of 39 for men and 42 for women) and well above the SEET regional average (34 for men and 33 for women). National attainment data provide some context: in 2022, 91.7 % of adults aged 25+ had completed at least lower secondary education and 88.8 % had completed upper secondary education. Tertiary attainment is also relatively high, with 26.2 % of the population aged 15+ holding higher education qualifications, and 44.4 % among those aged 25–34, which is above the EU average. Illiteracy is low at 1.5 %, concentrated among older adults and more prevalent among women (2.4 %) than men (0.6 %). The slightly higher SPI score for women is consistent with their higher tertiary attainment rate.

These strong results do not mean that all skill needs are met. Gaps remain in advanced digital competences and in translating qualifications into equitable labour market opportunities. KIESE SPI indicators show high uptake of everyday ICT activities such as participating in social networks (83.9 %; indicator 43) and making online calls (96.6 %; indicator 42), but much lower engagement in complex tasks. Only about one-third of adults have created electronic presentations (34.7 %; indicator 45) or used formulas in spreadsheets (34.1 %; indicator 47), and just 7.7 % have programming experience (indicator 48). Digital financial literacy is also limited, with fewer than one in ten adults (9.4 %) using internet banking (indicator 56). While women are more likely than men to hold tertiary qualifications (indicator 35), they are also overrepresented among those with only primary education or no schooling, reflecting generational differences in access to education.

Relevance and labour market outcomes

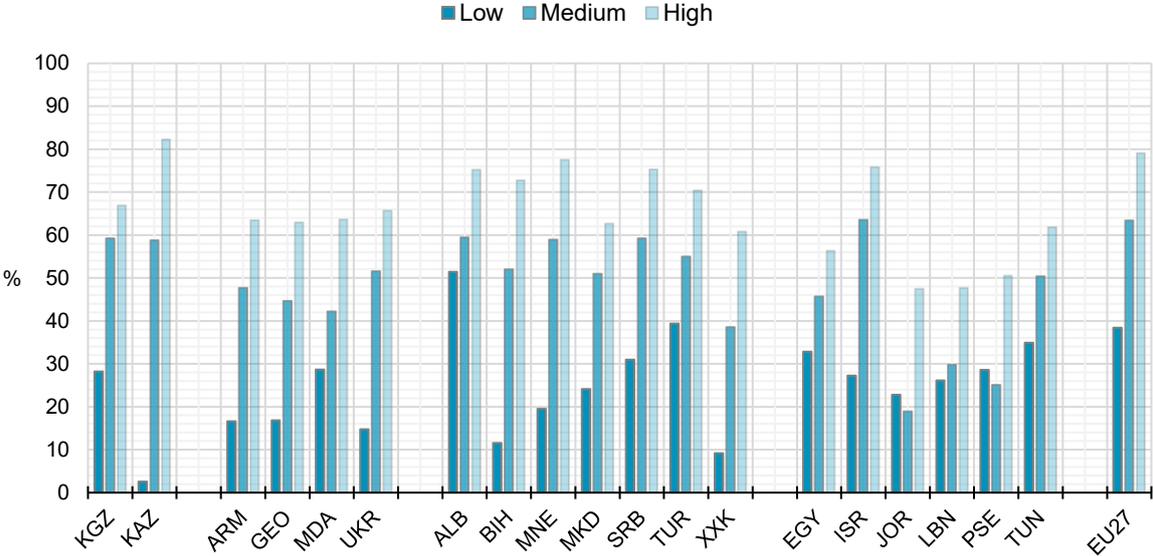
This section uses employment data to gauge how effectively education in Montenegro meets labour market needs. Specifically, it compares employment rates by the highest education level adults have reached, with EU-27 averages.

Employment prospects in Montenegro improve sharply with higher levels of educational attainment, but the gap between the different attainment groups is much wider than in the EU27.

Among adults with low educational attainment, the employment rate is just 19.6 % in Montenegro, compared to 38.4 % in the EU27. This means that low-qualified adults in Montenegro are only about

half as likely to be in work as their peers in the EU27. For those with medium attainment (typically upper-secondary or post-secondary non-tertiary education), the employment stands at 58.9 %, which is only 4.5 percentage points below the EU27 reference. For tertiary-educated adults, employment rates are high in both contexts – 77.5 % in Montenegro and 79.1 % in the EU27 – with only a minimal difference (Figure 4.4).

Figure 4.4 Employment rate (age 15+) by educational attainment, ETF partner countries (2024)



Source: ETF KIESE database

The sharp gap in the employment rates of adults with different levels of educational attainment points to a key structural challenge. In Montenegro, the difference between low- and high-educated adults is 57.9 percentage points, compared to 40.7 in the EU27. The bulk of the overall gap with the EU27 is concentrated in the low-attainment group, where non-employment affects more than four out of five adults.

Although there are no comparable employment rates by gender for this indicator, the Torino Process expert survey suggests that the lower employability of adults in Montenegro may be even more pronounced for women. CEDEFOP data indicate that only about 54 % of recent VET graduates aged 20–34 are employed, well below the EU average of 79 %, and the 2023 Gender Equality Index records a relatively low score for the ‘Work’ domain (70.7), particularly in ‘Segregation and quality of work’ (64.1). This points to structural barriers in translating educational attainment into quality employment, especially for women.

System management and organisation

In the final section on policy and system performance, the focus shifts to the organisation and management of the education and training system, with particular attention to VET.

The analysis presents data on system performance in the form of SPIs in three areas: effective allocation and use of financial resources in VET; allocation, use, and professional capacity of human resources, including leadership skills and professional competence of school management and staff; and system steering and management, which includes data, quality assurance, school leadership, and the internationalisation of VET.

Financial resources in VET and lifelong learning

This section examines the availability of funding for VET in Montenegro and discusses how effectively this funding translates into tangible resources, such as well-equipped teaching facilities, workshops, and appropriate instructional materials.

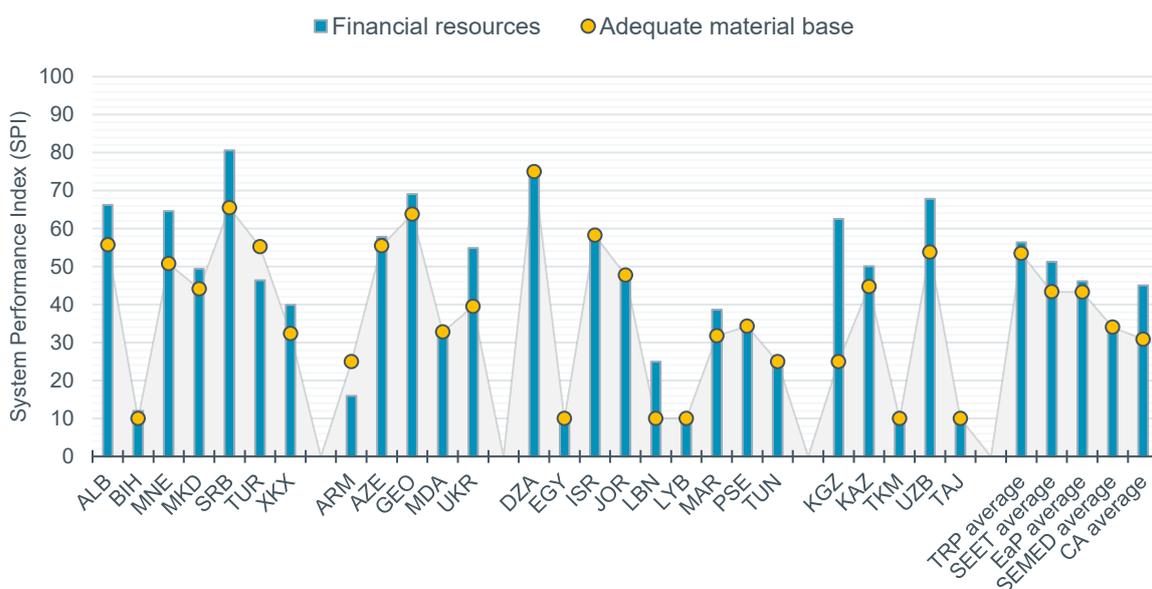
Financing for VET in Montenegro is marked by limited adequacy and low efficiency that stem from structural and systemic factors. Education spending is slightly below the EU average, at 4.2 % of GDP compared to 4.6 % in the EU-28, with no specific budget line for VET despite higher per-student costs. According to the monitoring survey, the high public wage bill, at 12–13 % of GDP, and workforce-heavy administration reduce fiscal space for investments in equipment, infrastructure, and curricula.

Funding for vocational schools is centrally allocated, and 90.6 % of funding comes from the public budget (KIESE SPI indicator 96). This high share reflects a stable public commitment and helps explain Montenegro’s comparatively strong result in this domain (SPI of 65, Figure 4.5). At the same time, reliance on a single source limits diversification and leaves schools with few opportunities to mobilise additional resources. The survey notes that centralisation restricts school autonomy to set priorities or establish revenue-generating arrangements, so VET providers depend on narrow forms of income such as renting premises or organising exams. These generate only modest sums, while efforts to engage private partners bring small, project-specific contributions with little continuity. With no mechanisms such as training levies or tax incentives to encourage sustained private investment, donor support remains the main driver of external funding.

Recent years have brought improvements supported mainly by international partners. Nearly one fifth of VET institutions have been adapted or reconstructed with EBRD and EIB support, integrating energy efficiency and modern facilities. EU and EIB funding provided EUR 11 million in grants and EUR 18 million in loans for 13 schools, alongside EUR 7 million invested in digital equipment and 100 EdTech laboratories. The Regional Challenge Fund added EUR 1.6 million for five institutions to strengthen employer-linked training. The forthcoming Centres of Vocational Excellence, prioritised in the Education Reform Strategy 2025–2030, aim to further improve quality and alignment with industry needs.

The condition of the material base for teaching and learning reflects these financing patterns. Shortcomings in infrastructure are widespread, with 39.2 % of students in schools hindered by a lack of facilities (KIESE SPI indicators 99, 119) and 33.8 % affected by poor quality (indicators 100, 120). A lack of educational material affects 67.5 % of students (indicators 97, 117), and poor quality affects 57.2 % (indicators 98, 118). Upper-secondary schools, including VET providers, also have fewer ICT devices, less capacity to use them for instruction, and inadequate access to software and platforms.

Figure 4.5 Allocation and use of financial resources in education and training – index of system performance, ETF partner countries and international average (2024)



Note: Theoretical index range: min/low performance=0, max/high performance=100

Source: ETF KIESE and Torino Process databases

Teacher views confirm the challenge: 73.8 % report they are not at all satisfied or only satisfied to a very small degree, and 63.2 % are dissatisfied with classroom conditions, including equipment and internet connection. Schools in the north face particular disadvantages, with weaker industry cooperation and greater reliance on under-equipped workshops, making it difficult to meet mandated practical training quotas. At the same time, Montenegro's result in this domain (SPI of 52) is close to the sample average (53) and above the SEET regional average (43), indicating that while shortages are significant, they are less acute than in many neighbouring systems.

Human resources: allocation, use, professional capacity

System performance in the area of human resources in VET in Montenegro is comparatively strong (SPI of 75), well above both the monitoring sample average (61) and the SEET regional average (59). The data used to calculate the SPI results confirm that staffing is generally adequate: 26.9 % of students are in schools where principals report that instruction is hindered by a lack of teachers (KIESE SPI indicator 107), while fewer than 10 % are in schools affected by poorly qualified staff (9.7 %, indicator 108).

While the entry requirements for VET teachers are demanding in terms of academic qualifications, industry experience and pedagogical preparation are not compulsory. Many new teachers therefore begin their careers with limited workplace exposure and insufficient training in pedagogy and methodology. More than three-quarters are fully certified (77.1 %, indicator 111), but certification does not necessarily ensure the competences needed for high-quality vocational teaching. According to the monitoring survey, licensing and professional development partly address these gaps, but do not fully compensate for them.

Professional development for teachers in VET is available, but such opportunities remain more limited than in general education and are not linked to career progression. Career progression is widely perceived as procedural and tenure-based rather than linked to teaching quality.

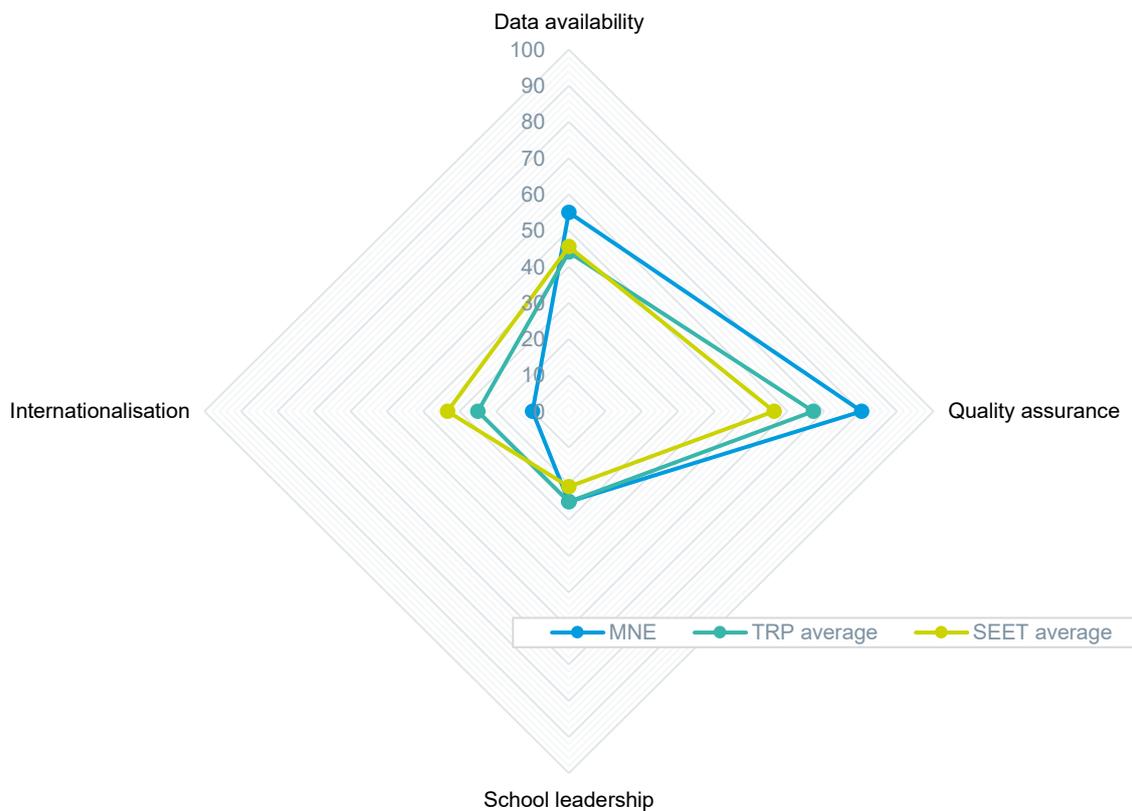
Shortages and mismatches in human resources are most visible in technical fields, particularly healthcare and construction, where private-sector employment reduces the pool of qualified staff. In-company instructors, who are key for dual and work-based learning, face even greater difficulties. Many lack pedagogical preparation, qualification requirements vary across companies, and SMEs often lack the capacity to provide quality training.

Recent reforms aim to strengthen results in this area. Practical Training Coordinators have been introduced in VET schools to improve work-based learning, and pending legislation in CVET would allow university teachers with andragogy training to contribute. Salary increases and better working conditions have made vocational teaching more attractive, helping reduce attrition except in high-paying fields such as ICT, medicine, and construction.

System steering and management

This section summarises the system performance results in the domains of data availability and capacity for informed decision-making, quality assurance, school leadership, and internationalisation in VET in Montenegro.

Figure 4.6 System steering and management – index of system performance, selected dimensions, ETF partner countries and Torino Process average (2024)



Note: Theoretical index range: min/low performance=0, max/high performance=100
 Source: ETF KIESE and Torino Process databases

The monitoring shows that Montenegro has made progress in data availability and reliability for education and VET. Although only mid-range (SPI of 55), performance is above the SEET average (46) and the monitoring sample average (44) (Figure 4.6). According to the monitoring survey, the result reflects established arrangements for data collection and exchange: institutions such as the Centre for Vocational Education, the Statistical Office, and the MEIS provide information on schools, programmes, enrolments, teachers, and quality assurance. The MEIS is linked to the Government Service Bus for standardised data exchange, while participation in international initiatives such as the Torino Process, ETF Key Indicators, and EU self-assessment tools has strengthened reliability and policymaking.

Weaknesses remain, however, in coverage, timeliness, and coordination of data collection and provision. The monitoring survey notes that reliable data on graduate destinations are missing for both initial and continuing VET, with little information on employment outcomes or re-entry into learning. Data on adult learners and informal training are limited, and labour market information is fragmented across institutions. The absence of an integrated management information system reduces the usefulness of available data for strategic planning.

Montenegro outperforms regional and international averages in quality assurance in VET (SPI of 80, Figure 4.6). The country has aligned its quality assurance framework with EQAVET, and its implementation is coordinated by the VET Centre and the Bureau for Educational Services. The framework is widely operationalised at the provider level: according to some of the indicators used for the calculation of the SPIs, all principals reported that their school conducts internal self-evaluation (KIESE SPI indicator 84, 100 %), and almost all confirmed that their school undergoes external evaluation (indicator 85, 98.4 %). All schools have a written curricular profile (indicator 86, 100 %),

most have defined performance standards (indicator 87, 90.5 %), and nearly all systematically record attendance and professional development (indicator 88, 98.4 %) as well as student results (indicator 89, 98.4 %). Principals also reported that teacher mentoring is in place at every school (indicator 91, 100 %).

At the same time, quality assurance practices are uneven in some areas. Most schools provide achievement data to parents (indicator 83, 85.7 %), but only a small share publish results publicly (KIESE SPI indicator 81, 12.7 %) or have them systematically tracked by administrative authorities (82, 58.7 %). Practices such as student feedback (indicator 90, 71.4 %) and regular consultation with external experts (indicators 92 and 94, 65.1 %) are not yet universal. This suggests that QA is strong in its internal dimensions, but weaker in stakeholder engagement, transparency, and accountability.

Turning to the professional capacity of school leaders in VET, Montenegro records results at the lower end of the performance scale (SPI of 25), similar to many other countries in the monitoring sample. According to the monitoring survey, only 40 % of principals are currently rated as competent or highly competent, well below the government's target of 60 % and benchmark of 80 %. Formal requirements for appointment exist, but in early 2025, almost half of candidates failed the written test, and only 5 of 13 schools concerned were able to appoint a director. Newly appointed leaders are required to complete initial training, but systematic opportunities for continuous development are lacking.

Governance arrangements also limit merit-based selection. The monitoring survey notes that principals are appointed by the Minister rather than school boards, enabling political influence over appointments. The 2020 dismissal of over 500 principals highlighted the vulnerability of leadership to political change. Legal amendments now oblige the Minister to appoint the top-ranked candidate following examinations, but it remains to be seen whether this safeguards professionalism.

The fourth performance domain shown in Figure 4.6 is internationalisation of VET. The results in this area remain weak despite policy alignment with EU standards and participation in regional initiatives. According to the monitoring survey, around 38 % of vocational schools are engaged in international projects, and some students and teachers take part in mobility opportunities such as INTERVET. The Strategy for the Development of Vocational Education 2020–2024, together with projects such as V2V, CTM, and ERI SEE, provide a framework for cross-border cooperation and curriculum internationalisation.

Yet use of these opportunities is modest. Teacher mobility is at 0.3 %, student mobility is inconsistently reported, and much of the effort is project-based. Recognition of qualifications abroad depends on sector-specific rules, particularly in regulated professions. Thus, the main challenge is to broaden participation, embed international competences more systematically in curricula, and move from pilot projects to wider implementation.

ABBREVIATIONS

ADA	Austrian Development Agency
ALMPs	Active Labour Market Programmes
CEB	Council of Europe Development Bank
CVET (adult learning)	Continuing vocational education and training
DESA	United Nations Department of Economic and Social Affairs
EACEA	European Education and Culture Executive Agency
EAM	Employment Agency of Montenegro
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EHEA	European Higher Education Area
EIB	European Investment Bank
Enabel	Belgian Development Agency
EQAVET	European Quality Assurance in Vocational Education and Training
EQF	European Qualifications Framework
ERI SEE / ERI	Education Reform Initiative of South Eastern Europe
ETF	European Training Foundation
EU	European Union
EURES	European Employment Services
GDP	Gross domestic product
GEFF	Green Economy Financing Facility
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH

HDI	Human Development Index
ICT	Information and Communication Technology
ILO	International Labour Organization
IMF	International Monetary Fund
IPA	Instrument for Pre Accession Assistance
ISCED	International Standard Classification of Education
IVET	Initial Vocational Education and Training
KfW	German Development Bank (Kreditanstalt für Wiederaufbau)
KIESE	Key Indicators on Education, Skills and Employment
LEAS	Referenced education project focused on girls' participation / equality
LFS	Labour Force Survey
LLL	Lifelong Learning
LMIS	Labour market information system
MEIS	Montenegro Education Information System
MoESI	Ministry of Education, Science and Innovation
MOL	Ministry of Labour and Social Welfare
MQC	Montenegro Qualifications Council
MQF	Montenegro Qualifications Framework
NEET	Not in employment, education or training
NQF	National Qualifications Framework
OEAD	Austrian Agency for International Cooperation in Education and Research
OECD	Organisation for Economic Co-operation and Development

PPP	Purchasing Power Parity
QF EHEA	Qualifications Framework for the European Higher Education Area
SDG	Sustainable Development Goals
SEE(T)	South East Europe (and Turkey)
SELFIE	European Commission digital self-reflection tool for schools
SME	Small and Medium-Sized Enterprises
SPI / SPIs	System Performance Index / Indices
STEM	Science, Technology, Engineering and Mathematics
TRP	Torino Process
TVET	Technical vocational education and training
UN	United Nations
UN DESA	United Nations Department of Economic and Social Affairs
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	UN Educational, Scientific and Cultural Organization
USD	US Dollar
VET	Vocational education and training
VNFIL	Validation of Non Formal and Informal Learning
WBIF	Western Balkans Investment Framework
WBL	Work-based learning
YG / YGIP	Youth Guarantee / Youth Guarantee Implementation Plan
ZZZCG	Employment Agency of Montenegro (<i>Zavod za zapošljavanje Crne Gore</i>)

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