# KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT

## 2025

## ARMENIA

# ABOUT THIS PAPER

Each year, the European Training Foundation (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.

This document is the country-level report (country fiche) for 2025 for Armenia. 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 KIESE database, which provides internationally comparable indicators on areas such as country demographics, economics, 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 surveys[1].

Another source of evidence is the ETF's flagship monitoring initiative the Torino Process that compiles system performance indicators (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 are missing, SPIs rely on expert surveys to fill these gaps and contextualise the findings during analysis. 'Performance' in this context refers to the extent to which policies and systems deliver results in these areas[2]. In 2025, the ETF compiled SPIs for a total of 32 performance areas and sub-areas, including by groups of learners such as youth and adults, males and females, socio-economically disadvantaged young people, and adults with a low level of education or no education.

ETF country missions complement these data sources by engaging with key policy stakeholders and 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 by ETF monitoring.

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

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[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/3YUIbXE. For a full overview of the Torino Process system performance monitoring framework, see https://bit.ly/47YGA6l. The methodology for calculating the SPIs can be found here: https://bit.ly/3XJg101.

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# KEY TAKEAWAYS

- **Country profile and developments:** Armenia is a landlocked country with a predominantly Armenian population. Its population is declining and ageing, and there is a high level of emigration reducing the share of young people. Economic growth is driven by market-oriented reforms, remittances and capital inflows, while the economy continues to diversify away from agriculture and industry towards services.

  Social and political developments have significantly influenced the country's trajectory. Since the 2018 Velvet Revolution, Armenia has faced challenges, including the COVID-19 pandemic, the conflict with Azerbaijan and large-scale displacement from Nagorno-Karabakh in 2023.

  In 2025, Armenia deepened its ties with the European Union (EU) by passing the EU Integration Bill and reaching a political agreement on an EU–Armenia New Partnership Agenda. At the same time, Armenia has advanced efforts to normalise relations with Azerbaijan in the aftermath of the 2023 military operations in Nagorno-Karabakh.

- **Developments in education and training:** Armenia's education and training reforms are guided by the Armenian Development Strategy (ADS) 2014–2025 and the Education Strategy 2030, which prioritise quality, accessibility, efficiency and alignment with labour market needs. General education is regulated by the 1999 Law on Education, with current reforms including a new law on Higher Education and Science, which came into force in October 2025. The new law on Vocational Education and Training (passed in 2024) seeks to unify a fragmented system and strengthen lifelong learning. It introduces a cooperative governance model involving non-governmental partners, revised programme standards, opportunities for micro-credentials and new financing mechanisms. It also promotes entrepreneurship and modernises staff recruitment and training.

  The Ministry of Education, Science, Culture and Sport (MoESCS) is designing a new governance structure with a view to establishing a new body that will take over some key functions in VET.

- **Employment and labour market developments:** The new Strategic Programme for Employment Promotion 2025–2031 aims to increase productivity by creating new jobs in non-agricultural sectors within administrative regions (*marzes)* and increasing employee competitiveness and employability. The Programme focuses on four key target groups, namely Not in Education, Employment or Training (NEET) youth, women, individuals on social benefits and people living in provincial cities. The Programme enables new initiatives to boost employability, such as short-term training, tax incentives and public works.

  There are also targeted measures to support displaced people from Nagorno-Karabakh, including job-matching platforms, training and financial incentives for teachers and medical staff.

  The new Ministry of Labour and Social Affairs (MoLSA) digital platform e-work.am aims to connect employers to jobseekers. An IOM report reveals that the unemployment rate is much higher among refugees (49%) than among the general population (14% according to ARMSTAT's 2022 Labour Force Survey) (IOM, 2024).

- **Access, retention, completion:** The Armenian education system provides for 12 years of compulsory education. Early childhood care for infants aged zero to two remains minimal. Access to primary and lower secondary education has remained consistently high, despite minor fluctuations. The number of students going on to upper secondary general education has made significant progress, with approximately two-thirds of students who completed lower secondary education now enrolled, the remaining third attending vocational education and training (VET) programmes. Higher education has also shown a steady but slower increase in participation levels. Access to VET has expanded considerably in recent years, yet inclusiveness has not improved, as entry now depends increasingly on the financial means of families. Most of the growth in enrolment is in the form of paid places, while free study opportunities have not kept pace, something that has reinforced inequalities in access, particularly among rural and low-income learners. Gender

balance also remains uneven, as girls continue to be underrepresented in technical and industrial specialisations and concentrated in mid-level rather than craftsmanship programmes. Opportunities for adult learning exist but remain fragmented, small-scale, and often reliant on donor funding. Completion rates in initial VET are generally high, yet dropout and repetition have increased since 2022, reflecting academic and structural challenges that affect boys in particular. Reintegration after an interruption in study is possible but is limited in pedagogical scope and insufficiently tailored to diverse learner needs.

- **Quality and relevance of learning**: While Armenia has participated in the Trends in International Mathematics and Science Study (TIMSS) since 2003, it joined the Programme for International Student Assessment (PISA) for the first time in 2025. PISA results will help assess and benchmark the average quality of learning. VET in Armenia combines occupational skills with a general education component that builds foundational and transversal competences such as literacy, numeracy, digital and civic skills. Policy and system performance in this area exceeds regional and international averages, suggesting that the arrangements in place are conducive to high-quality learning. However, the assessment of learner competencies is confined to provider-based examinations and teacher evaluations, without independent verification or external measurement of learning outcomes.

Although many adults in Armenia have solid skills and education, the jobs available to them often do not require or make use of those skills. Education nonetheless remains highly relevant to employability, as employment rates rise sharply with each level of attainment. However, opportunities remain limited across all qualification levels, and the gap between the least and most educated is wide.

- **System management and organisation**: Armenia has a semi-decentralised education system. Provisions for cooperation between the Ministry of Education, Science, Culture and Sport (MoESCS) and other ministries are implicitly formulated in legal documents. Outside of the MoESCS, several agencies have diverse responsibilities in the design, monitoring and supervision of state educational programmes.

Public spending on education in Armenia remains low by international standards, and resources available for VET are modest even within this limited budget. The largest portion of public spending is allocated to general education, which has accounted for an average of 63% of the education budget over the past five years. State funding is the main funding source for VET, yet most allocations are absorbed by student subsidies, leaving little for modernisation or quality improvement. Financial constraints are reflected in outdated facilities, shortages of learning materials and continued dependence on external assistance for infrastructure investment. Progress under the Education Strategy 2030 has begun, but remains slow relative to the scale of need.

VET teachers are formally well qualified, yet the workforce is ageing and modestly paid, with limited incentives for innovation or professional growth. Recent teacher attestation measures are a positive step, but have yet to reach a significant scale. System steering is supported by a reliable statistical base but remains weak in analytical depth and coverage. Quality assurance is well established institutionally, while school leadership and internationalisation continue to face capacity limitations.

# 1. COUNTRY PROFILE

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

| Indicator | Value | Year | Source |
|---|---|---|---|
| Total population (in thousands) | 3,033.5 | 2024 | UN DESA, World Bank |
| Relative size of youth population (%) | 18.2 | 2023 | UN DESA |
| Population growth rate | 0.7 | 2023 | World Bank, UN DESA |
| Dependency ratio | 48.7 | 2023 | World Bank, UN DESA |
| Immigrant stock as % of total population | 9.2 | 2024 | UN DESA |
| Emigrant stock as % of total population | 21.4 | 2024 | UN DESA |
| GDP growth rate | 8.3 | 2023 | World Bank |
| GDP per capita (PPP) | 21,342.5 | 2023 | World Bank |
| Migrant remittance inflows (US$ mil.) as % of GDP | 6.0 | 2023 | World Bank |
| Inflation rate | 2.0 | 2023 | IMF |
| Poverty headcount ratio ($8.30/day) | 56.9 | 2023 | World Bank |
| Gini coefficient (Income inequality) | 27.9 | 2022 | World Bank |
| Human development index (HDI) | 0.811 | 2023 | UNDP, World Bank |

Source: ETF KIESE database

## 1.1 Demographics

The population of Armenia was around 3.0 million in 2023. The annual growth rate is 0.7%, consistent with what UN DESA (2024) defines as slow growth. Young people account for 18.2% of the population, a modest share in international comparison and lower than in most ETF partner countries. The dependency ratio is 48.7 (Table 1.1), calculated as the ratio of the population aged either 0–14 or 65 and over to the working-age population aged 15–64. This means that people outside working age account for roughly one third of the total population. Given the relatively small share of youth, this suggests that an increasing proportion of dependents are older adults, and that the population of Armenia is gradually ageing.

Armenia has a long-standing pattern of net emigration that sustains a traditionally large Armenian diaspora. The share of emigrants is relatively high at 21.4% of the population, while immigrants account for 9.2%. Although the migration balance remains negative, recent years have seen increasing inflows, particularly from Russia, as a consequence of regional developments and the war in Ukraine.

## 1.2 Economics

The data in this section describe the economic context of the country in terms of GDP growth rate, GDP per capita (PPP), migrant remittance inflows as a percentage of GDP, and the inflation rate (Table 1.1).

In 2023, GDP in Armenia increased by 8.3%, which is one of the highest rates of growth rates in the region. According to third party sources, the expansion was largely driven by extraordinary external inflows linked to regional geopolitical developments (Nazaretyan, 2024). Following the Russian invasion of Ukraine in 2022, Armenia saw a large influx of migrants, businesses and capital from Russia as individuals and firms relocated to avoid sanctions and instability (World Bank, 2023). These inflows contributed to a rise in population, foreign exchange reserves and domestic demand, in particular for services. The IT sector expanded by 76% in 2022 and by 52% in 2023 due to a

relocation of Russian technology professionals and companies. In the same period, air transport services grew by 74% and restaurant turnover by about 25% (Nazaretyan, 2024). This surge in activity coincided with renewed growth in trade and services and rising external demand linked to regional developments.

Unlike in most ETF partner countries in the monitoring period, prices in Armenia remained broadly stable. A mix of careful monetary management, prudent fiscal policy and the strength of the national currency kept inflation exceptionally low at 2% (World Bank, 2023). At the same time, large inflows of foreign currency strengthened the Armenian dram, which made imported goods cheaper and contributed to keeping overall inflation at bay.

GDP per capita, measured in purchasing power parity terms, reached USD 21 343 in 2023, which puts Armenia in the group of upper-middle-income countries. In the same year, remittance inflows accounted for 6% of GDP, which confirms the enduring importance of the Armenian diaspora as a contributor to household incomes.

## 1.3    Income and living standards

This subchapter describes the economic well-being and living standards of the population in terms of poverty levels, income distribution and overall human development (Table 1.1).

Armenia is classified as a country with a very high level of human development (HDI of 0.81). The result is driven mainly by strong outcomes in the education and health components of the human development index. Life expectancy stands at 75.7 years, and schooling averages 11.3 years (mean) and 14.4 years (expected). The income component of the HDI, on the other hand, is weaker.

In the same vein, well over half (56.9%) of the population in Armenia lives on USD 8.30 per day, which is a level of income considered insufficient to ensure a secure standard of living. It also puts a sizeable share of households in the country at heightened risk of falling into poverty if faced with job loss, inflation or other economic shocks.

The poverty data also put income inequality in Armenia into perspective. Although the Gini coefficient is relatively low (27.9), indicating limited dispersion in income levels, the high share of the population living on less than USD 8.30 per day suggests that a widespread concentration of households are living at relatively low income levels rather than there being an equitable distribution of decent or high earnings.

## 1.4    Recent developments

In the past decade, Armenia has experienced significant political and social upheavals, beginning with the 2018 Velvet Revolution, followed by the COVID-19 pandemic and the 44-day war with Azerbaijan in 2020, and most recently the military operations in Nagorno-Karabakh in September 2023, which led to the displacement of over 115 000 ethnic Armenians.

Over the past year, the country has undergone rapid transformations. On the one hand, Armenia has strengthened its collaboration with the European Union (EU). Key developments include the launch of the Visa Liberalisation Dialogue in September 2024; the EU Integration Bill in March 2025, initiating Armenia's EU accession process; and the political agreement on the EU–Armenia New Partnership Agenda, which sets joint priorities in economic development, security and resilience. The new Agenda was formally welcomed at a high-level meeting in July 2025 between European Council President António Costa, European Commission President Ursula von der Leyen, and Armenian Prime Minister Nikol Pashinyan.

At the same time, Armenia has made efforts to normalise relations with Azerbaijan in the aftermath of the 2023 military operations in Nagorno-Karabakh. Prime Minister Pashinyan and his Civil Contract government have positioned Armenia to play a key role in regional peace and stability through the Crossroads of Peace initiative, launched in October 2023. In August 2025, a meeting in Washington

between Prime Minister Pashinyan and Azerbaijani President Aliyev resulted in the initialling of an Agreement on Peace and the Establishment of Interstate Relations under the so-called Trump Route for Peace & Prosperity (TRIPP) route.

Despite these developments, the government continues to face significant political challenges in the lead-up to the 2026 elections. Risks of instability remain elevated, driven by growing opposition pressure, debates over the normalisation process with Azerbaijan and Türkiye and increasingly strained relations with Russia, on which Armenia remains heavily dependent for energy and trade.

Over the last few years, Armenia has been heavily impacted by geopolitical developments in the region.

Following the onset of the war in Ukraine, many businesses and skilled professionals from Russia relocated to Armenia, contributing to significant capital inflows. At the same time, Armenia's long-standing ties with Russia pose a potential economic vulnerability, particularly through possible declines in exports, investment and remittances. Additionally, Armenia remains exposed to rising global energy and food prices as it is a net energy importer and depends heavily on wheat (a key staple in the region) imports, mainly from Russia and Ukraine (OECD, 2023).

The September 2023 military operation conducted by Azerbaijan in Nagorno-Karabakh and the subsequent displacement of over 115 000 people generated considerable pressure on the Armenian government. The government has been addressing the socio-economic needs of the displaced population to ensure access to basic services such as healthcare, shelter, schooling, food security and livelihood, as well as psychological support and employment.

# 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 ISCED classification and is based on monitoring information collected through the Torino Process expert survey.[3]

**Figure 2.1 Structure of the education system: Armenia (2025)**
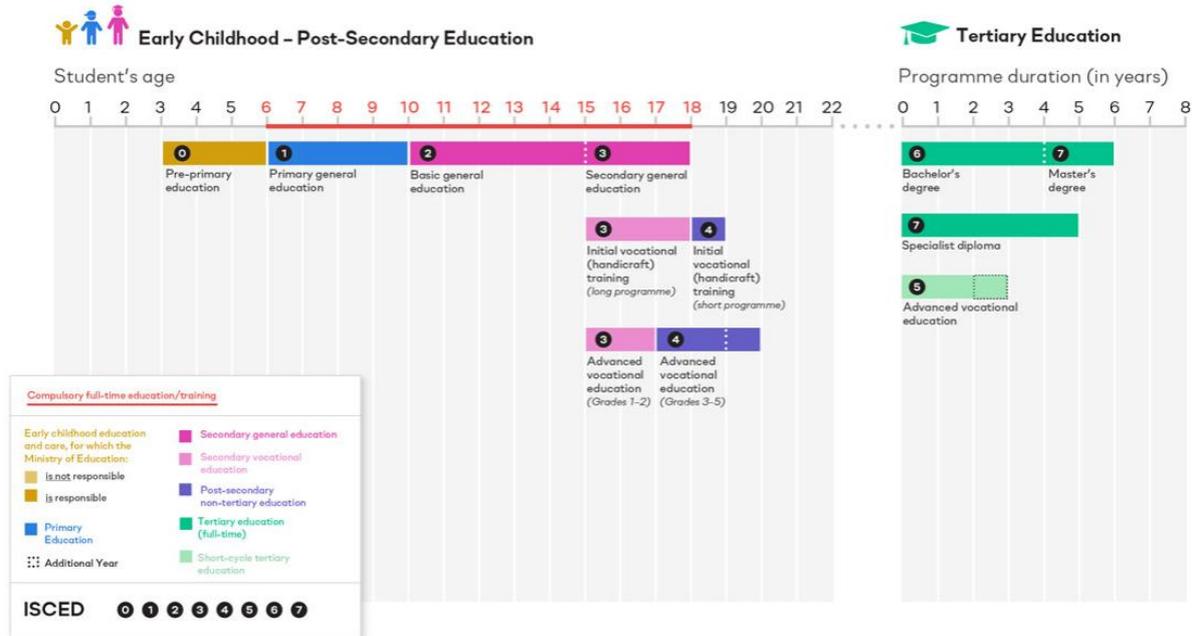


Source: UNESCO Institute for Statistics. (2021).

### Formal education

Compulsory education in Armenia extends over twelve years, from primary to upper secondary level. It is preceded by early childhood education (ISCED 0), which includes nurseries for children aged two to three and kindergartens for those aged three to six. Attendance at this stage is optional, and provision is ensured through a network of public and private institutions across the country.

Primary education (NQF level 1, ISCED 1) lasts four years (grades 1–4) and focuses on the acquisition of basic literacy, numeracy and communication skills. It is followed by basic general education (NQF level 2, ISCED 2), which spans five years (grades 5–9) and deepens foundational learning while introducing more specialised subjects. Upon completion, students receive a Certificate of Basic General Education.

The final stage of general education (NQF level 4, ISCED 3) is the three-year high school level (grades 10–12), during which students broaden their academic knowledge and prepare either for entry into higher education or for vocational studies. Students successfully completing this stage receive a *Matura* certificate, which grants access to higher education.

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[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'.

VET in Armenia is an alternative to the academic upper secondary track and covers NQF levels 3 to 5, corresponding broadly to ISCED levels 3 to 4. VET is primarily delivered in specialised institutions (colleges) and is largely classroom based.

Learners who have completed upper secondary education (Grade 12) can access craftsmanship programmes at NQF level 3. These programmes typically last up to one year and lead to a formal craft qualification.

NQF level 4 programmes provide more advanced craft-based training and students can enter after basic general education (Grade 9) or upper secondary education (Grade 12). Programme duration varies from one to three years, depending on the entry level. Learners entering after Grade 9 obtain both a craft qualification and the Matura certificate, while those entering after Grade 12 obtain a craft qualification.

NQF level 5 corresponds to mid-level and advanced vocational education. Programmes can be entered after completing either basic or secondary general education, they last between two and five years depending on the entry route and field of study, and lead to a specialist qualification. For learners entering after Grade 9, these programmes also culminate in the Matura certificate.

Graduates of mid-level vocational programmes may progress to higher education either by passing centralised entrance examinations or, under specific conditions, by entering the second year of a related university programme on a fee-paying basis.

Post-secondary non-tertiary and short-cycle tertiary education (ISCED 4–5) are represented by higher-level vocational programmes such as the Higher Technician Certificate (Brevet de Technicien Supérieur – BTS), available to holders of a Baccalaureate or a Professional Technician Certificate (BTP).

Higher education in Armenia follows the three-cycle structure introduced under the Bologna Process. The first cycle (NQF level 6, ISCED 6) leads to a Bachelor's degree (Bakalavr) after four years of full-time study (240 ECTS credits). The second cycle (NQF level 7, ISCED 7) results in a Master's degree (Magistros) after an additional two years of full-time study (120 ECTS credits). The third cycle (NQF level 8, ISCED 8) comprises postgraduate studies (Aspirantura), which generally last three years for full-time study and up to five years for part-time study, leading to the academic title of Candidate of Science (Gitutyunneri Teknatsu), equivalent to a Ph.D.

Medical education in Armenia follows a continuous six-year course leading to the Doctor of Medicine (MD Physician) qualification, which combines elements of both Bachelor's and Master's degrees and corresponds to NQF level 7, ISCED 7.

## Adult learning

Opportunities for adult learning outside formal tertiary education are defined under Armenia's Law on Education as 'supplementary' or continuing education programmes. These are non-formal courses lasting up to five months, designed to enhance, update, or broaden existing knowledge, skills and competences throughout life. Their purpose is to meet both professional and personal learning needs and to support lifelong learning.

Adult learning in Armenia takes several forms. Specialised centres, universities, colleges, and non-governmental organisations provide practical, job-oriented vocational training in fields such as information technology, hospitality, design, culinary arts and accounting. Industry-specific training is delivered by enterprises and sectoral associations to upskill existing employees or prepare new recruits. In addition, numerous private training centres and consulting companies offer short-term professional development courses in areas such as project management, entrepreneurship, marketing, human resources, negotiation and advanced ICT skills, including software development and cybersecurity.

Language training is also widely available through private schools offering instruction in English, French and other foreign languages, as well as Armenian for non-native speakers. The AGBU

Armenian Virtual College provides online courses in Armenian language, history and culture to learners in Armenia and abroad.

Continuing vocational education and training (CVET) programmes targeting adults from vulnerable groups are run by the Unified Social Services (USS) under the Ministry of Labour and Social Affairs. These include training and retraining opportunities for those registered unemployed, people with disabilities, mothers outside the labour market, former prisoners, veterans, and displaced individuals from Nagorno-Karabakh.

## 2.2   Strategy and legal framework

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

The State Programme for the Development of Education in the Republic of Armenia until 2030 (Education Strategy 2030) was endorsed by the National Assembly in November 2022, and the Action Plan, which runs until 2026, was adopted in March 2023. The Strategy covers the whole educational spectrum – pre-school education, primary and secondary schools, vocational education, higher education and, to some extent, informal and non-formal education – and focuses on education quality, accessibility and efficiency while highlighting the issue of how to optimise the rural school's network. It also broadly addresses vocational education and training (VET) and assigns a key role to lifelong learning (LLL) and to opportunities for upskilling and reskilling, which are still at an early development stage in Armenia. The transition from school to work and the provision of skills in line with labour market needs are some of the key areas that the strategy addresses, with the aim of reducing youth unemployment.

The Ministry of Education, Science, Culture and Sports (MoESCS) issues Strategy implementation progress reports on an annual basis, providing an opportunity for adjusting targets and indicators. UNICEF is supporting assessments on the progress with the Strategy's Action Plan, so far covering up to the first quarter of 2025.

As noted in the ETF's 2025 Rapid Education Diagnosis, despite a legal framework for local self-governance, in practice, the transfer of responsibilities from central to the local levels is not adequately supported by resources and competences, nor by relevant accountability and monitoring mechanisms. Moreover, territorial bodies are lacking both in institutional capacity, as well as accountability frameworks and processes.

### General education

The Law on Education of the Republic of Armenia adopted in 1999 identifies the main principles of the state education policy. The country is currently undergoing reforms in the sector and a new Law on Higher Education and Science - passed in September and in force since 20 October 2025 – has a focus on aligning the system with international standards, including new mechanisms for student exchanges. Key reforms introduced by the new law include the standards for joint degrees and credit transfers, the recognition of the Higher Education and Science Committee for regulatory oversight and participation in EU research (Horizon Europe).

### Vocational education

The new law on VET was adopted in May 2024, and was designed to address, inter alia, the fragmentation of the system and the need for a comprehensive and coherent vision of LLL. Key features of the new law include standardised concepts and definitions; a new cooperative model for education management, with increased responsibility for non-governmental partners; revised general requirements for VET programmes, including the opportunity for additional courses certifying learning outcomes and providing the basis for micro-qualifications and micro-credentials; a revision of the way VET is funded and the promotion of entrepreneurial activity; a review of recruitment and training

mechanisms of administrative and teaching staff at VET institutions; and the rights and responsibilities of VET students and trainees set down in regulations.

## 2.3    Main actors and governance

### National

The Armenian education system is managed by the Ministry of Education, Science, Culture and Sports (MoESCS) alongside various departments, executive agencies, local authorities, and decentralised Ministry's services. Within the Ministry:

- the Department for Strategic Planning and Monitoring is in charge of state policy on education, sports, culture and youth affairs and for designing and monitoring mid- to long-term educational, sports, cultural and youth affairs state programmes and their implementation.

- the Licensing Department operates through two divisions, in charge of licensing and monitoring and analysis respectively.

- the Department for General Education has three divisions, in charge of developing and implementing general and extracurricular programmes; pre-school and extracurricular education policy and analysis; and coordinating education and extracurricular institutions.

- the VET Department also has three divisions, in charge of VET coordination, VET policymaking and strategy development and supplementary and continuing education.

There are a number of bodies supporting the MoESCS in the governance of specific areas:

- the Higher Education and Science Committee oversees implementation of the state policy aimed at the cooperation and integration of the two sectors.

- the Centre for Education Projects (CEP) coordinates the World Bank loan programmes.

- the Assessment and Testing Centre (ATC) conducts state centralised final exams, basic school final exams and national reviews and analysis of external evaluations of education institutions. It also coordinates Armenia's role in international assessment studies and develops exam tests for the voluntary attestation of teachers.

- The National Centre for Education Development and Innovation (NCEDI), responsible for running and monitoring training processes, monitoring of school standards and developing educational content.

- the National Centre for Educational Technologies (NCET), responsible for different aspects of the introduction and use of ICT at all levels of education, including distance learning, and for developing and maintaining the education management information system (EMIS).

- the Textbook and ICT Revolving Fund (TICTRF) coordinates textbook competitions, as well as the publishing and distribution of textbooks.

- the Republican Pedagogical-Psychological Center (RPPC), responsible for assessing students' needs and adapting schools/laboratories for children with special needs.

- the Education Inspection Body (EIB) oversees education legislation compliance and contributes to high quality education by taking preventive measures and providing consultancy services, including quality assessment of VET service provision.

- The National Centre for Professional Education Quality Assurance (ANQA) implements and oversees quality-assurance and accreditation processes in preliminary, vocational and higher education.

For VET, the Ministry is receives support from the following bodies:

ETF Working together Learning for life
European Training Foundation

- The tripartite National Council for VET Development (NCVD), a consultative body that advises the MoESCS on decision-making and developing VET programmes.

- The National Centre for Vocational Education and Training Development (NCVTD) – under the afore-mentioned NCEDI – the main support institution for VET. Its role is in developing VET policies and strategies, medium- and long-term development programmes and action plans; carrying out various types of VET research; analysing and evaluating its performance; ensuring communication between the VET system and labour market institutions; developing and updating qualification (educational) standards and curricula; providing professional expertise; identifying and adapting international best practices in VET; helping develop the NQF (National qualifications framework), making it compatible with the European Qualifications Framework (EQF), and introducing a credit accumulation and transfer system for VET.

- The National Training Fund (NTF), mandated to ensure links between VET and the labour market, specifically encouraging employers and their organisations to get involved in different aspects of VET. The NTF's main responsibilities focus on labour market research, identifying skills needs, and running continuing VET for different categories of jobseekers, including employed and unemployed adults.

Moreover, the Centre for Professional Orientation and Development of Competences acting under the Ministry of Labour and Social Affairs (MoLSA) cooperates with the education sector and is mandated to institutionalise and develop the system for lifelong provision of vocational guidance and career services.

The design of a new VET governance structure is in progress. The MoESCS is working on the design and on establishing a new body to take over the functions of the National Training Fund (NTF), the National Council for VET Development (NCVD) and the National Centre for VET Development (NCVTD) in coordinating work-based learning (WBL), validation of non-formal and informal learning (VNFIL) and VET teachers training.

At a local level, regional administrations are responsible for ensuring the implementation of education policy on the ground.

As emerging from the 2025 ETF's RED analysis, the system is structurally complex with several entities having overlapping mandates. The coordination of common tasks and joint activities is currently managed through informal, ad hoc mechanisms without clear overarching supervision. There are generally no systematic mechanisms in place for regularly assessing by the MOESCS of the performance of the respective institutions, whether it is at central, regional or local level. Also, inter-ministerial coordination in the field of education is rather weak.

## International: donors

A non-exhaustive list of the main donor-supported interventions in the field of education is provided below.

- Under the EU-Armenia Multiannual Indicative Programming (MIP) Document 2021–2027:

  - the EU Budget Support 'EU support to education in Armenia' (EUR 32 million budget) was launched in 2023 with a focus on secondary education and improving the quality of STEM (science, technology, engineering and maths) teaching and learning, supporting the improvement and modernisation of school infrastructure and school management in rural areas, and piloting the proposed solutions in the Syunik marz. The programme also plans to enhance access to education in the four marzes selected by the government (Ararat, Kotayk, Gegharkunik and Syunik) and to improve the national student learning-outcome assessment system. Under this budget support scheme, the initiative EU4Education Reforms in Armenia led by UNICEF aims to strengthen the effectiveness and transparency of the education management system and empower children and youth, especially in target marzes, to unlock their full potential.

- A new EU multisector budget support scheme of approx. EUR 141 million (in its approval phase) to support the implementation of the Resilience and Growth Plan for Armenia launched in April 2024. The action has among its strategic priorities enhanced access to high quality employment, education services with improved digital and media literacy and pathways to research and innovation.

- A three-year EU regional programme implemented by ETF on 'Supporting education reforms and skills in the Eastern Partnership region' was launched in May 2024 with a budget of EUR 2.5 million. The objectives are to improve the governance of the national education system – from pre-primary to tertiary education, including vocational education and training and adult learning – and to strengthen capacities in evidence-based planning, management and performance monitoring. The Programme is structured around three pillars: a) a rapid education diagnosis looking at inequality, financing and governance; b) capacity development in policy implementation to enhance capabilities for the effective implementation of sector strategies, targeted to address the challenges identified in these countries; and c) regional training and peer learning.

- The 'Resilient Syunik Team Europe Initiative' (a combined budget of EUR 150 million) was launched in January 2023 as a joint undertaking of the European Union, the European Investment Bank and EU Member States Austria, France, Germany, Poland and Sweden, with Switzerland joining as an external partner. The main objective is to contribute to the sustainable socioeconomic and institutional development of the Syunik region, the southernmost province of Armenia. Education is one of the pillars of the initiative, with a focus on improved access to formal and extracurricular education for students in Syunik and improved career skills for young people.

- Under 'Erasmus+ Capacity Building in VET', seven projects are currently ongoing and involving Armenian institutions, namely: an innovative model of a smart farm adjacent to a VET institution for students undertaking work-based learning, designed for their better employability after graduation (CB4WBL); 'VET Demonstration Partnership for Pistachio Farm in Armenia: Geospatial Approach' (VETfarm); 'INVEsT in you: promote international traineeship programs for Armenian, Georgian and Moldovan students in Central Europe' (IN-VET); 'IMProve and PROmote VET in Armenia' (ImproVET); 'Beyond Europe with micro-credentials' (BEM); 'VET Partnerships for Green and Smart Electricity in Buildings' (VET4GSEB); and 'Developing Social Entrepreneurship schemes for VET institutions in Neighbourhood East' (SE VET). In the 2025 Erasmus+ Capacity Building in VET call, the number of successful projects involving Armenian partners declined sharply.

- The Modernizing VET in Agriculture in Armenia (MAVETA) project is funded by the Swiss Agency for Development and Cooperation (SDC), the German Federal Ministry for Economic Cooperation and Development (BMZ), the Austrian Development Agency (ADA) and the Armenian Izmirlian Foundation and implemented by the NGO Strategic Development Agency (SDA) in partnership with Swiss Church Aid (HEKS/EPER), the School of Agricultural, Forest and Food Sciences of the Bern University of Applied Sciences (HAFL) and GIZ. The project aims at improving the knowledge and skills of professionals and students in agriculture and related fields, while also supporting the development of the legal and institutional framework for dual education. The project has selected a number of professions, including Veterinary Specialist, Milk and Dairy Technologist, Farmer, Agricultural Machinery, Milk Farm Manager and Orchard Workers/Nut and Fruit Farmers. The first phase – with a budget of CHF 8.3 million – covered the period 2022-2025. A new project phase will cover 2026-2030.

## 2.4  Policies and developments

### Overview

The MoESCS is working on the operationalisation of the new VET Law adopted in May 2024, with the aim of addressing issues such as the fragmentation of the system and the need for a comprehensive and coherent vision of LLL. Work has started in 2025, with the support of the European Training Foundation (ETF), to pilot the formative assessment and to improve mechanisms for tracking VET graduates.

Armenia joined the PISA for the first time in 2025, after close consultations with OECD and local stakeholders. It has set up a National Steering Committee and a National Analysis Team to implement the assessment

A major ambitious reform plan to reorganise higher education and research institutions within an 'Academic City' was approved in 2023, with a view to relocating Yerevan-based universities to create an academic hub outside the capital Consultations and discussions on the master plan, the infrastructure and the related services are ongoing. The new Academic City is expected to start operations in 2030.

### Qualifications, validation and recognition

The National Qualification Framework (NQF) was first adopted in Armenia by Government Decree in March 2011, then amended in 2016 mainly providing for revised level descriptors. Related primary legislation includes the Law on Education (1999); the Law on Higher and Postgraduate Professional Education (2004); and the new Law on Vocational Education and Training (2024).

However, Armenia's NQF is not fully operational since, so far, no qualifications have actually been assessed against it. At the same time, the NQF is an integral part of the education training system, influencing programmes, standards and qualifications, and the associated assessment methods and quality assurance system. Armenia has updated its VET to include quality assurance measures, competence-based education standards and assessment, modular programmes based on learning outcomes, career guidance, and sectoral committees including industry representatives.

The MoESCS has the lead in the NQF. The Ministry is responsible for approving state educational standards and the descriptions of VET qualifications, accrediting educational institutions and VET programmes and compiling lists of VET and higher education specialities and qualifications. The NCVTD supports the development and implementation of the NQF by ensuring it aligns with the EQF and developing and updating VET standards and curricula. Fourteen sectoral committees provide expertise and approve the draft state educational standards, operating as consultative bodies of the MoESCS and representing social partners.

In 2015, the government approved the procedures for continuing vocational training and validation of non-formal and informal learning (VNFIL). The National Training Fund (NTF) was appointed as the body responsible for implementing the VNFIL system, although mechanisms are not yet operational.

The Armenian NQF has eight levels, covering general education, VET and higher education. To date, no qualification has been allocated to the NQF yet. In principle, the 2016 Decree allotted the qualification types to levels so that:

- general education qualifications are placed at NQF levels 1, 2 and 4;
- IVET qualifications are included at NQF levels 3 and 4;
- post-secondary VET qualifications are allocated to NQF level 5;
- higher education qualifications are included in NQF levels 6-8.

An ongoing UNESCO project (Enhancing VET through new legislation for more effective refugee integration in Armenia 2024–2025) is supporting the implementation of the new VET Law by facilitating

skills profiling and job matching to Sectoral Qualifications Frameworks (SQF), particularly in ITC, light industry, and construction sectors. By providing structured vocational training aligned with industry standards, the project intends to ease integration into the labour market. The project focuses on modular programmes, allowing for flexible learning paths, and for accommodating the diverse educational backgrounds and experiences of refugee learners.

## Work-based learning

The Education Strategy 2030 makes work-based learning (WBL) a key priority for the Armenian VET system. The 2024 VET aw ultimately provides a solid basis for WBL and for enhancing cooperation with the private sector. The 'Concept paper and roadmap for developing WBL in Armenia 2019–2025' approved by the NCVD envisaged three different forms of WBL and their integration into the VET system: i) learner internship programmes, ii) 'real' companies running commercial activities adjacent to the VET institutions (the Armenian system of WBL); and iii) apprenticeship/dual training schemes. Dual education is currently offered in agriculture, IT, precision engineering, winemaking, tourism and hospitality, technical and vehicle maintenance and culinary professions (MoESCS, 2024). GIZ is providing substantial support to the MoESCS within the Private Sector Development and Vocational Education and Training in the South Caucasus programme.

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

## Career guidance

Career development support in Armenia has been the subject of a legislative reform in 2012, with the approval of the Concept for the Development of a Career Guidance System. The state bodies responsible are the Ministry of Labour and Social Affairs (MoLSA) and the MoESCS. The Career Guidance and Capacity Development Centre (CGCD) under the MoLSA provides career support services, develops policy and methodology in vocational guidance and career education models, develops technologies and capacity building for service providers, and monitors the establishment of cross-sectoral networks, whereas the MoESCS provides the operational and institutional basis for introducing career guidance services into education and training.

People not in Education, Employment, or Training (NEET), adults and people who are facing difficulties in the labour market – i.e. facing employment challenges and requiring upskilling/reskilling – can receive career guidance in the 49 regional centres of the Unified Social Service (USS) that operate in the capital city and all regions (ETF, 2022b).

Regarding beneficiaries, only 21.4% of Armenian schools currently provide career education in grades 8 to 11. In contrast, students at all 96 VET institutions in the country have access to career guidance and career education services. A 2023 ETF e-survey on working and learning sought to understand the perceptions of the quality of the education system, participation in further education and training, access to career guidance and WBL opportunities, teleworking and gender. The findings revealed that 13% of the interviewees had received career guidance in the last 12 months (ETF, 2023a).

A pilot of a career guidance module is being launched using recent VET graduates as Peer Career Advisors (PCAs). The MoESCS, MoLSA, the National Institute of Labour and Social Research and NGOs are partners in this initiative.

## Quality assurance

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

VET monitoring and quality assurance follow three processes: a) licensing for the implementation of programmes; b) internal quality assurance at VET institutions; and c) external quality assurance for state accreditation.

Among the ANQA's responsibilities are: a) developing standards and procedures for the accreditation and quality assurance of institutions and programmes (then subject to approval by the government); b) audits and quality assessments of training institutions; and c) issuing advice on developing standards and methodologies for student assessment. The ANQA has adopted quality criteria from the European Quality Assurance in VET (EQAVET) framework (ETF, 2019) and has been a member of the ETF's Quality Assurance Forum since 2021. In 2024, the ANQA launched a pilot project to implement the Diagnostic Tool designed to assess the VET system, evaluate existing processes and develop a strategic roadmap for future improvements.

With the ETF's support, Armenia is exploring the possibility of aligning its own accreditation criteria with the EQAVET.

## Centres of excellence

Armenia is an active participant in the ETF's Network for Excellence (ENE), an international network of Centres of Vocational Excellence (CoVEs). Five Armenian VET colleges (including four regional state colleges) are active members of the network.

Armenia can boast of some interesting initiatives driving innovation and good practice in VET, such as:

- The TUMO Center for Creative Technologies, which provides free IT training for 12 to 18-year-olds and helps 19 to 26-year-olds to specialise in particular areas by providing web-based training. Students get insights into 3D modelling, robotics, photography and graphic design. TUMO has hubs in Yerevan, Dilijan, Gyumri and Stepanakert, with five TUMO 'boxes' [satellite centres] operating in neighbouring towns. Linked to this initiative is the upcoming EU-TUMO Convergence Centre for Engineering and Applied Science, which will become a unique STEM hub in Yerevan where academia and industry come together. The Centre will offer training in areas such as coding, robotics, artificial intelligence and digital media. It will provide incubation and acceleration services to tech start-ups, promoting innovation and collaboration between the private sector, universities and the government.

- The Children of Armenia Fund (COAF) SMART Centre, which brings educational resources and creative development opportunities to villages across the country through a non-formal education hub offering vocational training in diverse fields such as culinary arts, restaurant management and beekeeping. It also empowers adults to pursue new career paths and growth.

## Digital education and skills

In addition to the National Digital Strategy of the Republic of Armenia 2021-2025, the Government Programme of the Republic of Armenia 2021-2026 sets out measures to increase the digital literacy of the population and the implementation of programmes targeted at an increased use of digital tools. The Education Strategy 2030 refers to the 'introduction of digital and other tools appropriate to the transformation of the effective and creative learning environment' and the 'modernisation of digital technologies'.

The National Centre of Educational Technologies (NCET) actively reinforces digital education and skills. Building on the experience with the 'E-school Armenia' project initiated during the COVID-19 pandemic, the NCET has launched the 'Mentor School' project with the objective of ensuring continuity of education through online teaching in schools in rural areas facing teacher shortages. The project was launched in 2021, with 17 initial Mentor Schools throughout Armenia. Each Mentor School appointed at least two mentors who were trained and mentored by online teaching experts from the NCET's Distance Learning Department. The trained mentors now train and mentor schoolteachers who provide online teaching to learners in rural schools with teacher shortages. Building on the achievements of the Mentor School project, the pilot of the SELFIE tool was completed in 2024, with

the objective of improving the digital capacity of Mentor Schools for effective digital and online learning. The SELFIE tool aims to support (i) the innovative use of digital technologies in teaching and learning in primary, secondary general and vocational schools, and (ii) the provision of digital skills.

## Green transition

Armenia's economy is heavily dependent on imported natural gas, which powers the country's energy, heating and transport sectors. Despite this high reliance on natural gas, Armenia's greenhouse gas (GHG) emissions are below the global average. The energy sector is responsible for two-thirds of these emissions, followed by the agriculture sector (World Bank, 2024).

The Armenia Transformation Strategy 2050 (adopted in 2020) outlines a long-term vision to transition to a knowledge-driven, innovative, and environmentally sustainable economic model, and setting out a path to sustainable job creation. The Armenia Energy Sector Development Strategy to 2040 – approved in 2021 – aims to maximise the use of renewable energy potential and increase efficiency. To do so, investments and concerted policy actions are needed. In 2022, the Government of Armenia launched the policy dialogue platform 'Green Armenia' in cooperation with the EU, the World Bank and the UNDP. The goal of this platform is to combine and optimise policies and investment initiatives to support Armenia's transition to a green economy and ensure more efficient coordination between the government and development partners. The World Bank has approved USD 40 million in support of the 'Enabling the Energy Transition' project for Armenia.

The Education Strategy 2030 provides the legal basis for a competency-based curriculum guided by learning outcomes, having green education among the key focuses. One interesting example is the T-Green project, which has established a network of national authorities and higher education institutions and aims to bring about reform of graduate education in Armenia to align with the Green Deal and to shift from conventional to forward-looking, green and interdisciplinary curricula.

Among the initiatives prioritising green development are the afore-mentioned 'Resilient Syunik Team Europe Initiative', boosting green skills in the Syunik region by funding projects in sustainable agriculture, green infrastructure, resource management, and vocational training, with the aim of creating jobs and improving livelihoods. GIZ is also active through the project 'Promoting a future-oriented economy in Armenia' within the Private sector development and Vocational Educational Training programme, aimed at promoting green and digital skills in VET. TUMO Armenia integrates green skills into its free tech & design education through initiatives like ClimateNET and TUMO Labs' GreenTech incubation, fostering startups with sustainable solutions.

However, VET still lacks a specialised curriculum focusing on sustainability and climate change issues. The NCVTD – tasked with developing and revising curricula across various sectors – recently developed some green-related professions i.e. installation, repair and maintenance of renewable energy power plants; installation, repair and maintenance of solar energy plants, electrician/valve fitter; and technical operator of thermal energy equipment and thermal networks.

## Adult learning

The Education Strategy 2030 assigns a key role to LLL and to opportunities for upskilling and reskilling, which are still at an early development stage in Armenia. The strategy expects by 2030 the 'introduction of mechanisms for the recognition of informal education results and the provision of an environment and conditions for lifelong learning and continual development of human capital among adults and youth'. Government incentives are granted to citizens through an income tax refund mechanism for specific adult education expenses.

Vocational training for adults is under the remit of the MoLSA.

COAF offers adult education courses and ad hoc upskilling and reskilling opportunities targeting the displaced population under the Armenia Refugee Response Plan October 2023 - March 2024.

DVV International is active in the country and has helped establish six Adult Learning and Education (ALE) centres across regions in Armenia over the last fifteen years, that offer community-based

courses. In February 2025, the DVV International Armenia Country office and Yerevan State University signed a Memorandum of Understanding (MoU) and a recent DVV initiative aims to set up and grow a network of institutions active in the field of Adult Learning and Education in the country.

# 3. LABOUR MARKET AND EMPLOYMENT: POLICIES AND DEVELOPMENTS

## 3.1 Strategy and legal framework

The Strategic Programme for Employment Promotion 2025-2031 was adopted in January 2025. The objectives of the Programme are to contribute to higher productivity, create new jobs in non-agricultural sectors in the *marzes*, and increase the competitiveness and employability of the population, with a specific focus on vulnerable target groups.

A Demographic Strategy 2024-2040 was adopted in October 2024, with the aim of ensuring a balanced and stable population structure that will develop human capital over the long term and improve the quality of life for all citizens from birth to old age. The Strategy advocates for policies to support human capital development by investing in education, health care and other areas that improve family well-being, gender equality and individual empowerment. The Strategy is seen as a comprehensive, data-driven framework that does not just react to demographic shifts but actively shapes them (UN, 2025).

The design of a new policy for the Unified Social Service is in the plans of the Ministry of Labour and Social Affairs' (MoLSA).

In March 2025, the National Assembly of the Republic of Armenia approved the country's first ever Law on Youth Policy. The law aims ensure young people participate in decision-making and will be supported through follow-up initiatives, including regional training, an annual National Youth Forum and new Youth Policy Labs – an initiative implemented under EU4Youth – that follow a participatory and youth-centred model enabling young people to engage directly with decision-makers in the development, evaluation and revision of policies.

## 3.2 Main actors and governance

### National

The Ministry of Labour and Social Affairs (MoLSA) is the main government institution responsible for employment policy in Armenia.

As of 2021, amendments to the Law on Social Assistance established the Unified Social Service (USS), unifying all four bodies of social protection in Armenia – the social security department, medical and social examination, state employment offices, and regional and community social assistance agencies. The USS was set up to create a more integrated, client-centred approach to social welfare, encompassing social assistance, insurance, and employment support.

The Career Guidance and Capacity Development Centre (CGCD) under the MoLSA provides career support services, develops policy and methodology in vocational guidance and career education models, develops technologies and capacity building for service providers, and oversees the establishment of cross-sectoral networks.

### International: donors

A non-exhaustive list of the main donor-supported initiatives in the field of employment is provided below.

- The World Bank's Country Partnership Framework (CPF) for Armenia 2025-2029 has the overall aim of promoting: 'more and better jobs by ensuring better conditions for private sector growth and addressing skill gaps in the workforce; stronger human capital by enhancing access to quality healthcare and improving social protection; a resilient economy by advancing climate-adaptive

economic activities and strengthening government and organizational systems, including public financial management, strategic planning, and public administration reform.'

- The UNDP 'Youth Employment' project aims at deploying Active Labor Market Policy (ALMP) instruments at regional level, by addressing youth unemployment challenges faced by different segments of the population, including first-time job seekers, especially VET graduates, people displaced from Nagorno-Karabakh, and NEET youth. The project offers training for career guidance specialists on topics such as labour market information and analysis, as well as training aimed at empowering young people from the Kotayk, Gegharkunik, Vayots Dzor, and Syunik regions. The UNDP project 'Accelerating economic opportunities for women in Armenia' 2023-2027 seeks to empower vulnerable women by encouraging economic independence, reducing gender disparities in the workforce and fostering leadership skills. The focus is on strengthening agricultural value chains, creating opportunities in non-traditional sectors and boosting leadership among mid-career professional women. It also aims to challenge societal stereotypes through innovative awareness campaigns targeting young people.

In addition, a number of donor interventions are helping displaced people from Nagorno Karabakh into work. Some examples are provided below:

- The Refugee Response Plan launched in 2023 by the European Bank for Reconstruction and Development (EBRD) aims to facilitate refugees' labour market integration. The programme includes vocational training developed in line with the requirements of corporate partners to ensure maximum relevance for their needs, a labour market integration initiative under the Customs and Logistics Centre project in Syunik, the inclusion of a gender-responsiveness component in the Sisian-Karajran road project focusing on women refugees, upskilling and reskilling of refugees at the TUMO Centre, capacity-building programmes for digital entrepreneurial capacity and providing grants to relocated SMEs.

- The GIZ EPIC programme 'Promoting the participation of vulnerable displaced persons and the local population in the South Caucasus' includes actions in Armenia.

- The EU-funded 'Three4ResilientArmenia: Fostering Sustainable Livelihoods, Business Growth, and Employment Opportunities for Displaced and Host Communities' for the period 2024-2027, implemented by Armenian Caritas Benevolent, Impact Hub Armenia Social Innovation Development Foundation and the IRIS Business Incubator Foundation. With a budget of EUR 3 million, it is integrating displaced populations engaged in creative sectors into the economic and artistic life of Armenia, improving the capacities of relevant state agencies, accelerating the target groups' entrepreneurial opportunities and scaling-up their existing businesses.

## 3.3    Policies and developments

### Overview

The new Strategic Programme for Employment Promotion 2025-2031 identifies four key target groups, namely NEET youth, women, individuals in social benefit schemes, and residents of regional cities. The programme aims to boost non-agricultural and high-productivity employment by reducing the mismatch in labour supply and demand.

Within the new Strategic Programme, new employment programmes designed for vulnerable groups have been launched through the new digital system e-work.am. These new measures encompass short-term training courses paid for by the government and tax compensation mechanisms for employers concluding an employment contract in Kotayk and Syunik regions; and paid public work – i.e. maintenance and repair of infrastructure, social and community services, care and maintenance and culture and tourism.

As reported by the UNHCR, specific measures have also been activated through the MoLSA to support the employment of people displaced from Nagorno-Karabakh, such as:

- The platform www.workforall.am, through which displaced people can apply for a job.

- Short-term training courses and work experience opportunities offered through the regional USS centres.

- Financial incentives for displaced teachers employed in educational institutions outside the capital.

- Incentives to encourage the employment of displaced medical professionals, including certification and free training opportunities.

### Youth Guarantee

The Youth Guarantee (YG) is not implemented in Armenia. Nevertheless, the country is taking an active part in initiatives run under the EU4Youth programme aimed at enhancing understanding and engagement with ALMPs, with a strong focus on the EU's YG initiative.

## 3.4 Active labour market programmes (ALMPs)

In May 2024, the MoLSA launched the new Armenia government job platform 'e-work.am'. The purpose of the platform – conceived as a step up from GORTS, the centralised information system for managing employment services, registering job seekers and employers and matching to jobs – is to bridge the gap between employers and jobseekers, consolidate available vacancies and facilitate communication between the state, employers and applicants.

There were 56 575 registered jobseekers in 2024 of whom 34 141 were women (ETF, 2025a). The USS and its regional centres work only with and provide services to registered jobseekers/the unemployed. According to the findings of a 2022 ETF report, only about a quarter of all unemployed people (based on the LFS) were registered on the USS. No special outreach mechanisms – except job fairs - are in place to motivate jobseekers / the unemployed to register with USS regional offices

The services provided and the ALMPs currently implemented in Armenia can be classified as follows:

- Labour market services: jobseekers in Armenia are registered at regional USS offices in the centralised information system. After registration, jobseekers can benefit from counselling, needs assessments, be provided with information on sought-after professions in the labour market, develop an individual programme and identify the ALMPs that best fit their profile, and enrol in schemes. Over 81 000 people benefitted from labour market counselling services in 2024 (ETF, 2025a).

- The are a total of 3 886 participants in ALMPs, of whom 1 080 are women. These include:

  - Training programmes designed to train or retrain job seekers at selected educational institutions and in the workplace (609 beneficiaries in 2021, of whom 487 were women and 127 were under 25 years old – ETF, 2024).

  - Direct job creation through assistance to farmers offering seasonal employment (3 155 beneficiaries in 2023, of whom 916 were women – ETF, 2024).

  - The 'Providing employment for the unemployed' programme: 2 255 beneficiaries in 2024, of whom 1 286 were women (ETF, 2025a).

  - Direct job creation through promotion of seasonal and temporary employment in paid public works: 1 157 beneficiaries in 2021 (of whom 345 were women and 11 were under 25 years old – ETF, 2024).

  - Start-up incentives to promote entrepreneurship by supporting unemployed people who start their own business or become self-employed (475 beneficiaries in 2021, of whom 273 were women and 14 were below 25 years old – ETF, 2024). In addition, the 'Acceleration Programme', implemented jointly by the MoLSA and UNDP, provides training programmes

aimed at upskilling and reskilling different segments of vulnerable populations in entrepreneurship, both for beginners with a business idea and for advanced participants and private entrepreneurs.

The transition from unemployment to employment recorded at the USS is witnessing a sharp increase, with 13 329 registered jobseekers transiting into employment during 2024, representing 23.6% of registered jobseekers at the end of the year, compared to 16.9% in 2023 and 11.7% in 2021.

Despite its potential, the Unified Social Service (USS) and its regional centres face significant challenges in achieving its goals, including: issues related to human resource shortages and consequent high workload of staff; lack of institutional capacity for effective service provision, including counselling, information provision, and guidance and support in job placement; the low efficiency of job-matching services, incomplete and fragmented labour market information; and, last but not least, budget constraints, all subsequently leading to limited outreach to potential beneficiaries (ETF, 2022a)

The workload of Armenian USS' employees is high: data from 2021 indicate that 268 employees at 49 regional centres provided services to around 86 400 registered jobseekers in the 10 regions of Armenia and in Yerevan, with a workload of 322 jobseekers per employee (ETF, 2022a). To increase USS's capacity, the ETF is actively involving USS' staff in peer learning opportunities. Furthermore, the USS is an active participant in the EU4Youth regional programme, particularly related to supporting young people onto the labour market.

# 4. KEY INDICATORS: EDUCATION, SKILLS, AND 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. The 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 provide the response. 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 (Armenia, EU average) (2022–2024)**

| Participation and access | 2022 | 2023 | 2024 | EU (1) | Source |
|---|---|---|---|---|---|
| Total net enrolment rate (lower secondary) | 95.2 | 93.8 | M.D. | 98.1 | UIS UNESCO |
| Total net enrolment rate (upper secondary) | 92.6 | 89.2 | M.D. | 93.6 | UIS UNESCO |
| Students in VET as a % of total upper secondary students | 28.4 | 28.6 | M.D. | 48.8 | UIS UNESCO |
| Gross enrolment ratio (tertiary) | 57.2 | 56.3 | M.D. | 79.7 | UIS UNESCO |
| Participation in training/lifelong learning in the previous 4 weeks (% aged 25–64) | 9.3 | 8.8 | M.D. | 13.3 | LFS |
| **Attainment, completion and outcomes** | **2022** | **2023** | **2024** | **EU (1)** | **Source** |
| Educational attainment of total population: % with ISCED 5–8 | 25.7 | 26.7 | M.D. | 30.2 | LFS |
| Early leavers from education and training (% aged 18–24) | 2.8 | 2.2 | M.D. | 9.3 | LFS |
| Underachievers in maths (% aged 15) | M.D. | N.A. | N.A. | 31.1 | PISA OECD |
| **Resources and data** | **2022** | **2023** | **2024** | **EU (1)** | **Source** |
| Public expenditure on education (as % of GDP) | 2.5 | 2.4 | M.D. | 4.7 | UIS UNESCO |
| Inadequate or poor-quality physical infrastructure (2) | M.D. | N.A. | N.A. | 27.9 | PISA OECD |
| Availability of internationally comparable data on education | N.A. | 22.6 | 25.2 | N.A. | TRP (3) |

Notes: 1. EU average, latest available year. PISA data: OECD average. 2. Average 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. The indicator shows the share of ETF monitoring indicators available for a given year. ETF Torino Process (TRP).
Source: ETF KIESE database.

Enrolment in secondary and tertiary education in Armenia remains relatively high, but the data in Table 4.1 shows that participation has begun to decline. The total net enrolment rate in lower secondary education stood at 93.8% in 2023, down from 95.2% in 2022. Enrolment at the upper secondary level followed a similar pattern, decreasing from 92.6% to 89.2% over the same period. These figures suggest that sustaining participation through to the end of upper secondary education in Armenia may be a challenge.

Participation in VET accounted for 28.6% of total upper secondary enrolments in 2023, a marginal improvement on the previous year but still considerably below the EU average. Gross enrolment in tertiary education stood at 56.3% in 2023, suggesting stagnation.

The share of adults engaged in lifelong learning is moderate and declining. For adults aged 25 to 64, participation in training or learning activities during the four weeks preceding the survey fell from 9.3% in 2022 to 8.8% in 2023 (Table 4.1). Although this level remains close to that in many ETF partner countries, it is below the EU average of 13.3%. As in many other national contexts, in Armenia, initial education reaches a large share of the population, but uptake of opportunities for continuing education and skills development later in life remains limited.

Completion rates among young people are relatively high. The share of early leavers from education and training fell from 2.8% in 2022 to 2.2% in 2023, which indicates that very few young people exit the system prematurely. The share of the population with tertiary education (ISCED 5–8) increased slightly to 26.7%, narrowing the gap with the EU average of 30.2%. As Armenia did not participate in the latest PISA cycle, there is no internationally comparable data on quality of learning outcomes.

Public investment in education remains low, both in absolute terms and in international comparison. Expenditure on education as a share of GDP amounted to only 2.4% in 2023, down from 2.5% in 2022, well below the EU average of 4.7%. At the same time, the availability of internationally comparable data on education is improving, rising from 22.6 in 2023 to 25.2 in 2024.

## Employment and demand for skills

The labour-market indicators follow 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 (aged 15+), youth employment rate (aged 15–24), employment rate of recent graduates (aged 20–34, ISCED 3–8), unemployment rate of the overall population (aged 15+), youth unemployment rate (aged 15–24), and the NEET rate (aged 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 educational mismatch.

**Table 4.2 Headline indicators: employment (Armenia, EU average) (2022–2024)**

| Employment and labour market outcomes | 2022 | 2023 | 2024 | EU (1) | Source |
|---|---|---|---|---|---|
| Employment rate (% aged 15+ or similar age group) | 48.3 | 49.4 | M.D. | 54.7 | LFS |
| Employment rate (% aged 15–24 or similar age group) | 22.5 | 25.5 | M.D. | 35.0 | LFS |
| Employment rate of recent graduates aged 20–34 (ISCED 3–8) | 37.0 | 49.2 | M.D. | 82.4 | LFS |
| Unemployment rate (% aged 15+ or similar age group) | 13.4 | 12.4 | M.D. | 5.9 | LFS |
| Unemployment rate (% aged 15–24 or similar age group) | 27.1 | 27.2 | M.D. | 14.9 | LFS |
| NEET rate (% aged 15–29 or similar age group) | 25.9 | 24.4 | M.D. | 11.0 | LFS |
| **Demand for Skills** | **2022** | **2023** | **2024** | **EU (1)** | **Source** |
| Employment by broad economic sector (%): agriculture | 22.2 | 19.4 | M.D. | 3.3 | LFS |
| Employment by broad economic sector (%): industry | 21.8 | 23.3 | M.D. | 24.1 | LFS |
| Employment by broad economic sector (%): services | 55.9 | 57.3 | M.D. | 72.1 | LFS |
| Incidence of vulnerable employment (%) | 33.0 | 31.6 | M.D. | 10.0 | LFS |
| Employment by 'educational mismatch': % matched | M.D. | 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 the monitoring period covered by the indicators in Table 4.2, labour market outcomes in Armenia have gradually improved, although they are for the most part still below the EU average. The employment rate among persons aged 15 and above increased from 48.3% in 2022 to 49.4% in 2023 (Table 4.2). Employment among young people (aged 15–24) rose from 22.5% to 25.5%. A particularly strong increase was registered among recent graduates (aged 20–34, ISCED 3–8), whose employment rate rose from 37.0% to 49.2%, suggesting that more young people are finding work after completing education.

At the same time, the unemployment rate for the adult population declined from 13.4% to 12.4%, while youth unemployment remained high at 27.2%. The NEET rate, which captures the share of young people aged 15–29 not in employment, education or training, decreased from 25.9% to 24.4%. Despite the improvement, at the time of monitoring close to a quarter of young Armenians remain at risk of long-term exclusion from the labour market.

The structure of employment reflects a gradual transition away from agriculture and towards industry and services. Between 2022 and 2023, employment in agriculture fell from 22.2% to 19.4%, while employment in industry rose from 21.8% to 23.3% and in services from 55.9% to 57.3%. Still today, agriculture accounts for a large share of total employment. Vulnerable employment, encompassing own-account and contributing family workers, decreased modestly from 33.0% to 31.6%, but remains high in international comparison.

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

Both the headline indicators in Section 4.1 and the SPIs set out 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, standalone measures drawn directly from international data sources. The SPIs, on the other hand, are evaluative, composite measures. They are explicitly designed y to assess how well VET systems fulfil broader policy commitments that individual statistics cannot adequately capture.

### 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 young people, 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 graduating.

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 the monitoring period, access to VET in Armenia has expanded in scale but not in inclusivity. Accordingly, the system performance result in this domain (SPI of 54 for boys and 50 for girls) is higher than the regional EaP average but remains mid-range overall (Figure 4.1).

According to the monitoring survey, between the academic years 2019–2020 and 2024–2025, the total number of admissions to VET institutions increased by more than half (from 10 844 to 16 934 students). However, most of this growth occurred in paid places, which rose nearly fourfold, from 1 958 to 7 429, and (at the time of monitoring) account for almost 44% of all admissions.

The proportion of fee-paying students in secondary VET programmes climbed particularly sharply, from 22.3% to just over 50%, based on data from the Statistical Committee of the Republic of Armenia (ArmStat) quoted in the monitoring survey. With annual tuition fees averaging about AMD 150 000 for Craftsmanship and AMD 400 000 AMD for mid-level VET programmes, the monitoring survey notes that financial barriers have become the main factor that limits access to VET, especially for young people from rural and low-income backgrounds. The number of free places has not increased in line with overall enrolment, and entry into VET depends increasingly on the ability of families to pay.

Armenia has introduced measures in the form of targeted financial support, which the monitoring survey gives as an example of how financial incentives can directly influence enrolment patterns in key occupational fields. The introduction of scholarships for 'priority professions', for instance, whose amount was increased tenfold, led to a sharp rise in admissions in the targeted areas – by 124% in Craftsmanship and 61% in secondary VET programmes.

Gender balance in IVET enrolment remains elusive, however, as VET continues to be slightly more attractive for boys than for girls. The monitoring survey notes that girls account for between 45% and 47% of entrants, with a total of 7 887 girls admitted in 2024–2025. Close to 33% of upper secondary students enrolled in VET are boys, against 24.3% of girls (KIESE SPI Indicator 4). The distribution of learners across programme types and fields is uneven as well. Girls form the majority in mid-level VET but only about one in four in craftsmanship programmes, and their participation in technical, engineering and industrial fields remains low.

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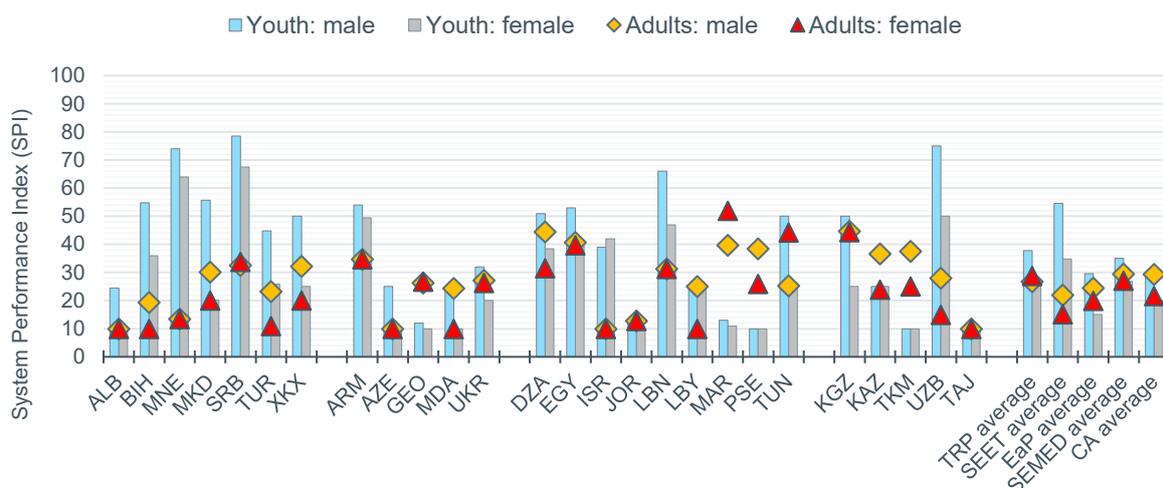


Note: Theoretical index range: min/low performance=0, max/high performance=100[4].
Source: ETF KIESE and Torino Process databases

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[4] 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

Access to continuing VET (CVET) and other opportunities for adult learning is fragmented and limited in coverage. System performance in this domain is above the regional and monitoring sample averages but still low overall (SPI of 35 for both genders, Figure 4.1). Participation has increased modestly, from 29 465 in 2021 to 39 371 learners in 2022 according to the monitoring survey and data from ArmStat. Women account for a growing share of participants, from roughly half in 2021 to 55.4% in 2022. Their participation is particularly high in retraining programmes (61.2%) and among younger adults under 30 (64.2%). In fact, when adequate opportunities are available, women are at least as likely to engage in training as men. However, most CVET courses are short-term and offered either commercially or through donor-funded projects such as PSD TVET (GIZ), EU4Youth or MAVETA. These projects respond to labour-market needs in sectors like agriculture, food processing and textiles, but their reach is narrow.

Employers rarely finance training themselves. The monitoring survey notes that this is mainly because of concerns about quality and the absence of recognised certification. At the same time, state-funded adult learning remains minimal in scale, according to the survey. In 2021, only 434 of 61 356 registered unemployed people participated in training, including 43 people with disabilities. The monitoring survey assesses the funding provided (which amounted to AMD 63.9 million for unemployed people and AMD 113.5 million for mothers without a profession, as too limited to have broad impact on participation. New fiscal incentives, such as tax deductions for employer-provided training and reimbursement of up to AMD 100 000 for individuals attending non-formal courses, are positive steps toward improving affordability but have yet to reach significant scale. The Employment Strategy 2025–2031 sets out plans to expand such measures, including targeted support for NEET youth, returning soldiers and unemployed women aged 30–40.

### Retention and programme completion

Progression and programme completion in initial VET are areas of relatively strong system performance in Armenia (SPI of 73, Figure 4.2), a result that is well above the regional EaP average (SPI of 50) and the average for the Torino Process monitoring sample (SPI of 56). The KIESE data used for the compilation of this composite result indicate that this outcome is part of a broader pattern of high completion rates at secondary level, which reach 97.2% for girls and 90.4% for boys (KIESE SPI Indicator 23). The rate of early leaving at that level of education is low as well, at 0.9% for girls and 3.3% for boys (KIESE SPI Indicator 19).

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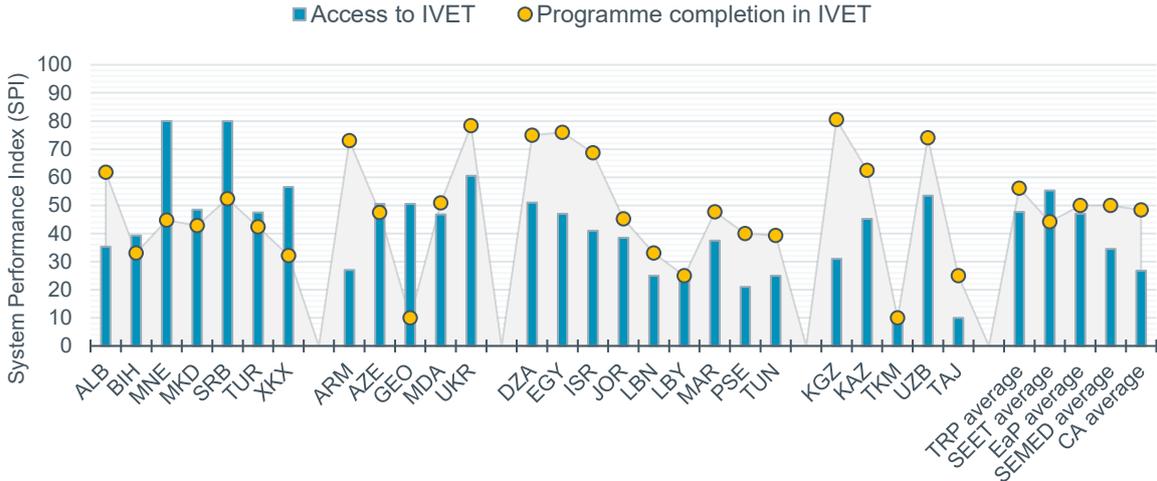


Note: Theoretical index range: min/low performance=0, max/high performance=100
Source: ETF KIESE and Torino Process databases

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

Nonetheless, recent data from ArmStat, provided through the Torino Process monitoring survey, reveal that these results are under some pressure in the VET sector. Although the overall share of students dropping out of IVET programmes or giving up their studies remains below 7%, the trend has been negative since 2022. The total dropout rate increased from 5.3% in 2021–2022 to 6.7% in 2023–2024, an increase that concerns both craftsmanship and mid-level VET programmes. Only about one fifth of dropouts are girls, which reflects both their lower participation in craftsmanship programmes and the influence of external factors that predominantly affect male learners, such as call-up to military service.

According to official statistics from ArmStat, in addition to 'other reasons', which account for more than 60% of all dropouts from VET, unsatisfactory academic performance remains the second most frequent reason for discontinuation and points to deeper structural issues in the system. In 2023–2024, 610 students left their programmes for this reason, which is a substantial increase compared to 326 two years earlier. Among the factors influencing these results, the Torino Process monitoring survey points out weak academic preparation and limited support mechanisms for learners who struggle.

Reintegration after interruption of studies is possible but remains limited in scale and pedagogical depth. The share of reintegrated or repeating students has increased slightly since 2021, from 1.8% to 2.0% of all VET learners, which suggests that VET accommodates returning students to some extent. However, since the ArmStat data do not distinguish between repeaters due to academic failure and those re-entering after military service, the monitoring survey notes that it is difficult to assess the focus and effectiveness of reintegration policies. According to information provided by the Ministry of Education, Science, Culture and Sports, as referenced in the survey, about 80% of students called up to the army eventually return to VET after demobilisation. While VET institutions reportedly provide administrative assistance to these learners, pedagogical support during their reintegration appears not to be provided systematically.

Gender differences in repetition are limited but not negligible. The share of female students repeating a year in mid-level VET programmes nearly doubled between 2021 and 2023, from 0.6% to 1.1%, while remaining very low in craftsmanship programmes, where female enrolment continues to be comparatively small. These developments suggest that although the reintegration mechanism is functional, it does not yet address the diverse learning and support needs of different groups of learners, in particular those of girls.

## 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 in ETF partner countries, disaggregated by educational attainment.

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, it is hoped that monitoring will 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

VET in Armenia includes a structured general education component that is designed to ensure that young learners acquire essential skills and competences beyond the purely technical. The monitoring survey notes specifically that the national VET Standard requires between 20% and 30% of the curriculum to be devoted to subjects that build foundational knowledge and general skills that are of relevance to employability. These subjects include Armenian language and literature, mathematics, foreign languages, computer literacy and civic education. Together, the survey notes, they form the basis for communication, problem-solving, digital engagement and professional conduct. The

framework of mandatory skills addressed through IVET programmes is therefore comprehensive in scope, as it aims to combine occupational preparation with developing transversal competences.

The system performance results in this domain suggest that Armenia is successful along these lines, at least to some extent. With an SPI score of 50 for both genders, the VET system performs above the monitoring sample average (SPI of 40 for girls and 23 for boys) and above the regional EaP average of 32 for girls and 33 for boys.

However, the reliability of evidence on the quality of learning outcomes in VET – and in secondary education more broadly – remains limited. The monitoring survey notes that the assessment of basic and key competences continues to rely primarily on traditional, teacher-administered and provider-based methods, such as written examinations and evaluations of practical and internship performance. There are no independent mechanisms, such as nationwide tracer studies or external skill assessments, to validate these results or measure learning outcomes against national standards. Consequently, although the above-average SPI results point to a solid system-level delivery of quality, the absence of external verification makes it difficult to gauge how accurately these outcomes reflect the actual quality of skills and competences acquired by IVET learners in Armenia.

**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)**
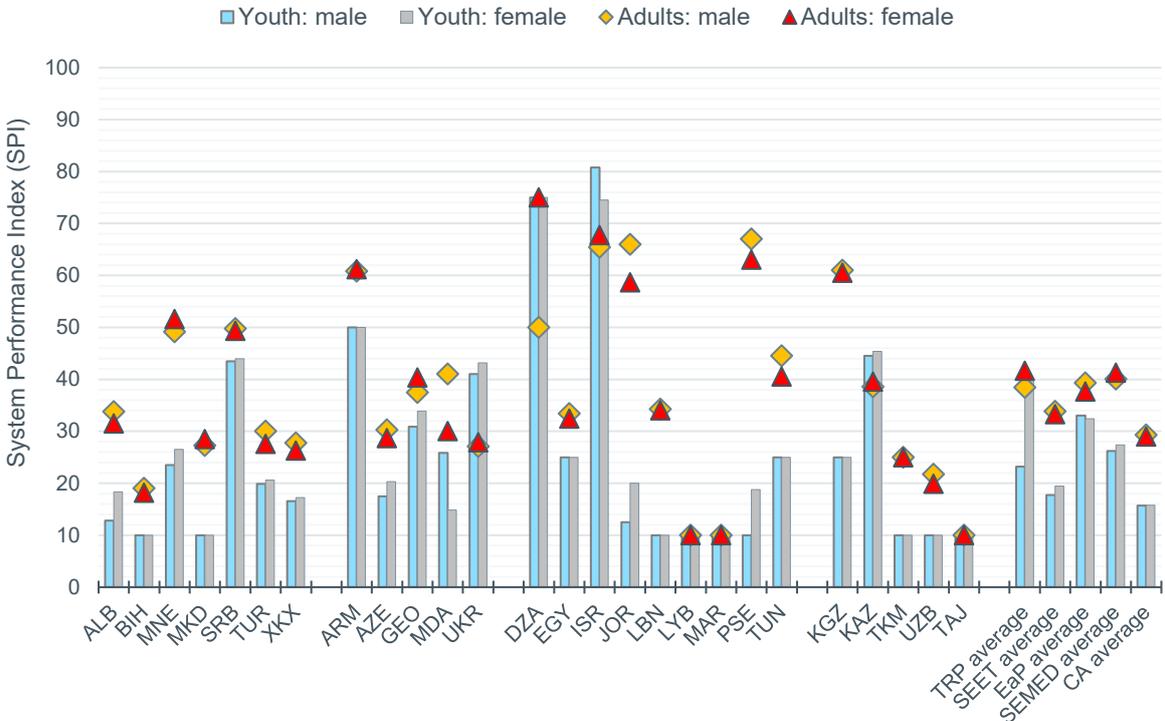


Note: Theoretical index range: min/low performance=0, max/high performance=100
Source: ETF KIESE and Torino Process databases

Adults in Armenia are more likely to possess foundational skills and competences than their peers in many other countries covered by the Torino Process (Figure 4.3). With an SPI score of 61 for both women and men, the results of Armenia are well above the average for the monitoring sample (SPI of 42 for women and 38 for men) and the EaP regional average (SPI of 38 for women and 39 for men).

The monitoring survey, together with the KIESE data suggests that these results reflect well-developed foundational competences and almost universal literacy: 99.9 % for women and 99.7 % for men (KIESE SPI Indicator 59). According to national estimates quoted in the monitoring survey, the majority of adults in Armenia possess at least functional literacy skills, while a substantial proportion demonstrate higher-order competences – around 28.1 % of women and 25.1 % of men hold a tertiary qualification (KIESE SPI Indicator 35, ISCED 5–8). Gender differences are marginal.

At the same time, the use of acquired competences in the labour market is uneven. According to an Adult Education Survey (2020–2021) carried out by CRRC-Armenia (the Caucasus Research Resource Centre) and DVV International, only 37 % of adults reported fully or partially using their knowledge and skills in their current jobs, while 45 % stated that they did not use them at all. This imbalance indicates that a significant share of human capital remains under-utilised and that the link between education and employment remains weak.

## Relevance and labour market outcomes

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

As in other countries in the Torino Process sample, in Armenia education significantly improves employment prospects: the likelihood of being employed rises sharply with the level of educational attainment. However, the national labour market offers fewer opportunities than in the EU on average, irrespective of the qualification level. Among adults with low education, only 16.6% are employed compared to 38.4% in the EU-27. For those with medium education, the rate is 47.7% against 63.4% in the EU, while among highly educated adults it reaches 63.5% compared to 79.1% in the EU.

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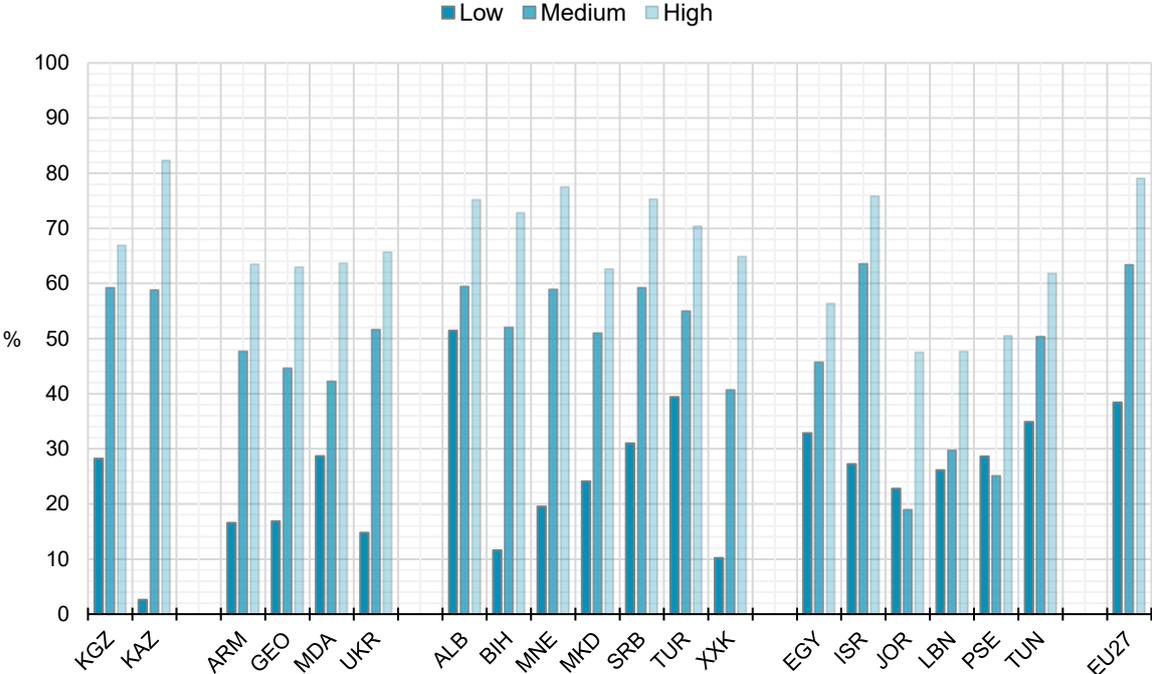


Source: ETF KIESE database

Employment outcomes in Armenia are more influenced by the education level than in the EU, on average. A highly educated adult in Armenia is nearly four times more likely to be employed than someone with low education, while in the EU this ratio is about two to one (Figure 4.4). In other words, employers in Armenia reward education more heavily, but at the cost of a deeper exclusion of those who are less educated. The employment rate of those with the least education in Armenia (16.6%) is among the five lowest in the ETF monitoring sample.

The fact that the employment rate of highly educated adults in Armenia (63.5%) corresponds closely to that of medium-educated adults in the EU (63.4%) is indicative of a broader productivity and labour-market gap. Even the best-educated in Armenia experience employment outcomes that are typical of those with mid-level qualifications in the EU, which points to structural constraints in the creation of jobs and the use of human capital.

The data also reveal that moving from low to medium education yields the largest employment gain – 31.1%, – which suggests that in Armenia, policy efforts to expand upper-secondary and post-secondary vocational education could have a particularly strong impact on overall employment in the country, for instance encouraging adults to gain medium-level qualifications or improving active labour-market measures for job-seekers with low or no education.

## System management and organisation

In this 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 Armenia and discusses how effectively this funding translates into tangible resources, such as well-equipped teaching facilities, workshops and appropriate instructional materials.

According to the monitoring survey, public spending on education in Armenia is limited in scale compared to international benchmarks. In 2024, it accounted for only 2.8% of GDP and 9% of total public spending, well below the 4% and 15% thresholds recommended under the Framework for Action for the implementation of the UN Sustainable Development Goals (SDG 4). Although education continues to be a recognised national priority in Armenia, the monitoring survey notes that it competes with other sectors for scarce public resources. Government expenditure on secondary education, which is the level where most VET programmes are located, amounted to only 1.1% of GDP in the monitoring period (KIESE SPI Indicator 101). This confirms that the resources available to the subsector remain modest even within the broader, already limited budget for education.

This context of financial constraints is reflected also in the SPI score for the adequacy of resources in VET. With an SPI of only 16, the result of Armenia is far below both the regional EaP average of 46 and the monitoring sample average of 56 (Figure 4.5).

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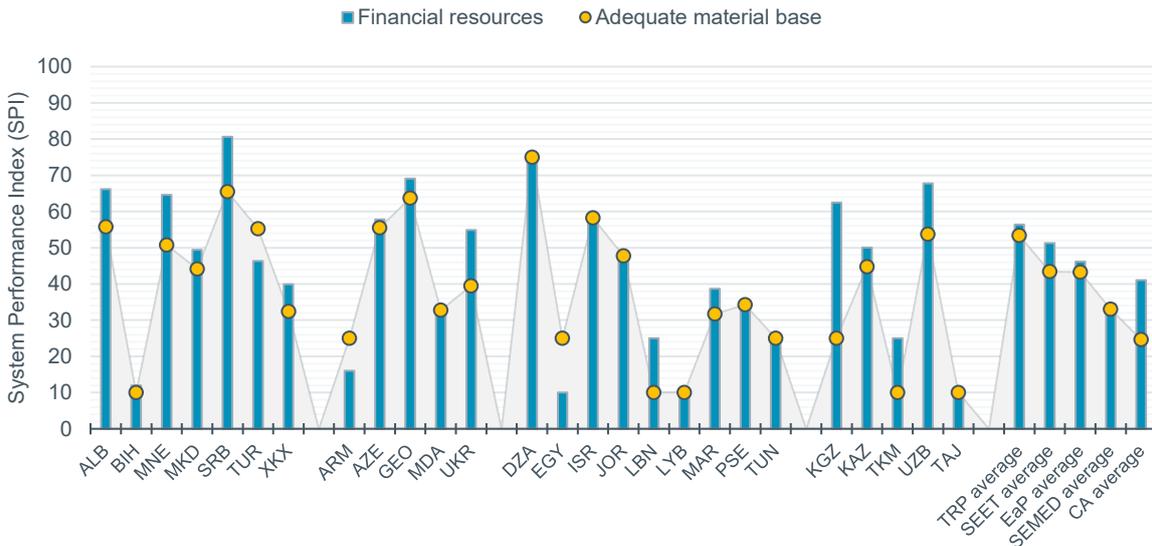


Note: Theoretical index range: min/low performance=0, max/high performance=100
Source: ETF KIESE and Torino Process databases

From this limited funding envelope, VET receives only about 4.75% of total public education expenditure (Ministry of Education, Science, Culture and Sport, 2025). Although modest, state funding remains the main source of financing for VET. The monitoring survey notes that allocations are predominantly student-based and distributed through tuition fee subsidies for each profession, which go to the providers. As a result, over 90% of the VET budget is absorbed by student subsidies, leaving little room for expenditure on modernisation, capacity building or quality assurance. Other income sources for providers, such as tuition fees, entrepreneurial activities or services offered by VET institutions, remain secondary and insufficient to compensate for the low level of public investment.

The composition and level of financial support have direct implications for access and affordability. In the 2024–2025 academic year, 84.6% of students in craft-based programmes studied tuition-free, but this share has declined by 7.4 percentage points since 2021–2022. Conversely, in mid-level VET programmes, only 50.4% of students benefited from tuition-free education, compared to 36.5% in 2021–2022. While scholarship coverage has expanded, most stipends remain low, at AMD 4 000 or less (around 10 euros per month), and therefore have limited impact on the affordability of studies. The monitoring survey indicates that in prioritised professions, scholarship amounts were raised substantially, reaching up to ten times the standard value. However, overall support remains insufficient to ease the financial burden on learners, particularly in mid-level programmes where private provision is also more prevalent.

The impact of financial limitations is most visible in the physical and material condition of VET institutions. Many facilities operate in outdated and energy-inefficient buildings, where heating and maintenance costs consume a disproportionate share of the institution's budget, according to the monitoring survey. There are shortages of modern learning materials and textbooks, especially in Armenian, which forces many institutions to rely on outdated resources. The limited availability of foreign-language materials further constrains the adoption of up-to-date curricula, and because of teachers' and students' limited language competences.

System performance in this domain of monitoring in Armenia is correspondingly low (SPI of 25 for adequacy of material resources, Figure 4.5), well below both the regional average of 43 and the monitoring sample average of 53. Infrastructure investments from the state budget (excluding donor-funded projects) remain insufficient to modernise workshops and laboratories, which in turn reinforces the dependency of VET on limited international assistance.

The efforts of national authorities to address these shortcomings are embedded in the State Programme for Education Development until 2030. The Programme provides for gradual improvements in the resources and buildings of 30% of VET institutions by the end of the decade. The monitoring survey reports that the Programme is gaining some traction. Close to 15% of VET providers have had their core materials upgraded, seven were equipped with new laboratory and learning facilities, and at the time of monitoring, eleven were undergoing structural optimisation to improve efficiency. However, the overall pace of modernisation remains slow relative to the scale of need.

### Human resources: allocation, use and professional capacity

Human resources in vocational education and training (VET) in Armenia are formally well qualified, yet system performance in this area is moderate (SPI of 50, compared to 60 for the Eastern Partnership region and 61 for the monitoring sample). Around 80% of VET teachers hold higher education degrees, while fewer than 4% possess a scientific degree.

Although teachers in VET in Armenia generally meet formal qualification requirements, the monitoring survey notes that the system has limited capacity to innovate and relies heavily on an ageing and static workforce. Moreover, there is a lack of data on the human resources in VET. The evidence collected by ArmStat does not differentiate between the various categories of VET staff defined by law —— lecturers, practical training instructors and assistants – and does not offer information on the age of teachers, the subject area they teach or their language competences. As a result, system-level monitoring and planning for human resources are weak.

Despite staff costs being the dominant item in a VET provider's budget (over 80%, KIESE SPI Indicator 114), the monitoring survey underlines that the remuneration of teaching staff in VET continues to be low, and incentives for professional growth or entry into the profession remain limited. According to previous Torino Process findings, most VET teachers earn minimal salaries, with additional income possible only through extra workloads or bonuses provided from the revenue of their own institution.

This situation creates inequality between schools and discourages new entrants, particularly in areas where there are shortages of teachers, such as STEM subjects and foreign languages. The survey notes that the current pay structure, combined with the absence of performance-based evaluation, has led to a situation where no teachers are dismissed due to inadequate knowledge or skills.

To address these weaknesses, Armenia has introduced a teacher attestation and training process in line with the 2021–2026 Government Programme. The mechanism aims to certify additional qualifications, enhance motivation and create the basis for salary increases. Since its introduction in 2023, 152 teachers have undergone voluntary attestation, which is an increase of 38% compared to the previous year. While this initiative marks an important step toward linking teacher competence to professional recognition, its scale remains limited, and it has not succeeded in raising the attractiveness of teaching as a profession.

## 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 for Armenia.

The availability of national data in Armenia is generally adequate for descriptive monitoring but remains limited in scope and policy relevance. The Statistical Committee of the Republic of Armenia regularly publishes reliable data on key aspects of VET, including admission, enrolment and graduation by gender, level of education and location, as well as information on scholarships, free and paid study places, and the composition of teaching staff by region. Statistics are also available on enrolled foreign students by country of origin and on continuous vocational training funded by employers, which are compiled from annual enterprise reports.

However, these datasets are rarely complemented by internationally comparable indicators, which lowers the monitoring result in this domain (SPI of 13, Figure 4.6). Some data of importance for informed decision-making are also lacking from national statistics, particularly on the quality and relevance of learning outcomes, the employment outcomes of graduates, the skills of adults and the enrolment of specific groups of learners, for instance those from vulnerable backgrounds. In addition, a gap exists between the data collected by ArmStat and those integrated into the national education management information system (EMIS). The monitoring survey notes that, as a result, Armenia maintains a functioning statistical infrastructure capable of producing reliable data in specific areas but not in others.

Armenia has established a comprehensive and formally robust framework for quality assurance (QA) in VET, and system performance in this domain is strong (SPI of 75, Figure 4.6). Governed by the Law on Education and the Law on VET, QA operates through three interconnected processes under the supervision of the National Centre for Professional Education Quality Assurance Foundation (ANQA): licenses for programmes and qualifications, external accreditation of institutions and programmes and internal quality assurance mechanisms within VET providers. The ANQA accreditation reports are publicly accessible and institutions are free to undergo institutional or programme accreditation with any recognised foreign agency.

Despite this strong regulatory foundation, the implementation of quality assurance in VET continues to face some limitations. The monitoring survey notes that these include weak capacity for developing and maintaining internal quality assurance systems in a considerable share of VET providers, as well as criteria and standards borrowed from higher education that are only partially relevant to VET programmes. As a result, internal QA processes in VET institutions are often formal rather than functional, and the external accreditation framework does not fully capture the specificities of

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vocational provision. The Action Plan for the Education Development Programme until 2030 recognises these shortcomings and provides for a revision of licensing and accreditation procedures in line with international good practice.

**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

In terms of the professional capacity of school leadership, VET in Armenia performs at a level which is rather low, but comparable to that of other countries in the Torino Process monitoring sample (SPI of 25). Most of the regulatory and compliance focus is on the entry-level requirements and procedures. The Law on VET mandates that candidates for the position of principal of a VET institution must hold higher education qualifications and demonstrate at least five years of teaching experience, three years in education management, or equivalent professional practice. In addition, since 2022, eligibility has been conditional on obtaining a Certificate showing ability to manage a VET institution, issued for a five-year period following completion of accredited training and a certification exam. According to the monitoring survey, by early 2025, a total of 90 individuals, including 26 in the first trimester of the year, had received such certificates, which means that the pool of certified VET school leaders across the country is growing but is still small.

Beyond this initial certification, however, there are few, if any, mechanisms to ensure the continued adequacy or development of VET principals' professional competences. The current framework provides no systematic evaluation of their qualifications or leadership performance beyond the annual report submitted to the governing board of the VET institution. Plans exist within the Ministry of Education, Science, Culture and Sport to introduce new procedures for assessing implementation of

the five-year institutional development plans that heads present during their appointment process, but these have yet to be put into practice.

Figure 4.6 also shows the monitoring results in the domain of internationalisation of VET. In Armenia, performance in this area is mid-range (SPI of 50), yet considerably above both the regional average (SPI of 20) and the monitoring sample average (SPI of 25) for this commonly challenging domain. According to data provided in the monitoring survey, international mobility in Armenian VET remains predominantly regional and ethnically linked. In 2024, foreign citizens accounted for only 1.9% of students enrolled in mid-level VET institutions (654 out of 34 321), a share that has fluctuated between 1.8% and 2.2% since 2019. Most foreign learners originate from the Armenian diaspora or neighbouring countries, with the largest groups coming from Russia (339 students), Georgia (83), Syria (25) and Iran (18).

In terms of institutional internationalisation, there has been ongoing progress in policy engagement and participation in international initiatives. Armenia joined WorldSkills in 2012 and has since competed in the 2019 and 2024 international championships, fielding three and five participants respectively across a range of skill areas. Since 2022, Armenian VET institutions have become eligible for Erasmus+ Capacity Building in VET (CB VET) projects, leading to the launch of several internationally funded initiatives such as S.E. VET Social Entrepreneurs, Beyond Europe with Micro-credentials (BEM), VET partnership For Green and Smart Electricity in Buildings (VET4GSEB), and Enhancing vocational education quality through mock accreditation (QA4VET). The country has also joined the European Alliance for Apprenticeships, creating opportunities to exchange practices on work-based learning. However, institutional capacity for sustained internationalisation remains weak. The monitoring survey highlights the mandatory involvement of foreign experts in accreditation processes as a specific shortcoming, because of the high cost which in turn limits take-up by providers. In addition, staff and students have limited foreign language proficiency, which hinders the ability of VET providers to engage fully in international cooperation and exchange.

# ABBREVIATIONS

| | |
|---|---|
| ADS | Armenian Development Strategy |
| ALE | Adult Learning and Education |
| ALMP | Active Labor Market Policy |
| AMD | Armenian Dram (currency) |
| ANQA | National Centre for professional education Quality Assurance foundation |
| ATC | Assessment and Testing Centre |
| BEM | Beyond Europe with Micro-credentials |
| CB VET | Erasmus+ Capacity Building in VET |
| CEP | Centre for Education Projects |
| CGCD | Capacity Development Centre |
| COAF | Children Of Armenia Fund |
| COVE | Centre Of Vocational Excellence |
| CVET | Continuing Vocational Education and Training |
| DESA | UN Department of Economic and Social Affairs |
| EAfA | European Alliance for Apprenticeship |
| EBRD | European Bank for Reconstruction and Development |
| ECTS | European Credit Transfer and Accumulation System |
| EIB | Education Inspectorate |
| EMIS | Education Management Information System |
| ENE | ETF Network for Excellence |
| EQAVET | European Quality Assurance Reference Framework for Vocational Education and Training |
| EQF | European Qualifications Framework |
| ETF | European Training Foundation |

| | |
|---|---|
| EU | European Union |
| EUR | Euro (currency) |
| GCF | Green Climate Fund |
| GDP | Gross Domestic Product |
| GIZ | Deutsche Gesellschaft für Internationale Zusammenarbeit |
| HDI | Human Development Index |
| ICT | Information and Communications Technology |
| IMF | International Monetary Fund |
| IOM | International Organization for Migration |
| ISCED | International Standard Classification of Education |
| IVET | Initial Vocational Education and Training |
| KIESE | Knowledge, Indicators and Evidence for Skills and Employment |
| LFS | Labour Force Survey |
| LLL | LifeLong Learning |
| M.D. | Missing data |
| MIP | Multiannual Indicative Programme |
| MoESCS | Ministry of Education, Science, Culture and Sports |
| MoLSA | Ministry of Labour and Social Affairs |
| NCEDI | National Centre for Education Development and Innovation |
| NCET | National Centre for Educational Technologies |
| NCVD | National Council for VET Development |
| NCVTD | National Centre for VET Development |
| NEET | Not in Education, Employment or Training |
| NGO | Non-Governmental Organisation |
| NQF | National Qualifications Framework |

| | |
|---|---|
| NTF | National Training Fund |
| OECD | Organisation for Economic Co-operation and Development |
| PCA | Peer Career Advisors |
| PES | Public Employment Service |
| PISA | Programme for International Student Assessment |
| PPP | Purchasing Power Parity |
| QA | Quality Assurance |
| QA4VET | Enhancing vocational education quality through mock accreditation |
| RED | Rapid Education Diagnosis |
| RPPC | Republican Pedagogical-Psychological Centre |
| SELFIE | Self-reflection tool for digital capacity in education |
| SPI | System Performance Indicator |
| SQF | Sectoral Qualification Framework |
| STEM | Science, Technology, Engineering and Maths |
| TICTRF | Textbook and ICT Revolving Fund |
| TIMSS | Trends in International Mathematics and Science Study |
| TRIPP | Trump Route for Peace & Prosperity |
| TRP | Torino Process |
| UN | United Nations |
| UNESCO | United Nations Educational, Scientific and Cultural Organization |
| UNHCR | United Nations High Commissioner for Refugees |
| UNICEF | United Nations Children's Fund |
| USD | United States dollar (currency) |
| USS | Unified Social Service |
| VET | Vocational Education and Training |

| VET4GSEB | VET partnership For Green and Smart Electricity in Buildings |
| --- | --- |
| VNFIL | Validation of Non-Formal and Informal Learning |
| WBL | Work-Based Learning |
| YG | Youth Guarantee |

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