

# ETF MID-TERM PERSPECTIVE 2014-17





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# ETF MID-TERM PERSPECTIVE 2014-17

## EXECUTIVE SUMMARY

### Mandate and Mission

The European Training Foundation is a decentralised agency of the European Union. Its objective is to contribute, in the context of EU external relations policies, to improving human capital development, in its partner countries. 'Human capital development' is the work which contributes to the lifelong development of individuals' skills and competences through the improvement of vocational education and training systems.

### EU policy

The EU's external relations policies and internal approaches to vocational education and training in a lifelong learning perspective shape the ETF's cooperation with its partner countries. EU internal approaches to training and skills, as well as their external dimension, provide inspiration for partner countries to reflect on the future of their VET systems. The initiatives presented in this Mid-term Perspective reflect how the EU shapes the global agenda on vocational education and training in a lifelong learning perspective, promoting the international dimension of the European policies. It shows that human capital and skills development are becoming a transversal issue for both internal and external EU policies.

### Strategic objectives

The ETF Mid-term Perspective 2014-17 is the **multiannual** work programme and contributes to the achievement of the ETF's **goals and the expected impact by 2020** in terms of more effective VET policy making with better governance, increased employability and enhanced social and territorial cohesion.

GOALS 2014-20	STRATEGIC OBJECTIVES 2014-17
Goal 1: Evidence-based policy making: to support partner country intelligence and capacities at all stages of the VET policy cycle, bringing innovation and sustainable development	Strategic Objective 1: Reinforce evidence-based VET policy analysis
Goal 2: EU policy support: to support the external dimension of EU policies in human capital development	Strategic objective 2: Modernise VET systems in a lifelong learning perspective
	Strategic objective 3: Increase the relevance of VET provision in respect of the labour market, economic and social cohesion.
Goal 3: Partnership and Communication Goal 4: Organisation Development	Goals 3 and 4 are key horizontal principles underpinning all ETF activities

The first strategic objective comprises the ETF's work in its partner countries in the overall vocational education and training (VET) system policy analyses (undertaken as part of the Torino Process every two years (2014 and 2016)), and the analysis of specific policy areas including the skills related dimensions of the Small Business Act assessments and analyses in the area of employment and employability as well as national qualifications frameworks.

The second strategic objective approaches VET in a lifelong learning perspective and includes work in two thematic areas: inclusive multi-level governance and quality assurance.

The third strategic objective covers the following thematic areas: qualifications and qualification systems, learning and teaching in VET, employment and employability, skills dimension of migration and mobility and entrepreneurial learning and enterprise skills.

## Logic of intervention

The 2014-17 interventions have been selected following the principles of **focus, differentiation and impact-orientation**. The logic of intervention in each country is different according to specific policy needs and internal criteria for **prioritisation in the distribution of resources** - both financial and human, namely:

1. The strategic importance of human capital development in EU assistance;
2. The country's readiness and willingness to cooperate with the EU/ETF;
3. The expected impact/added-value of any ETF intervention; and
4. The sustainability of the intervention

Within this MTP, ETF interventions in the countries are multiannual in view of supporting the mid- and long-term perspectives of the VET policies.

## Main interventions in 2014-17, by region

### South Eastern Europe and Turkey:

#### Challenges

The political commitment to implement reform policies aiming at developing skills for employment is often too weak and the countries perform under the EU average and 2020 benchmarks. However education and training systems need to become better aligned with emerging labour market skills needs characterised by the trend towards more skill-intensive jobs and the potential over-supply of individuals with high-level qualifications by 2020.

#### Activities

Evidence-based policy analyses in all countries (Torino and Bruges processes in 2014 and 2016) and Small Business Act assessments; country level interventions for the modernisation of VET systems; Support to implementing and monitoring the roadmap for skills 2020 through the FRAME project<sup>1</sup> and continued support to the members of DGVT/ACVT (candidate countries) with the implementation of the Bruges agenda as part of their VET reforms.

#### Expected results

(i) More comprehensive approaches to VET strategy planning and capacity to follow up; (ii) improved quality in VET; and (iii) increased links between the worlds of work and education in a lifelong learning context.

### Southern and Eastern Mediterranean:

#### Challenges

More rationalisation and coordination is needed between government agencies involved in VET leading to rethinking the institutional settings; higher quality of VET provision and improving its

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<sup>1</sup> FRAME and GEMM are additional projects, complementary to the work done by the ETF through its subsidy but funded with additional earmarked funds (Title 4).

relevance to the labour market as well as diversifying the VET on offer to make it more attractive and able to cater to different target groups, particularly women and young people.

### Activities

Evidence-based policy analyses in all countries (Torino Process in 2014 and 2016) and Small Business Act assessments; country level interventions for the modernisation of VET systems; qualifications and mobility; youth and women's employability; entrepreneurial learning and skills for micro and SMEs and 'Governance for Employability' (GEMM project).

### Expected Results

(i) Enhanced regional policy dialogue and understanding of youth employability and entrepreneurial learning; (ii) new approaches and methodologies for implementing national qualifications frameworks, entrepreneurial learning, and inclusive multilevel governance developed and tested and capacities of stakeholders improved; (iii) better use of evidence to support the development of national strategies.

## Eastern Europe:

### Challenges

VET reforms including national qualifications frameworks, use of labour market information; quality assurance and school-enterprise cooperation are necessary.

### Activities

Evidence-based policy analyses in all countries (Torino Process in 2014 and 2016) and Small Business Act assessments; country level interventions for the modernisation of VET systems, including the validation of non-formal and informal learning, social dialogue and skills development through sector and regional approaches, national qualifications frameworks and skills policies and practices for small and medium-sized enterprises

### Expected Results

(i) Enhanced regional dialogue, understanding and new approaches and methodologies in skills matching and skills for SMEs, national qualifications frameworks, sector committees, quality assurance, education and business cooperation, work-based learning, and career guidance validation of non-formal and informal learning; training and skills for migration; and VET strategies; (ii) better use of evidence and a greater awareness of EU reporting and benchmarking.

## Central Asia:

### Challenges

There is considerable growth in the share of the working-age population and a high youth population. VET systems are being reformed with a view to expanding the number of vocational students.

### Activities

VET policy analysis (Torino Process), national qualifications frameworks, quality assurance and teacher training. VET governance and school development

### Expected Results

(i) Strengthened capacities to develop and embed evidence-based policy making and implementation; (ii) improved quality, relevance and inclusiveness of VET systems for the labour market and (iii) at regional level, enhanced mutual understanding of policies and shared policy experience and practice.

### Resources

The organisational context for the 2014-17 period will be characterised by static financial resources (in real terms), and reduced human resources.

(million €)	2014	2015	2016	2017	Total 2014-17
ETF Subsidy Title 1 & 2	15.161	16.142	16.423	16.697	64.423
ETF Subsidy Title 3	4.983	4.965	5.107	5.263	20.318
<b>Total</b>	<b>20.144</b>	<b>21.107</b>	<b>21.530</b>	<b>21.960</b>	<b>84.741</b>

posts	2014	2015	2016	2017
TA	94	94	93	92
CA	39	40	40	40
LA	2	2	2	2
SNEs	0	0	0	0
<b>Total</b>	<b>135</b>	<b>136</b>	<b>135</b>	<b>134</b>

At the same time, expectations as to what the ETF can deliver in terms of results and **compliance** with standards of **accountability** and control are expected to rise.

In this context, the ETF must become more **effective and efficient** as an organisation and enhance its reputation, **trust** and recognition among stakeholders as a **leading centre of expertise on human capital development** and a soundly run organisation using public funds in a transparent way to achieve measurable results.

According to the ETF's founding regulation (art. 16.5) the budget should be adopted by the Governing Board. It becomes final once the general EU budget is approved and is adjusted accordingly.

### Added-value

ETF interventions are mainly at system and policy level with limited work on operationalising commonly agreed policy measures and an emphasis on monitoring them. Contrary to the role of other donors, the ETF does not bring significant amounts of funding to a country but supports EU external relations policies including development aid in the field of human capital development. This includes expertise in adapting EU approaches to human capital development to the context of the partner countries and supporting the development of home-grown solutions.



# PART I: INTRODUCTION

## 1 Background

The European Training Foundation (ETF) is a specialised agency of the European Union (EU) that helps transition and developing countries harness the potential of their human capital through the reform of education, training and labour markets in the context of the EU's external relations policy.

It supports a range of stakeholders sharing an interest in the contribution EU external relations policies can make to partner countries' human capital development. The ETF also supports the external dimension of EU internal policies.

At EU level, the ETF cooperates with the European institutions, primarily, as key counterparts, the European Commission (through its parent DG, DG EAC), the European Parliament and the European Council. The European External Action Service and the EU Delegations are also important partners. The ETF also works with the European Economic and Social Committee, the Committee of the Regions, as well as European agencies such as Cedefop and Eurofound, European social partner organisations, Business Europe, the European Trade Union Confederation (ETUC), and the European Association of Craft, Small and Medium-sized Enterprises (UEAPME) and European Centre of Employers and Enterprises Providing Public Services (CEEP).

In its partner countries, the ETF works with governmental institutions, the business community, social partners, and other civil society organisations, and at international level with relevant international organisations and donors exchanging information and lessons learned in the assistance field.

The financial and economic crisis means that the ETF's support to its partner countries is more necessary than ever for both short and long-term initiatives. The ETF will contribute to developing vocational education and training in a lifelong learning perspective that supports economic recovery and growth and minimises the social impact of the crisis by developing skills to foster productivity and employment and by reinforcing economic, social and territorial cohesion. For partner countries such as Iceland, Israel, Kazakhstan, Russia and Turkey that are less affected by the crisis, the ETF will contribute to modernising their VET systems and increasing the relevance of VET provision.

The ETF's founding regulation<sup>2</sup> was recast in 2008 and the external evaluation finalised in 2012 did not recommend any change in the agency's mandate in the coming years<sup>3</sup>. This means that the ETF's objective and scope, its thematic remit and functions [Part II] will continue unchanged for the next four years, as will the ETF's vision, mission and principles of action. This MTP builds on the achievements and remaining challenges of the previous MTP 2010-13 in an impact-oriented approach towards attaining the EU 2020 strategic goals.

While the ETF's mandate remains unchanged, the policy area of vocational education and training (VET) and skills development is growing in importance on the international agenda and in partner country development strategies [section I.2]. Over the last four years, not least with the support of the ETF, some the partner countries have made progress in setting strategic objectives and implementing actions to achieve them. However, in other countries, progress has been relatively modest and the

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<sup>2</sup> Regulation (EC) No 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training foundation (recast) (OJ L353 of 31/12/2008, p. 82)

<sup>3</sup> See PPMI: (2012): External Evaluation of the European Training Foundation, a European Union Agency: 2006-2010, Service contract No. EAC-2011-0140 awarded to PPMI by the DG EAC of the European Commission on 30th of March, 2011. Final Report, February 2012 (<http://bit.ly/zZo5cL>). Next external evaluation is foreseen for 2015-16, according to art. 21 of the ETF founding regulation (recast Regulation (EC) N. 1339/2008

impact of policies limited. In other countries, developments remain ad hoc and isolated, and there is a need to work on long-term comprehensive and coordinated actions.

This implies that, within the same mandate, the ETF must define its interventions to meet the challenges of each individual country, focusing on:

1. **Differentiation:** The situation varies from country to country and the ETF must adapt its intervention logic accordingly. In countries where policy developments and institutional capabilities are more advanced, policy analysis and advice and capacity building must become more focused and specialised [section I.2 and part III.]. The ETF's expertise, which has been consolidated in recent years, needs to be delivered more strategically in agreement with the countries and the EU institutions. In the countries where less progress has been made, the ETF must create new conditions to foster progress in VET. Differentiation refers both to the priority given to each country and to the ETF's means of intervention therein. ETF work in the countries will be selected according to priorities determined by national contexts and needs, the stage of development of the policies, progress in their implementation, and partnership and networking opportunities. As a result, the ETF will focus on a selected number of policy areas likely to bring more added-value and higher impact.
2. **Impact-driven interventions:** In the coming years, the policy-driven approach highlighted in the recast of the ETF's mandate, needs to focus not only on formulating policy but also on the other stages of the policy-making cycle, with increased support to implementing, monitoring and evaluating policies. In this respect, the ETF will move towards multiannual interventions in order to assist long-term policies promoting structural change in the countries as one of the conditions for greater impact. Such long-term involvement improves communication between the ETF and stakeholders, deepens knowledge and information transfer and creates conditions for the development of specific policies over time [part III.]<sup>4</sup>. Enlarging the range of stakeholders to include the private sector, social partners and civil society organisations, such as NGOs active in youth and female employment and entrepreneurship, as well as executive and legislative policy leaders, will ensure a balanced representation of different interests at all levels of governance and provide a sound basis for a shared and coordinated development of sustainable and results-oriented policy solutions. A differentiated approach based on country priorities implies the ETF will have a different impact on different countries. For those considered high priority by the EU institutions, impact will be possible by the end of the ETF 2020 strategy with interim achievements in 2017 based on annual targets. In other countries the focus will be on adding value. Other countries will mainly participate in dissemination activities or not receive any ETF assistance.
3. **Cooperation with other donors:** Compared to the situation in 2010, other international actors have an increased interest in working with the ETF partner countries in the area of VET and skills development. The ETF's contribution in recent years to the inter-agency network on VET, the stakeholder cooperation framework for action and the exchange of information between donors at country level will be enhanced and generate greater complementarity, synergy and added-value [part III and IV]. Furthermore, ETF work in holistic VET policy analysis has been recognised by different international actors as a basis for their interventions. The ETF will continue to remain the global leader in in-depth holistic VET policy analysis and subsequent policy-making support.
4. **Support to EU development cooperation:** Through its work on VET policy analysis and facilitating policy-making, the ETF will contribute to EU added-value in the field of development cooperation, where "in addition to its role as a donor, (the EU) has a recognised added value in

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<sup>4</sup> See PPMI: (2012): <http://bit.ly/zZo5cl>.

developing strategic policies, promoting development best practices, and in facilitating coordination and harmonisation (...), as well as in the external dimension of internal Community policies”<sup>5</sup>. The ETF’s added-value is linked, in particular, to EU enhanced cooperation in VET. This complementarity with the EU external relations policies and instrument is an important way of making sustainable the ETF work and reaching greater impact in the partner countries.

In this context, the ETF’s added-value will continue to derive from its neutral, non-commercial, unique and established knowledge base consisting of expertise in human capital development and its links to employment, upon which it builds long-term partnerships and mutual trust using a policy learning approach. ETF interventions are mainly at system and policy level with limited work on operationalising commonly agreed policy measures. Contrary to the role of other donors, the ETF does not bring significant amounts of funding to a country but supports EU external relations policies including development aid in the field of human capital development. This includes expertise in adapting EU approaches to human capital development to the context of the partner countries and supporting the development of home-grown solutions<sup>6</sup>.

This mid-term perspective (MTP) espouses the objective of enhancing the efficiency and accountability of EU agencies as set out in the Commission’s roadmap on the follow-up to the common approach on EU decentralised agencies<sup>7</sup>.

Efficiency and accountability will be achieved and reported as follows:

- Outcomes: planning and organisation of activities with a focus on the outcomes to be achieved in each region (outcomes are at a higher level in the results value chain compared to the previous MTP, which concentrated on the achievement of corporate outputs);
- Relevance: strengthened through existing ETF systems and tools, such as regular consultation with stakeholders, the Torino Process and analyses of other specific policy areas;
- Efficiency: results-oriented planning, implementation, monitoring and evaluation and extensive use of the logical framework approach from strategic to annual and project plans;
- Effectiveness: costing of outcomes linked to activity-based management and the use of key performance indicators;
- Sustainability: building ownership of national stakeholders, facilitating policy learning through broad participation and a holistic approach to VET and generating organisational resilience to cope with challenges and uncertainty;
- Impact: regular measurement and management of added-value and impact, in addition to outputs and outcomes.

The ETF commitment to work towards achieving impact is also supported by linking the MTP strategic objectives more closely with the annual objectives in each work programme and by associating them with targets to enable effective and efficient monitoring.

This mid-term perspective is defined within the resource allocation of the Commission’s proposal for the Multiannual Financial Framework. With a severe decrease of the average allocation per country of

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<sup>5</sup> The EU Code of Conduct on Division of labour in Development Policy, COM(2007) 72 final

<sup>6</sup> See PPMI: (2012): <http://bit.ly/zZo5cl>.

<sup>7</sup> <http://bit.ly/14bx37L>

Title 3 funds from €178,167 in 2012 to €158,402 in 2014, the ETF has reason to reiterate its concern about the achievement of the expected impact at country level.

Should the final resources and budget be reduced compared with these assumptions, the present MTP could be adapted in the following ways to maintain the impact of ETF interventions:

- Producing a macro-level negative prioritisation (to decide in which countries to work in each year of the multi-year perspective), and
- Based on the policy needs identified in this MTP, ensuring the coordination of ETF actions with EU development cooperation support (e.g. the FRAME project will have an impact on the country strategy papers; a similar approach could be adopted in other countries and regions).

## 2 Policy context

### 2.1 European policy context

The EU's external relations policies and internal approaches to education, training and employment shape the ETF's cooperation with its partner countries<sup>8</sup>. EU internal approaches to education and training, as well as their external dimension, provide inspiration for partner countries to reflect on the future of their education and training systems. The initiatives presented in this chapter reflect how the EU shapes the global agenda on education and training, promoting the international dimension of the European policies. It shows that the human capital and skills development are becoming a transversal issue for both internal and external EU policies.

#### EU VET policies

**Europe 2020 strategy and policy environment.** The contribution of education and training to economic competitiveness is one of the main EU priorities for the coming decade. The Europe 2020 strategy<sup>9</sup> gives priority to the themes of 'growth and jobs' and places the period 2010-20 in the context of recovery from the economic crisis and the growing urgency for sustainable economic development. The strategy covers three main priorities: smart growth, sustainable growth and inclusive growth and is complemented by seven 'flagship initiatives' providing a framework through which the EU and national authorities mutually reinforce their efforts in areas supporting the Europe 2020 priorities such as innovation, the digital economy, employment, youth, industrial policy, poverty and resource efficiency. Two of the flagship initiatives are of particular relevance: *Youth on the move*<sup>10</sup> and *An agenda for new skills and jobs*<sup>11</sup>. In addition, since 2010, the *European Platform against Poverty and Social Exclusion*<sup>12</sup> sets out actions to reach the EU target of reducing the numbers affected by poverty and social exclusion by at least 20 million by 2020.

**The Education and Training 2020 strategy (2009)**<sup>13</sup> provides a strategic framework for European cooperation in education and training up to 2020 and sets four strategic objectives:

- Making lifelong learning and mobility a reality;

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<sup>8</sup> Annex 6 details the policies and shows the impact they have on ETF work in the countries. It also indicates the impact these policies have on specific activities and the geographical and thematic coverage in the work programme.

<sup>9</sup> <http://bit.ly/6joOV2>

<sup>10</sup> <http://bit.ly/bOvTFz>

<sup>11</sup> <http://bit.ly/hhh3V4>

<sup>12</sup> <http://bit.ly/u8mdKT>

<sup>13</sup> <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2009:119:0002:0010:EN:PDF>

- Improving the quality and efficiency of education and training;
- Promoting equity, social cohesion and active citizenship;
- Enhancing creativity and innovation, including entrepreneurship, at all levels of education and training.

Transparency and cooperation in VET between Member States are promoted by the **Copenhagen Process**, which links to the Education and Training 2020 strategy. At a meeting held in Bruges on 7 December 2010, ministers for vocational education and training, the European social partners and the European Commission agreed on common objectives for vocational training for 2011-20 in the **Bruges Communiqué**. It states that *“Cedefop and the ETF should continue, according to their specific mandates, to support policy development and implementation, to report on progress towards strategic objectives and the short-term deliverables, and to provide evidence for policy making in VET”*. At the same time *“Exchanges and cooperation with potential candidate countries, with neighbourhood countries assisted by the ETF [...] should be strengthened.”*

The **Communiqué** also indicates that a new list of short term deliverables 2015-17 will be drawn up. The so called *“2014 Review”* will focus on the definition of short-term deliverables, and will continue to focus on the strategic objectives and the progress Member States and candidate countries have made in the period 2011-14 in the context of the economic crisis and high youth unemployment. It is foreseen that further Council Conclusions and a Communiqué will be adopted by early 2015. The ETF will contribute to this process.

The **European Commission’s Communication “A new impetus for VET (2010)”**<sup>14</sup> emphasises the contribution of VET to economic and social challenges, particularly in relation to efficiency and equity in the labour market. The document also indicates that the EU policy on VET *“should be a subject for further policy dialogue and mutual learning with the international community, including both third countries and relevant international organisations. Structured cooperation could be launched with Neighbourhood countries and further extended with Enlargement countries with the support of the ETF which has proven its value-added in supporting the development of VET curricula and quality teaching methodologies in these countries ... The European common reference tools and the policy approaches provide an important reference for the modernisation of VET systems in partner countries, including for those involved in accession to the EU. This cooperation has potential to contribute to transnational collaboration, regional development, an improved management of legal mobility and to combat illegal migration.”*

The **Communication “Rethinking Education: Investing in skills for better socio-economic outcomes” (2012)** promotes employability, competitiveness and intercultural dialogue in fostering transversal key competences in lifelong learning policies. The following key actions will be the immediate focus at European level:

1. Enhanced country-specific focus and support to Member States;

The ETF will continue to cooperate with Cedefop on the state of play of the VET systems in the candidate countries. For the other partner countries, the ETF will use the Torino Process to determine the state of the play and vision for VET in each country and provide an assessment of the progress made in achieving the desired results.

2. Accelerate improvements in work-based learning, in particular by establishing an EU level Alliance for Apprenticeships;

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<sup>14</sup> <http://bit.ly/dQn5hg>

The European Alliance for Apprenticeships and in particular the forthcoming Quality Framework for Traineeships brings together the efforts of EU Member States, social partners, business, other relevant actors and the European Commission to develop high-quality apprenticeship-type training and excellence in work-based learning. The ETF will act as a key stakeholder promoting the principles of the alliance in the partner countries.

3. Create a European area for skills and qualifications;

The European area for skills and qualifications aims to promote a stronger convergence between EU transparency and recognition tools to ensure that skills and qualifications can be easily recognised across borders, based on on-going evaluations and pursuing a learning-outcomes approach.

In the 2014-17 period, the ETF will contribute to the preparation of the European Area for Skills and Qualifications Initiative, building on its extensive experience in partner countries on the reform of qualification systems, national qualifications frameworks and improving vocational qualifications.

4. Funding education for growth to strengthen commitment to a skilled and continuously trained and re-trained workforce;

5. European initiative on "Opening up education";

6. Entrepreneurship education actions.

The ETF will use the Commission "Policy Guidance on Entrepreneurship in Education" when working with the partner countries, enabling them to recognise the value of investment in entrepreneurship education and implement the most appropriate approach for their country context.

7. Partnerships between education, business and research

The ETF promotes cooperation between education, training and research as part of evidenced based policy analyses, such as the Torino Process, SBA, Employment/Employability Analysis.

The new *Erasmus +* programme might provide an instrument for partner countries to cooperate with different European stakeholders in promoting the above mentioned actions.

### External relations policies and instruments

The **EU's Enlargement policy** guides the process of expanding the EU through the accession of new Member States. The new **Instrument for Pre-accession Assistance (IPA II)** aims at a more coherent and strategic approach to pre-accession assistance focusing on five overarching policy areas. The key policy area relevant for the ETF's work is '(c) employment, social policies and human resources development'.

The ETF will focus its interventions on assisting countries to develop more coherent and strategic approaches in line with their vision, on strengthening impact through improved institutional arrangements and on monitoring progress. Input in the preparation of annual or multi-annual programmes to be adopted under IPA II will be the cornerstone of ETF support to the EC in the period.

The ETF will also use the **SEE 2020 Strategy** and the **Danube Strategy** as reference documents to inspire actions in the countries of the region.

The **Neighbourhood policy**<sup>15</sup> is the EU's strategy for cooperation with 16 neighbouring countries<sup>16</sup>. The **European Neighbourhood Instrument (ENI)** supports deeper political cooperation,

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<sup>15</sup> <http://bit.ly/9i6DWN>



closer economic integration with the EU and an effective and sustainable transition to democracy. Cooperation with the EU's neighbours will be based on the '*more for more*' principle, as proposed in the Joint Communication of the High Representative of the EU for Foreign Affairs and Security Policy and the European Commission '**A new response to a changing Neighbourhood**'.

**A partnership of democracy and shared prosperity with the southern Mediterranean**<sup>17</sup> (2011) is built on three elements: 1) democratic transformation and institution building, with a particular focus on fundamental freedom, constitutional reforms, reform of the judiciary and the fight against corruption; 2) a stronger partnership with the people, with specific emphasis on support to civil society and on enhanced opportunities for exchanges and people-to-people contacts and a particular focus on young people; and 3) sustainable and inclusive growth and economic development, in particular via support to small and medium-sized enterprises (SMEs), VET, health and education systems and development of the poorer regions.

The **Union for Mediterranean (UfM)** constitutes a framework for political, economic and social relations between the EU and the Southern and Eastern Mediterranean countries and is inspired by the goals set out in the Barcelona Declaration, namely working for the creation of an area of peace, stability, security and shared economic prosperity, as well as full respect of democratic principles, human rights and fundamental freedoms and promotion of understanding between cultures and civilizations in the Euro-Mediterranean region.

The EU is also working on strengthening certain aspects of cooperation with the **Eastern Partnership** countries by negotiating association agreements and providing a sound political basis for advancing relations. The ETF is active in Platforms 4 "Contacts between people" and 2 "Economic integration and convergence with EU sector policies".

The adoption of a "**Strategy for a new enhanced partnership with Central Asia**" by the European Council in June 2007 gave impetus to both regional and bilateral dialogue, and has reinforced EU cooperation with the five countries on major issues such as poverty reduction, and sustainable development and stability. The **EU-Central Asia Education Platform**, which started in February 2012, supports the EU in strengthening education reforms in the region by promoting policy dialogue as well as improving the coordination of donor financed education projects and programmes.

Among other policy documents relevant to the ETF's work is the **Communication increasing the impact of the EU Development Policy: an agenda for change**<sup>18</sup>, adopted in October 2011, which proposes to continue support for social inclusion and human development with at least 20% of EU aid.

### **Other relevant policies**

**The European Union's Small Business Act**<sup>19</sup> frames the EU's approach to supporting small business development, including the contribution to human capital development. Its key objectives include promoting entrepreneurial learning and enterprise skills.

The ETF supports these objectives through regular indicator-driven assessments in South Eastern Europe and Turkey. In the Southern and Eastern Mediterranean countries and as part of broader EU

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<sup>16</sup> The European Neighbourhood Policy is a collaborative approach between the EU and participating countries to foster stability, security and prosperity in the economies in proximity to the EU

<sup>17</sup> <http://bit.ly/pbxTcu>

<sup>18</sup> <http://bit.ly/peXzD0>

<sup>19</sup> <http://bit.ly/7alt3C>

assistance, the ETF bases its support on the Euro-Mediterranean Charter for Enterprise, again focusing on entrepreneurial learning and enterprise skills.

The **Communication from the Commission, Small Business, Big World — a new partnership to help SMEs seize global opportunities**<sup>20</sup> (2011) sets the objectives to: i) provide SMEs with easily accessible and adequate information on how to expand their business outside the EU; ii) improve the coherence of support activities; iii) improve the cost-effectiveness of support activities; iv) fill existing gaps in support services; and, v) establish a level playing field and provide equal access for SMEs from all EU Member States.

The **Entrepreneurship 2020 Action Plan (2012)** sets out a renewed vision and a number of actions to be taken to support entrepreneurship in Europe. It is based on three pillars: developing entrepreneurial education and training; creating the right business environment; role models and reaching out to specific groups. The ETF is using the action plan as a reference tool for its work with the partner countries.

The **2012 Industrial Policy Communication Update** highlights the crucial role of human capital and skills for competitiveness, growth and employment and presents a number of accompanying measures to create jobs and increase investment in human capital and skills development.<sup>21</sup>

The **European Commission Communication on migration (2011)** indicates that there is a need for the EU to strengthen its external migration policies by concluding partnerships with third countries which address migration and mobility related matters in a mutually beneficial way. This philosophy has inspired the Commission Communication and the Council Conclusions on the Global **Approach to Migration and Mobility (GAMM)**, adopted in November 2011 and May 2012 respectively, which provide for the overarching framework of the EU external migration policy, in line not only with EU foreign policy and the EU development policy but also with internal policies such as the Europe 2020 Strategy, employment and education policies. Education and training play a crucial role in successfully integrating migrants into society and the labour market.

The ETF plays a key role in the implementation of mobility partnerships, from a skills and employment perspective, that were signed between the EU and the Republic of Moldova (2008), Georgia (2009), Armenia (2011) and Morocco (2013) and in the negotiations on migration and mobility dialogue launched between the EU and Tunisia, Jordan and Azerbaijan that may lead to the signature of Mobility Partnerships.

### EU Presidency programmes

The ETF will follow closely the agenda of the EU Presidencies and co-operate with them and the EC to ensure appropriate links.

## 2.2 Partner country context

The ETF's partner countries cover a wide range of regions, socio-economic backgrounds and human development issues. The situations of South Eastern Europe, Turkey, Russia, Eastern Europe, Central Asia and the Southern and Eastern Mediterranean are very different<sup>22</sup>, and all are engaged in profound changes linked to specific demographic, economic, social and political contexts.

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<sup>20</sup> <http://bit.ly/zPdelm>

<sup>21</sup> <http://bit.ly/PRRjFY>

<sup>22</sup> Therefore, EU assistance to the partner countries requires a differentiated, progressive, and benchmarked approach, COM (2003) 104 final.



In 2010 and 2012, the ETF carried out the biennial Torino Process to identify national policy needs: what has been achieved, what are the remaining challenges, what are the priorities for the next period.

Although the Torino Process provides evidence that considerable progress in VET reform has been made by partner countries, the 2012-13 round revealed that countries are not yet there in terms of achieving the objectives of their reforms, which are in many cases ambitious. There is a way ahead, which differs according to the country context and evolution. The 2012 Torino Process identified a number of priority areas for action, both by the countries themselves and potentially as an inspiration for external assistance, in particular by the EU. These priority areas were formulated under five key building blocks, described in this chapter. More details can be found in annex 2. The results of the analysis of the findings of Torino Process under these key building blocks have been translated in the seven thematic priority areas described in section III.2 of this document. This analysis forms the basis of ETF interventions under the 2014-17 MTP.

The Torino Process confirms that, while the development needs of the partner countries are diverse, and strongly linked to the country context, there is a certain degree of convergence in policy needs as policy makers seek to place VET in a lifelong learning context. Partner countries are inspired by the international debate among experts about VET: VET matters in both an educational and an economic context, being an instrument for short and long-term employability; countries are aware of the important contributions of VET to social inclusion and to growth and competitiveness; they are also aware of the need to pursue VET reforms as a long-term process, in connection with other segments of the education systems and employment and that there is a need for persistent effort<sup>23</sup>. As stated in the Torino Process Declaration 2013 (see annex 3), countries are also eager to focus on the impact of policies and strategies, that is, moving from policy design to policy implementation, and eventually evaluation. Last but not least, the results of Torino Process highlight the need for continuous attention to the capacity building of stakeholders that have to design and implement reforms in their countries. The big challenge for all countries is to enhance the relevance of VET provision to the needs of the labour market. That is the main engine to foster innovation in VET.

The following section describes some of the achievements and remaining challenges for ETF partner countries, as well as perspectives for future action, under the five building blocks of the Torino Process.

## Vision

The Torino Process documents the move in partner countries from the initial need to raise awareness of the importance of VET among all key stakeholders to the elaboration of a shared vision and a sector-wide strategy. This is an important qualitative step. The breadth and depth of these strategies varies according to countries and regions. In South Eastern Europe and Turkey they are strongly inspired by EU standards and good practice, in particular in candidate countries. In Eastern Europe and Central Asia work is currently focused on developing new strategies for VET, after years of focus on general and higher education. This places Eastern Europe and Central Asia in a good position for developing more coherent and integrated strategies. In the Southern and Eastern Mediterranean the Arab Spring has contributed strongly to promoting the idea of VET as a tool for enhancing employability and social inclusion. This is reflected in a growing number of countries developing strategies, albeit at very different stages of implementation. The participation of a greater number of stakeholders in strategy design and implementation, together with a need to build more coherence with strategies in other areas remain as issues for further development. The countries' visions still need to give more attention to issues like social inclusion and competitiveness. The Torino Process confirms the need in all partner countries to enhance the development and use of evidence and data

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<sup>23</sup> ETF Torino Process Cross Country Report 2012

in VET policy making and implementation, as well as to go beyond the short-term vision of many of the current strategies into a longer-term perspective (such as the SEE 2020 strategy).

### **External efficiency: responding to economic demand.**

Countries' awareness of the need for VET systems to give relevant responses to local, regional and international labour markets has grown, as the Torino Process illustrates, especially where there are high unemployment rates (9.0%-44.9% in South Eastern Europe and Turkey, 5.4% to 18.7% in the Southern and Eastern Mediterranean, and 5.5% to 19.3% in Eastern Europe, and between 0.4%-11.6% in Central Asia)<sup>24</sup>. In some regions where youth unemployment is a problem (rates as high as 30% for Egypt and Jordan, 36% for Palestine or 42% for Tunisia), particularly among young women, VET as a tool for employability has been put at the top of the political agenda in the wake of the Arab Spring. However, VET systems in all the regions are still far from being able to provide an appropriate response to these huge employability needs. Thus the need to keep working on areas such as the link between VET and employment and employability, entrepreneurial learning, skills for SME creation and growth, migration and skills, and work-based learning mechanisms. The very limited provision of continuing VET and the shortage of information on this topic suggests the need for further work in this important segment of VET provision, crucial to respond to economic demand. The issue of greater involvement of the private sector is being discussed, particularly in terms of mechanisms such as sector councils, that co-ordinate education and business co-operation to ensure that VET is responsive to labour market demand. This is a cross cutting theme in all regions as it builds a platform for qualifications and competence that can feed into continuing learning, develops entrepreneurial competence and enhances employability.

Another common unresolved challenge is the need to make VET a more attractive option for citizens by developing pathways to continuing education and raising awareness of its strengths as a means of transition to work.

### **External efficiency: responding to social demand**

Despite the fact that awareness about the role that VET systems can play in terms of increasing social inclusion for vulnerable groups has grown in the countries in the past years, the Torino Process shows that this is a topic with ample room for further development. Across the regions, strengthening adult learning to address the needs of vulnerable groups stands out as a key issue. This includes women, disadvantaged young people, and people with special educational needs, minorities and rural communities. It also includes the problem of dropouts from VET. In some regions, such as the Southern and Eastern Mediterranean, other vulnerable groups include NEETs (those outside the education system and the labour market) and those working for the informal sector. Although a number of countries have taken some concrete measures to address the importance of the need for VET to respond to citizens' aspirations, the Torino Process and the Declaration indicate that this issue should be tackled transversally as it links to all the other key topics: vision, quality, governance, among others. The ETF also takes the view that VET can support citizenship building.

### **Internal efficiency**

Under the Torino Process, this building block mostly addresses issues related to internal system quality. Despite efforts generated in the last years, VET systems are often still far from being able to deliver quality. Most countries across the different regions are already developing work in some key areas, such as setting up national qualifications, including key competencies and validation of prior learning (covering the transnational dimension of qualifications, a key topic in some regions).

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<sup>24</sup> ETF Torino Process Cross Country Report 2012

However, there is a strong demand for further work and support in this field. The need for improvements in teacher and trainer training, both in schools (encompassing in-service and pre-service needs) and in companies is another topic identified in most of the countries as critical for the success of the on-going reforms, where considerable efforts have still to be made. Expanding labour market-oriented VET at post-secondary level as an alternative to higher education also appears as a priority in all the regions, with some work already started in certain countries but still as a development area. Similarly, career guidance was also identified by the Torino Process as a key issue for efficiency. Some countries have started working on this, but much needs to be done before modern functional systems can be set up in many ETF partner countries. The need to improve adult learning also features high under this topic, and is linked to the shortfall in the provision and information about the quality of continuing training. In summary, many initiatives in the field of quality are taking place, but what is missing is the overall concept and mechanism for developing a culture of quality assurance in VET systems, linked to issues like transparency, accountability and delivery. Quality remains an area for intense work.

## Governance

Governance emerges in the Torino Process as one of the areas in which a lot is going on. At the same time more effort and support are needed. The analysis reveals that countries must move towards good, participatory and anticipatory governance modes, and that the multi-level governance approach both vertical (national, regional, sectoral, local) and horizontal (multiple stakeholders at each decision-making level) is applicable to all countries within their specific national contexts. . In its approach to this wide topic, the ETF focuses on the governance of VET functions, including mapping institutional arrangements through functional analysis .Some countries are focusing on piloting decentralisation processes, others on fostering school autonomy, others in setting up bodies or authorities that can increase both participation and accountability from stakeholders and at the same time coordination, particularly important in countries with very fragmented VET sectors. The work on the modernisation of governance of the VET systems has just started but it is one of the areas for further development.

## 3 The ETF's mandate, vision, mission and principles of action

### 3.1 Mandate

The ETF's recast regulation adopted in December 2008 specifies that the ETF is to contribute, in the context of EU external relations policies, to **partner countries'** human capital development, defined as work that contributes to the lifelong development of individuals' skills and competences through the improvement of vocational education and training systems.

The recast regulation follows the pattern of EU developments since 2000<sup>25</sup> by placing vocational education and training in the context of lifelong learning involving a holistic view of education and training covering human capital development based on the different sub-sectors of education, including their links with the labour market.

It also places the ETF's activities in the policy driven approach to external assistance contained in the Instrument for Pre-Accession Assistance (IPA-II), the European Neighbourhood Instrument (ENI) and the Development Co-operation Instrument (DCI). These instruments put greater emphasis on supporting partner countries in the definition and implementation of strategies aligned with national policy priorities.

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<sup>25</sup> See the joint progress report of the Council and the Commission on the implementation of the 'Education & Training 2010' work programme "Delivering lifelong learning for knowledge, creativity and innovation", Council Report, 5723/08, Brussels, 31 January 2008.

The mandate defines the themes and functions framing the ETF's work<sup>26</sup>. Since 2010 (with the introduction of a new ETF planning policy<sup>27</sup>), planning and implementation have followed a three dimensional approach: geographic<sup>28</sup>, functional and thematic. In carrying out its mandate, in the period 2014-17, the ETF will base its work on three core themes (for more detailed information concerning the thematic priorities included in each core theme, see section III):

#### A. Evidence-based VET policy analysis

This core theme comprises the overall VET system policy analyses undertaken as part of the Torino Process every two years with a holistic approach [see section III.1] and the analysis of specific policy areas [see section III.2]. The latter includes the skills related dimensions of the Small Business Act assessments and analyses in the area of employment and employability as well as on national qualifications frameworks.

#### B. Modernisation of the VET system

This core theme, which approaches VET in a lifelong learning perspective, includes work in two thematic areas: multi-level governance and quality assurance.

#### C. Innovative approaches for increased relevance of VET provision in respect of labour market, economic and social cohesion

This theme covers the following thematic areas: qualifications and qualification systems, learning and teaching in VET, quality in VET, employment and employability, skills dimension of migration and mobility and entrepreneurial learning and enterprise skills.

Furthermore, the ETF will continue to perform four functions:

F1 – support to the European Union;

F2 – capacity building;

F3 – policy analysis; and,

F4 – dissemination and networking

### 3.2 Vision for 2017

***The ETF's vision is to make vocational education and training in the partner countries a driver for lifelong learning and sustainable development, with a special focus on competitiveness and social cohesion.***

<sup>26</sup> Article 1.1. defines the partner countries, art. 1.2. the policy areas (themes) and art. 2 the functions.

<sup>27</sup> Director's Decision ETF/10/DEC/0032, 6 December 2010.

<sup>28</sup> Albania, Algeria, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Egypt, the former Yugoslav Republic of Macedonia, Georgia, Iceland, Israel, Jordan, Kazakhstan, Kosovo (this designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo declaration of independence - hereinafter 'Kosovo'), Kyrgyzstan, Lebanon, Libya, Republic of Moldova, Montenegro, Morocco, Palestine, Russia, Serbia, Syria, Tajikistan, Tunisia, Turkey, Turkmenistan, Ukraine, and Uzbekistan. The recast regulation also introduces potential flexibility in the ETF's geographical scope, to allow the Commission to use the ETF's expertise outside the 30 partner countries and territories it presently assists (Article 1 (c)).

### 3.3 Mission

The ETF helps transition and developing countries to harness the potential of their human capital through the reform of education, training and labour market systems in the context of the EU's external relations policy.

As stated in the vision, ETF work in education and training is focused on holistic vocational education and training in a lifelong learning perspective.

### 3.4 ETF principles of action

In defining its activities, the ETF will respect the following principles:

- The ETF is an EU agency that provides impartial, non-commercial expertise on public policies for human capital development in its partner countries.
- The ETF encourages ownership and broad participation among relevant stakeholders in its partner countries. In this regard, the ETF supports consensus building and mutual learning among actors, thus connecting policy analysis and agreements about policy choices and implementation. Ownership and participation are the condition for sustainable development, contributing to enhance the resilience of national systems both from the economic and social point of view and from the capacity of the national organisations to cope with challenges and uncertainty.
- The ETF believes in a holistic policymaking approach that takes into account the context of each country and is based on evidence. VET is considered in a broad context in terms of its links to employment, social inclusion, enterprise development, competitiveness and sustainable development.
- The ETF's priorities evolve constantly according to changes in its operational environment, EU priorities and specific requests from the European Union. The ETF focuses on priorities that have a high impact with the resources available.
- The ETF, as an EU agency, ensures consistency between its work in the partner countries and its support to programming within EU development cooperation instruments and projects.



# PART II: ETF STRATEGY AND STRATEGIC OBJECTIVES

## 1 Context: ETF strategy 2014-20

The MTP 2014-17 is designed to contribute to the achievement of the ETF strategy goals as follows:

**Goal 1:** Evidence-based policy making: to support partner country intelligence and capacities at all stages of the VET policy cycle, bringing innovation and sustainable development;

**Goal 2:** EU policy support: to support the external dimension of EU policies in human capital development;

As a result, the ETF will contribute to the following long-term results in the partner countries,:

- More effective VET policy making with better governance;
- Increased employability and enhanced social and territorial cohesion.

**Goal 3**<sup>29</sup> and **Goal 4**<sup>30</sup> of the ETF Strategy 2014-20 are key horizontal principles of this MTP that underpin all activities that the ETF carries out. As a result, there will be increased accountability and trust in the organisation, and expertise that will benefit the partner countries will be developed and consolidated [see in particular sections I.2, III and IV].

## 2 2014-17 strategic objectives

**Strategic objective 1:** Reinforce evidence-based VET policy analysis

**Strategic objective 2:** Modernise VET systems in a lifelong learning perspective

**Strategic objective 3:** Increase the relevance of VET provision in respect of labour market, economic and social cohesion.

These objectives are defined on the assumption that the resources and staff foreseen in the EC proposal for a Multi-annual Financial Framework for the ETF will be available, i.e. €84.74 million for the period 2014 to 2017 and 135 posts for 2014 (94 temporary agents) and 132 for 2017 (92 temporary agents)<sup>31</sup>.

## 3 Key elements for operationalising the 2014-17 strategic objectives

The ETF's strategic priorities for the period 2014-17 have been identified according to different sources:

- the country and regional policy analyses produced biennially as part of the Torino Process combined with other analyses of developments in the countries that conclude with a number of policy area needs [section III.1];

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<sup>29</sup> Goal 3: Partnership and communication: to strengthen cooperation and communication with key stakeholders playing an active role in human capital development.

<sup>30</sup> Goal 4: Organisation development: to be a reliable and efficient EU organisation by maximising results and increasing efficiency.

<sup>31</sup> See section IV.3 for more detailed information on financial and human resources.

- EU policy developments and assistance, both in external relations and internal policies with an external dimension [section I.2];
- the current or future availability of expertise in different thematic/policy areas at the ETF [section III]; and
- the work done in the partner countries by donors, and the complementarity among them in terms of the added-value they can bring;

The result of this identification process is represented by the thematic areas around which the ETF tailors its interventions, following the principles of focus, differentiation and impact-orientation [section III].

The logic of intervention in each partner country is differentiated according to specific policy needs and internal criteria for prioritisation in the distribution of resources - both financial and human, namely:

1. The strategic importance of human capital development in EU assistance for the country, including both the overall strategic importance of the country for the EU (i.e. existing contractual relations) and the role of human capital development in the development cooperation envelope;
2. The country's readiness and willingness to cooperate with the EU/ETF to meet mutual accountability and conditionality (i.e. "more for more") to secure the potential sustainability of EU/ETF interventions, including the importance of human capital development in national policies; the commitment of stakeholders to human capital reform, and specifically VET and skills development and the country's commitments to making resources available to implement reforms; and
3. The expected impact/added-value of any ETF intervention, including the importance of human capital development in national policies; the commitment of stakeholders to human capital reform, and specifically VET and skills development; meaningful ETF interventions to support country needs through a focused, differentiated and impact-oriented approach and complementarity with other donors in human capital development in the country, the willingness to cooperate with the EU/ETF and the potential sustainability of ETF interventions.

Within this MTP, the ETF interventions in the countries are multiannual in view of supporting the mid- and long-term perspectives of the VET policies.

The main interventions defined by the above elements are presented in part III. They are justified by the achievements in the countries during the previous MTP and the remaining challenges. The objectives of the interventions are formulated using a gap analysis approach, to address what is missing in view of structural changes in the countries in the field of VET. ETF interventions, as such, are defined on the basis of the functions in the ETF's founding regulation, and are based on the different policy positions and methodologies elaborated in the MTP 2010-13 inspired by relevant EU developments. The expected results are expressed in terms of outcomes, highlighting the effect ETF work will have in the countries.

## 4 Assumptions

These objectives are defined on the assumption that the resources and staff foreseen in the EC proposal for an ETF multi-annual financial framework will be available, i.e. €84.74 million for the period 2014 to 2017 and 135 posts for 2014 (94 temporary agents) and 132 for 2017 (92 temporary agents)<sup>32</sup>. According to the ETF founding regulation (art. 16.5) the ETF's budget should be adopted by

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<sup>32</sup> See section IV.3 for more detailed information on financial and human resources.



the Governing Board. It becomes final once the general EU budget is approved and is adjusted accordingly.

The distribution of the subsidy for the four years of the mid-term perspective will be the following<sup>33</sup>:

By core theme:

- A. Evidence-based VET policy analysis: 54% (€45.47 million)
- B. Modernisation of the VET system: 20% (€16.95 million)
- C. Innovative approaches for increased relevance of VET provision in respect of labour markets and economic and social cohesion: 26% (€22.32 million)

By main intervention:

- 1. Torino Process: 13% (€10.61 million)
- 2. Thematic developments: 17% (€14.24 million)
- 3. South Eastern Europe and Turkey: 22% (€18.72 million)
- 4. Southern and Eastern Mediterranean: 20% (€17.22 million)
- 5. Eastern Europe: 18% (€15.72 million)
- 6. Central Asia: 10% (€8.24 million)

By function:

- F1. support to the European Union: (20% (€16.95 million)
- F2. capacity building: 30% (€25.42 million)
- F3. policy analysis: 40% (€33.90 million)
- F4. dissemination and networking: 10% (€8.47 million)

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<sup>33</sup> Figures and percentages using the activity-based budgeting method (see annex 7).



# PART III: MAIN INTERVENTIONS

## 1 Evidence-based policy analysis

### 1.1 Evidence-based VET system analysis: the Torino Process

#### Definition and overall objectives

Serving in particular the first strategic objective mentioned in this MTP, the Torino Process is a participatory process leading to an evidence-based analysis of vocational education and training (VET) policies in a given country. It is carried out to build consensus on the possible ways forward in VET policy and system development. This includes the determination of the state of the art and vision for VET in each country as well as an assessment of the progress that countries are making in achieving the expected results. The added value of the Torino Process lies in its participative character (the process itself) and in the fact that it embeds VET within the socio-economic context. The Torino Process aims at ensuring that the analysis is informed by relevant evidence and takes place through structured dialogue. In this respect, the ETF helps countries to gather information from different sources and fosters policy dialogue at all policy cycle stages based on the networking of in-country stakeholders. In short, the Torino Process proposes an overall system of policy analysis done with the countries, for capacity building purposes as well and not as an external evaluation. The ultimate aim is for all countries to carry out robust evidence based self-assessment exercises and for the ETF to facilitate peer reviews with other partner countries and EU member states.

More specifically, the Torino Process is a vehicle for:

- developing a common understanding of a mid-term vision, priorities and strategy for VET development, exploring possible options for implementing this vision and/or making further progress;
- designing and evaluating home-grown and affordable VET policies, based on evidence or knowledge and collaboration;
- updating the analyses and achievements at regular intervals;
- identifying opportunities for policy learning among partner countries and with the EU;
- enabling countries to better coordinate the contributions of donors to achieve agreed national priorities.

In addition, the Torino Process informs the ETF's recommendations to the EU's external assistance instruments and serves as a basis for the design of the support strategy to partner countries.

The Torino Process has been inspired by review and learning processes at EU level, notably the Bruges-Copenhagen Process in VET. It is founded on the following four principles:

- **ownership** of both the process and the results (final report) by the partner country's policy leaders and stakeholders;
- broad **participation** by relevant stakeholder groups, providing the basis for consensus building among local actors;
- a **holistic approach**, using a broad concept of VET with a system approach, including VET response to the economic and social environment in which it operates;

- an **evidence or knowledge-based assessment**, which is essential for countries to make informed decisions about policy developments and to measure progress.

The ETF's interventions for capacity building and policy analysis also include the Torinet project described below. Torinet carries out specific capacity building actions, which are geared towards supporting countries to be able to better implement the different Torino Process modalities and addressing other capacity building needs identified not only during the implementation of the Torino Process but also in the ETF's other support activities.

## Background

The Torino Process has had two different rounds, the first in 2010 and the second in 2012, including most of the ETF partner countries, with some exceptions. While the 2010 round aimed at introducing the concept of evidence-based policy analysis in the partner countries, while reporting in a unique analytical framework, the 2012 edition concentrated on setting up a solid baseline for future reporting on progress in the different dimensions. In both rounds, country reports were prepared, followed by regional reports (in line with the split of the four regions where the ETF works) and a final cross-country report. Each edition culminated in a major international conference (held in Turin in 2011 and in 2013<sup>34</sup>, respectively), where exchange among different countries and regions, and with the international VET expert community, was promoted. The 2012 edition also included four regional conferences to discuss the results of the regional reports, as well as peer learning and dissemination. Some of these events (in the case of South Eastern Europe and Turkey and the Southern and Eastern Mediterranean) included discussion of the outcomes of the Torino Process analysis at the highest level (ministerial) in so-called Policy Leaders' Forums<sup>35</sup>.

Since 2010, the Torinet project to support capacity building in the partner countries has been developed hand-in-hand with the implementation of the Torino Process.

## Justification

The assessments carried out both by ETF and by externals of the Torino Process coincide in stressing the positive perception of the Process in ETF's partner countries, as a useful tool for policy analysis, for identification of priorities and challenges, and as a first step in the road towards evidence based policy making in the countries. In some cases, the Torino Process has been closely linked to the development and approval of strategies for the VET sector in a given country. In others, it has contributed to bring onto the policy agenda some innovative issues for reform. Donors and international VET expert organisations have also reacted positively to the products of the Torino Process - both country and regional reports have been deemed useful for periodical analysis of VET systems. The biennial format mirrors the reporting cycle for the EU Bruges-Copenhagen Process, and consequently accentuates the opportunity for policy learning between the EU and partner countries on VET policies and the development of tools and instruments. Last but not least, the fact that the Torino Process is run in most of the partner countries opens the door to potential benchmarking among countries and toward the EU.

The main challenge faced is the still limited capacity for producing and using sound evidence in policy making in VET. This is why the Torino Process fosters capacity building actions (e.g. through the Torinet project) in particular in the alternate years between one round and another. But the implementation of the Torino Process in itself, in particular with ETF support to the countries in the preparation of the country reports and organisation of the process, represents a unique possibility to foster awareness about the importance of evidence in policy making and to create further capacity

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<sup>34</sup> See Torino Process Declaration 2013 in annex to this document.

<sup>35</sup> The meeting for the Southern and Eastern Mediterranean only involved the Arab Mediterranean countries.

while doing so. This is one of the main reasons for continuing the implementation of the Torino Process in 2014 and 2016.

Other important challenges include the need to increase ownership and participation, as well as the possibility to move from the phase of policy design into policy implementation and therefore foster the countries' abilities to report on progress.

### Objectives

The period covered by this MTP envisages the running of two more rounds of Torino Process, one in 2014 and another in 2016. While the overall objectives of the Torino Process as described in the first section of this chapter remain unchanged and are applicable to the next rounds, there is an evolution in the Torino Process which the ETF is capturing in a new vision for the next two rounds.

The main objective for the next phases is to make the Torino Process a policy analysis approach to support policy making in the partner countries through policy learning. This implies moving it closer to the heart of the policy cycle and through its different phases (notably moving from problem identification and policy formulation into policy implementation and policy monitoring and evaluation). It also implies using the Torino Process as a tool to assist policy makers (governments and relevant stakeholders) in choosing a course of action from among complex alternatives under uncertain contextual conditions.

Given the fact that countries participating in the Torino Process are at very different stages in terms of policy making for the VET sector, the approach will be applied gradually through the next two rounds, based upon different modalities of participation.

Capacity building will be implemented for policy analysis purposes by involving policy leaders representing executive and legislative institutions and civil society, as well as for members of the policy networks at different policy cycle stages.

The next editions of the Torino Process will include greater emphasis on reporting on progress using the 2012 Torino Process as a baseline and it will also introduce the possibility to move towards benchmarking among countries but also towards EU benchmarks (which is particularly relevant for candidate countries).

In 2014, the candidate countries will participate in the Bruges Process, where progress will be measured against priorities for 2011-20 set in the Bruges Communiqué. In 2014 the ETF will support the candidate countries on reporting on the 22 short-term deliverables to improve the quality of VET. In 2016, this will be carried out on the basis of the short-term deliverables concluded by the Council in 2014. The Torino Process, inspired by the Bruges Process, will also be implemented in the candidate countries.

### Activities

The ETF will launch country policy analysis in its partner countries in 2014 and in 2016. Each of these editions will be prepared based upon the lessons learnt from the previous one, and in accordance with the orientations and vision above mentioned. The preparation of the Torino Process country reports will be followed by the elaboration of four regional and one cross country report. This will be combined with policy learning and dissemination activities at regional and cross country levels in 2015 and 2017.

The methodology that ETF proposes to the countries for the Torino Process is based upon three elements: a) the analytical framework (covering the policy vision for VET, an analysis of the external and internal efficiency of the system, the contribution of VET to social inclusion and the governance of the VET systems); b) the ETF key indicators and c) the description of the process (including different modalities of participation for countries).

In order to maintain the value of the exercise, the overall format and approach for the Torino Process are expected to remain constant. However, the ETF will continue to fine-tune the framework and indicators based on further developments of the Copenhagen/Bruges reporting exercise, the work of the Inter-Agency Group led by UNESCO, and under the G20 framework following the 2010 Seoul Summit. This is intended to facilitate synergy and policy learning between the ETF partner countries and the policies, tools and instruments under the enhanced EU cooperation in VET. It recognises the increasing economic, social and interdependence between the EU and its neighbours resulting from globalisation. The analytical framework and indicators will include elements that bring synergy and allow the results from EU programmes implemented by ETF such as FRAME in SEET or GEMM in SEMED to be capitalised upon. Further details will be included in the annual Work Programmes.

During the MTP 2014-17, the ETF will continue to develop the guidelines and capacity building support to partner countries which take part in the Torino Process. During the mid-term perspective, the ETF will continue to build capacity, encouraging self-assessment by supporting capabilities for participatory, holistic and evidence-based policy analysis. The practice of evidence-based policy making is built upon capacities and experience. Developing it in a robust and effective way is therefore a process that takes several years. This support will take two forms. Firstly, the ETF will continue to develop its dedicated and exclusive capacity support bringing together policy leaders from the executive and legislative functions in policy leader forums which were launched in 2011-13 in South Eastern Europe and the Southern Mediterranean. Secondly, at a more technical level, the ETF will provide coaching on evidence-based policy making techniques for officials, practitioners, researchers, and statisticians from public and private sector institutions under the Torinet capacity building project. This is expected to result in an increasing trend for partner countries to perform self-assessments under the Torino Process as opposed to analyses carried out by the ETF. By the end of the MTP, all partner countries should be carrying out self-assessments.

The ETF will continue to build capacity among institution representatives – either policy leaders or policy makers. The interventions will be differentiated ensuring that at least one country per region will be able to become the knowledge reference for its neighbours in each region in for policy analysis.

In the case of the Bruges/ Copenhagen reviews for the candidate countries, the ETF will continue to cooperate with Cedefop under DG EAC's coordination, for assuring a robust and relevant contribution of each country and of the region to the overall report

Finally, the ETF will continue to organise an international conference for dissemination and policy learning at the conclusion of each round involving policy makers from all regions, EU and international organisations. These are expected to be held in 2015 and 2017.

The ETF will reinforce its tools and procedures to systematically construct its work programme actions on the outcomes of the Torino Process, so the process becomes established as the living reference for ETF planning and daily support to the countries.

### **Expected results**

- A robust policy analysis informing the development and implementation of the VET reforms in the countries, applying the four principles (ownership, participation, holistic approach and evidence based) is carried out in all countries;
- A sound policy analysis based on the short-term deliverables of the Bruges Communiqué will be carried out for the candidate countries and will be part of the report on the EU countries prepared by Cedefop;
- Capacity building policy analysis through Torinet and the Policy Leaders' Forum at least one country will operate as a knowledge cluster in each region.

## 1.2 Evidence-based analysis of VET policy areas

The analysis of policy areas includes SBA assessments focusing on the skills related dimension, employment and employability as well as national qualifications frameworks. They are presented in Part III.2 on thematic developments under the areas entrepreneurial learning and enterprise skills, employment and employability and qualifications and qualifications systems.

## 2 Thematic developments

Overall, the ETF is guided by the principle of ensuring policy coherence between vocational education and training, employment and private sector development as a way of increasing competitiveness and creating inclusive societies in the partner countries. The ETF adopts a holistic approach to VET, using a broad concept for both young people and adults, initial and continuing training for students, unemployed or employed people, and adhering to a system approach, taking into account not only the system elements and how they communicate, but also how the VET system responds to the economic and social environment in which it operates. Holistic also refers to formal, informal and non-formal types of training.

Over the 2014-20 period, the transversal policy objectives to be addressed are social inclusion, competitiveness and, more generally, sustainable development. Innovation is also a transversal issue, both in what refers to the continuous improvement of systems and to the new approaches to develop methodologies and tools in support of changing the VET practice. In addition, the policy areas: Qualification and qualifications systems; VET Governance; Learning & Teaching in VET; VET Quality Assurance; Employment & Employability; Skills dimension of Migration & Mobility; Entrepreneurial Learning & Enterprise Skills described below are considered to be of strategic importance for ETF work in the partner countries and are the subject of expertise development so as to better support ETF operations in the countries and regions.

Within each of these multiannual and corporate thematic priority areas, the ETF's objective is to

- develop methodological instruments and approaches to support ETF operations in the partner countries taking into account (i) country policy developments and needs, (ii) EU policies in the fields of VET, employment, social inclusion an entrepreneurship and (iii) international developments
- monitor policy developments in the partner countries closely;
- facilitate knowledge dissemination and knowledge sharing on policy developments in the partner countries and the EU.

### Expected results

The expected results by the end of 2017 are:

- Customised policy advice and interventions targeted to the needs of the partner countries;
- Well-informed advice to the EU to contribute to the programming of assistance to partner countries and policy dialogue;
- Enriched international debate on VET development in developing and transition countries.

Specific activities to achieve these objectives are presented below under each thematic area.



## 2.1 Qualifications and qualifications systems

### Justification

The ETF has been working with partner countries on the reform of qualifications systems for many years, focusing on occupational and training standards, competence-based assessment, and since 2005, on NQFs and improving vocational qualifications. In particular, the ETF supports partner countries in exploring how they can adapt and apply the EQF to their national circumstances.

The ETF inventory of NQF developments in partner countries shows that most are reforming their qualifications systems to improve the quality of qualifications and their relevance to the labour market and learners. Two trends are evident: a move to reformulate qualifications defined by learning outcomes and the rapid and widespread emergence of NQFs. Most countries are legislating, or have already introduced, NQFs and have initiated the necessary support processes of establishing institutions, engaging stakeholders and developing standards.

The 2012 Torino Process, formal requests and informal contacts all indicate that partner countries will look to the ETF for continued support for the next few years. The EQF provides both a technical model and a reference to which almost all partner countries wish to align their own national systems to, even those which are not candidates for EU accession. Countries in Bologna, but not part of the EQF process, have in most cases started to develop lifelong learning NQFs. A growing number of Neighbourhood countries are entering into Migration and Mobility Dialogues or Mobility Partnerships with the EU and see NQFs and the validation of non-formal and informal learning as instruments to facilitate legal migration and mobility and integrate returning migrants. In Central Asia, NQFs are considered as tools for VET reform.

For all countries the development of relevant vocational qualifications for initial, secondary, tertiary VET and for CVT is a priority. Existing qualifications are in many ways inadequate. In order to improve relevance and quality assure the development, maintenance and use of the qualifications, new governance structures are necessary. Many countries plan to develop sectoral councils. Other institutional changes include establishing coordinating bodies such as qualifications authorities and setting up quality assurance agencies. The new qualifications will progressively influence assessment, certification and learning processes, engaging different stakeholders. Some countries are conceptualizing their NQFs, others have policies in place, and some have already started implementation. The ETF is developing different tools to support them to the next stage.

Partner countries start from specific national contexts from which new systems are developed. The ETF adds value to partner country reform processes through its expertise, impartiality, and unique position as an EU agency able to share, adapt and support implementation of EU instruments and policies and without the limitations inherent in time-bound project support. The ETF therefore pays particular importance to strengthening the capacities of policy makers, practitioners and. Beyond stakeholder dialogue, countries increasingly need to operationalise and institutionalise the role of stakeholders. Exchange of experiences between partner countries and with European and relevant third countries is particularly important.

The differentiated approaches, based on the country implementation level in this thematic area, which, together with governance, represent the most frequent areas of ETF interventions, are presented in annex 4.

### Objectives

- Provide expertise for the reform of qualifications systems in partner countries, in their various stages of planning and implementation, including support to NQF developments, advising on how to improve vocational qualifications and how to establish systems for the validation of non-formal learning;



## Activities

- Capacity- building of national actors to assist them in reforming their qualifications systems, in line with their specific needs and stage of development;
- Thematic studies and policy briefs on implementing qualifications systems reforms in partner countries to inform policy development, policy implementation and policy learning – specific themes in the period of this MTP include institutional and legal arrangements in establishing NQFs, validation of non-formal learning, development of quality assurance systems and recognition tools and practices;
- Updates of the ETF inventory of NQF developments in partner countries and the ETF-Cedefop-UNESCO Global Inventory on NQF Developments biannually in cooperation with Cedefop and Unesco (dependent on mutual agreement);
- Organisation of knowledge-sharing events at regional level and two ETF corporate conferences, one in 2014 (indicatively qualifications and governance) and the second in 2016 or 2017 in cooperation with DG EAC, Cedefop, the EQF Advisory Group (EQF AG) and selected international partners;
- Participation in the EQF advisory group and contributions to developments of the European Area for Skills and Qualifications;
- Maintenance and enhancement of the Qualifications Platform, as an international on-line community of practice for practitioners from different countries;
- Assistance and advice on the introduction of new governance structures and appropriate quality assurance mechanisms;
- Monitoring and analysis of policies and practices linked to the reform of qualifications systems;
- Facilitation of the exchange of experience between partner countries and member states;
- Advice to partner countries on the adaptation and application for national use of relevant EU policies and actively contribute to the implementation of the EQF in its external dimension and the development of a European Area for Skills and Qualifications.

In South Eastern Europe and Turkey, the ETF will support partner countries in aligning their NQFs to the EQF, contributing to their wider integration into the EU. All countries have made progress on the design of their NQFs and implementation has started in some of them. Turkey is already in the EQF advisory group and the other candidate countries are expected to join the EQF implementation process and prepare for referencing during the period covered by this programme. The establishment of new governance structures and the population of the NQFs with new qualifications are priorities.

In the Southern and Eastern Mediterranean, the ETF focus is on developing qualifications systems, including the implementation of NQFs with special attention to governance structures which include representatives from the world of work, the development of pilot experiences at sectoral level on learning outcomes approaches and the development of pilot mechanisms for validating non-formal and informal learning.

The existing regional initiative in this field, the regional project on sectoral qualifications (Morocco, Tunisia, Egypt and Jordan) will continue to 2017. It will expand in scope to cover qualifications beyond its existing two economic sectors, and to contribute to NQF development. It will also establish a forum and process of regional cooperation, including a governing body, the Euro-Med Committee and links with the European Commission and Member States. It is intended that the project will support the

participating countries in developing links with the EQF to facilitate recognition and mobility. It is anticipated that other regional countries will join over the span of this MTP.

In Eastern Europe, the implementation of national qualifications frameworks will require close attention. All Eastern European countries are developing sector councils, which need to grow through hands-on experience. ETF will continue to support regional policy learning. The focus will be on addressing skills through sector approaches as a continuation of what the ETF has done to date in supporting sector skills councils. The ETF will also facilitate discussions and strategies for the validation of non-formal and informal learning in line with the developments and discussions on national qualifications frameworks in relation to the Mobility Partnerships and the Eastern Partnership panel on migration and asylum.

In Central Asia, policy learning on NQFs is planned in the framework of the Central Asia Education Platform.

### Expected results

- Capacities of stakeholders and institutions in the ETF partner countries developing NQFs have been strengthened. Partner countries have moved to the next stage of implementation of their NQFs, as measured using ETF policy maturity indicators;
- A set of tools and approaches are available to support (i) the reform of qualifications systems, (ii) the implementation of NQFs and (iii) the redesign of vocational qualifications. These tools and approaches are being used in a number of partner countries, including through EU-funded interventions;
- The external dimension of the EQF is deepened and widened: NQF developments in partner countries will be more aligned with EQF implementation and the European Skills and Qualifications Area; more partner countries are supported in participating directly in EQF implementation.

## 2.2 VET governance

### Justification

There is a growing recognition among ETF partner countries of the need to move into more participatory VET governance models so as to ensure enhanced effectiveness and improved accountability of VET policies and systems. As demonstrated by the Torino Process results in 2010 and 2012 the vast majority of the partner countries are making steps to promote stakeholder involvement in VET policy making and system modernization. These include efforts to improve private sector involvement in different aspects of VET and work towards increased civic participation, in particular social partner organisations and NGOs; to experiment or introduce modalities for delegating responsibilities to sub-national/regional/local levels of government; to experiment with increasing school autonomy; to establish coordination mechanisms at national and sector level. This could include organisations that advocate for social inclusion or sustainable development, and in particular for territorial cohesion or youth and women, establish coordination mechanisms at national and sector level, experiment or introduce delegation of responsibilities towards sub-national/regional and school level. However, the challenge of developing new governance modes that ensure co-ordinated actions of stakeholders, transparency and accountability is still ahead. Stakeholders' capacities to effectively engage in productive partnerships are still weak, coordination mechanisms are poorly functioning and key decisions on how to share responsibilities for a more effective system management are still being shaped.

Following the 2010 Torino Process Conference the ETF started to work more systematically with the partner countries on improving their VET governance under the overarching concept of multilevel

governance that promotes coordinated action among public and private actors at horizontal and vertical levels based on the principle of subsidiarity (i.e. ensuring that decisions are taken at the most appropriate level). The key ETF actions focused on (i) the development of a methodology for mapping the sharing of responsibilities of different actors (at national, sector, regional, local/school level) in specific functions of the VET system (e.g. planning, qualifications, quality assurance, finance, management of VET providers, etc.) as an instrument to assist stakeholders in partner countries to better understand the functioning of their system and identify strengths, weaknesses and gaps; (ii) the use of foresight as a change management instrument and participatory, forward looking policy making; (iii) pilot projects at regional and local or school level as instruments for policy learning and informed policy making (iv) capacity building of social partners and sectoral bodies (councils, committees) to fulfil effectively their role within the existing or developing institutional settings in the ETF partner countries.

In the coming period, the ETF will continue to support partner countries to develop better VET governance modes by focusing at multiple levels (national, sectoral, regional, local and school) on two of many governance components, notably: (i) leadership for the strategic orientation of policy making and system development and (ii) management as monitoring of accountability and effectiveness. Specifically, the ETF will continue to capitalise on previous experiences by (i) reinforcing stakeholder engagement (private sector, regional/local authorities, social partners and other civil society NGOs, training providers) in productive partnerships at national, regional/local and sector level, and (ii) improving the institutional arrangements for a more effective policy development, implementation and monitoring. Following the 2013 Torino Process declaration particular emphasis will be given to financing VET. This function attracts greater attention in all partner countries as they shift their attention from policy development to implementation of reforms and the funding needs are increasing.

The differentiated approach based on the country implementation level in this thematic area, that together with qualifications and qualification systems represent the most frequent areas of ETF interventions, is presented in annex 4.

### Objectives

- Support ETF partner countries to review their institutional arrangements on key functions of the VET system including financing and mobilising methodological instruments developed by ETF - to identify strengths, weaknesses and gaps and facilitate the discussions among stakeholders on further steps;
- Support capacity development of key stakeholders (with particular emphasis on private sector, social partners, training providers) in the VET system to engage in more productive partnerships at national, sector, regional and local levels;
- Facilitate knowledge sharing and exchange across partner countries and between partner countries and the EU member states;

### Activities

- Analyses of institutional arrangements in the ETF partner countries - specifically in South Eastern Europe and Turkey and in the Southern and Eastern Mediterranean - capitalising on the experience of the FRAME and GEMM projects and in Eastern Europe to reinforce ETF policy advice and disseminate lessons learnt;
- Development of instruments and tools to support ETF operations targeting capacity building of sector bodies (councils, committees,) promotion of school-business cooperation, school development, introduction of foresight as change management tool and financing;

- Initiative on entrepreneurial communities to identify and analyse good practice of the territorial aspects in skills development so as to inform policy making in supporting the territorial dimension of VET governance.

### Expected results

- Availability of methodological tools to support ETF operations in the countries and regions in the fields of sector councils, school-business cooperation, foresight and financing
- Provided expertise and built capacity to support VET governance in partner countries at different levels.

## 2.3 Learning and teaching in VET

### Justification

The findings of the 2010 and 2012 Torino Process revealed that most ETF partner countries are facing multiple challenges in modernising VET and increasing attractiveness and efficiency of their VET systems. One of the reasons for the evident deficits and the low responsiveness of VET can be attributed to the almost entirely school-based VET provision and the predominance of rote or theoretical learning. Another reason is that competences and professional development of VET teachers and in-company trainers often do not meet contemporary requirements. While countries have been experimenting (often with the assistance of international partners) with the introduction of new learning and teaching methods in school-based environment and work-based learning opportunities, these remain rather marginal, small-sized and fragile to date. The lack of practical training, internships, apprenticeships, alternance models or other forms of work-based learning has been presented as a challenge by a number of countries in the Torino Process reports. While in some countries this can be attributed to the overall academic drift in education, to small VET systems and to the widespread phenomenon of ‘informal apprenticeships/skills building’ in some sectors, in others this is due to the lack of links between enterprises and schools, low awareness, incentives and capacities of enterprises to provide training opportunities and lack of trainers. Still the scope and potential of work-based learning across ETF partner countries is huge despite the challenges and obstacles that need to be addressed. In 2012, an ETF survey revealed that the vast majority of partner countries consider work-based learning as an area of growth in their country’s education and training reform in the next five years.

At European level, a number of policy documents underline the importance of work-based learning for the individual learner, for the world of work and for education and training systems. The Council Decision on ‘Promotion of European pathways for work-linked training, including apprenticeship’ (1997) followed by a Commission Communication, stressed the dimension of strengthening the employability of young people. The EC Communication ‘Making a European area of lifelong learning a reality’ points out that it is essential to promote actively the development of learning at the workplace and for enterprises and other organisations to become learning organisations. Significant attention is being paid again to apprenticeships, internships or other work experience within the Europe 2020 goals (‘Youth on the move’, European Parliament Resolution 2010) to promote youth entry into the labour market. The VET Communication of the Commission (2010) recommends ‘the increased use of different forms of work-based learning’ and reiterates that initial VET must provide young people with an opportunity to get acquainted with different vocational trades and career possibilities. The Communication also stresses the crucial role of teachers and trainers and their convergence. While ‘a trainer in a work-based setting will need more pedagogical competence and must play a supportive and mentoring role, a teacher in a school will need, like a trainer, a good understanding of work’. The role of teachers and trainers and their co-operation is pivotal due to the social process of work-based learning. The latest Communication from the Commission ‘Rethinking Education’ re-iterates the importance of investment in education and training for skills development and acknowledges that world-class VET systems require work-based learning. Promoting work-based learning, including

quality traineeships, apprenticeships and dual learning models to help the transition from learning to work, are among the key priorities of the latest EU agenda. To drive the vision forward, bringing together Member States and a wider range of stakeholders to learn from, the Commission has established a new EU-level Alliance for Apprenticeships (EAfA).

In 2013, the ETF accomplished a three year innovation and learning project called 'Learning Context Matters'. The project took stock and analysed ETF partner country experience on work-based and practical learning to identify the potential and obstacles for its development. Together with international and partner country experts, the project also developed methodological instruments with a view to achieving a better synergy between school and work-based learning in VET. Future ETF work will build on the knowledge developed through this project, partner country demand, challenges and achievements as well as EU approaches (e.g. the Alliance for Apprenticeships, quality framework for traineeships, peer learning activity for VET teachers and trainers). The ETF will act as a key stakeholder promoting the principles of the Alliance for Apprenticeships.

### Objectives

To support partner countries to find new ways and mechanisms to modernise and optimise learning and teaching in VET. Particular emphasis will be given to accelerate improvements in work-based learning through a focus on (i) opportunities and pathways for work-based learning, practice-oriented learning, problem-based learning in authentic and simulated learning environments and (ii) the role and professional development of vocational teachers and in-company trainers to meet the dual competence challenge (pedagogical and technical).

### Activities

- Facilitate knowledge and experience sharing across partner countries and EU member states through events and publications so as to raise awareness on the potential for development and benefits of work-based learning and inform policy making in the partner countries;
- Promote the principles of the European Alliance for Apprenticeships in the ETF partner countries as a source for inspiration for the development of partnerships, policies and actions;
- Provide policy advice to ETF partner countries in particular in Eastern Europe and Central Asia to support actions for developing work-based learning and professional development of VET teachers and in-company trainers;
- Create a partner country expert pool/network on work-based learning/VET teachers and in-company trainers to support ETF activities and progress reporting in this area and to disseminate knowledge to the countries.

### Expected results

- ETF partner countries, in particular in Eastern Europe and Central Asia are better informed about the development of policies to promote work-based learning and professional development of VET teachers and in-company trainers;
- A functioning network/expert pool of partner country specialists on work-based learning /VET teachers and in-company trainers

## 2.4 VET quality assurance

### Justification

To respond effectively to changing employment and societal demands, VET policies, systems and provision must be of the highest quality. Pervasive quality management, which reinforces and sustains quality cultures in VET 'communities of practice', is crucial for VET responsiveness and attractiveness. As demonstrated by the Torino process, ETF partner countries report a range of

threats to VET quality that include: tension between VET purpose and functions and VET policy and expectations; fragmented institutional frameworks and governance; insufficient or ineffectually employed resources; weak involvement of labour market and civil society partners; inadequate teacher/trainer development coupled with low social status; obsolete qualifications and curricula; overly dependent or under-regulated provider institutions; poor articulation between policy and practice; outdated methodologies and unfavourable image. At the same time, while ETF partner countries strive to improve VET, the pre-conditions for quality management are often under-developed.

VET quality development is central to ETF support in partner countries. Partner country VET systems face many challenges that cannot be addressed all at once. The ETF has already worked with partner countries to assist them in developing quality assurance mechanisms - in particular at the level of training provider - and has disseminated EU experience especially in the countries of South Eastern Europe and Turkey. However, the time is ripe for a more systematic discussion with the partner countries given the stage of development of their VET reforms. The ETF quality of VET approach builds on the 'Quality Cycle' approach (plan, implement, evaluate, review) that can be applied in all VET policy areas to address challenges and build-up quality management systems. It aims at identifying mechanisms to improve the quality of VET derived from partner country practices, ETF experience and EU policy approaches and tools. The basic idea is to address the different challenges in a long term perspective, through a step by step approach, establishing a controlled and precise vocabulary for dialogue and co-operation across diverse groups of stakeholders, identifying quality issues, providing policy advice on quality enhancement policies and supporting the creation of a quality culture, building capacities for systematic planning, implementation, monitoring and review.

### Objectives

- Develop methodological instruments to facilitate a structured policy learning process in the partner countries for VET quality assurance development systems;
- Integrate quality assurance principles in ETF policy advice to the partner countries;
- Reinforce the quality assurance dimension in the Torino Process and ETF priority themes/projects.

### Activities

- Map, analyse and assess quality assurance policy and practice in VET systems in partner regions for identification of gaps and needs and for the Southern and Eastern Mediterranean, capitalise on the experience of the GEMM project;
- Facilitate knowledge sharing on VET quality assurance developments both in the partner regions and the EU (contributing to conferences, working groups, networks and information media);
- Provide policy advice to ETF partner countries in South Eastern Europe and Turkey, the Southern and Eastern Mediterranean, Belarus and Tajikistan;
- Develop tools and instruments that will reinforce ETF structured discussion in the countries on VET quality assurance
- Benchmark the internal progress of ETF partner countries as regards VET quality assurance development

### Expected results

- Strengthened ETF approach to support partner countries to develop a more systemic approach to VET quality assurance;



- Capacities built in the governance of VET quality assurance in ETFs partner countries.

## 2.5 Employment and employability

### Justification

Employment is a key challenge in all ETF partner countries. High unemployment and inactivity rates – in particular among youth and women – deprive countries from taking full advantage of valuable human resources for their development; while large parts of the population are trapped in low quality jobs that do not permit them to develop their skills and ensure their long term employability. Lack of job creation and inappropriate skills of the population are core issues to be addressed so as to ensure more inclusive labour markets and enhance the employability of the population. In the last years ETF has assisted partner countries to analyse their labour markets giving particular emphasis on the skills dimension so as to support them in the development of better employment policies and measures and for enhancing the external efficiency of their VET systems. However, the available methodological tools that partner countries have at their disposal in order to capture and analyse labour market phenomena for sound policy development as well as their capacity to identify present and future demand for skills are still weak. Further work is needed so that partner countries can effectively develop and use labour market skills-related intelligence for policy making.

### Objectives

- Provide policy advice to the partner countries for the development of more effective employment policies focusing in particular on actions supporting the development of skills and better skills matching.
- Support partner countries to develop and use labour market intelligence as an input to their VET policy making (special emphasis is to be given on further analysis of the nexus between skills and employment, characteristics of young people not in education or employment, labour market outcomes of specific population groups, the anticipation of the demand for skills, the role of the informal sector from a skills perspective, the challenges of transition from school-to-work)
- Inform the EC services on labour market trends and employment policy developments in the ETF partner countries as an input to the programming of EU financial assistance to the countries.

### Activities

- Analytical studies on labour market trends to inform policy makers for the design of their national employment policies and measures, with particular emphasis on the role of skills for increased employability;
- Provision of methodological support for in depth studies of labour market phenomena relevant to the context of specific partner countries e.g. skills and the informal economy, transition from school to work, NEETs;
- Capacity building actions for the identification of appropriate instruments that provide information on the future demand for skills and measure skills mismatch so as to inform VET policy making using the relevant ETF-Cedefop-ILO guides;
- Facilitation of knowledge sharing through electronic instruments and ad hoc regional and international events of methodologies for matching and anticipation of skills and good practices in active labour market policies;
- Regular reporting on labour market trends and employment policy developments in the partner to EU services;
- Identification of EU projects in the field of employment upon request of the EC services and EUDs.

### Expected results

- Employment policies of all partner countries that have received assistance by ETF are based on sound information and give sufficient attention to actions that ensure skills development and better skills matching
- Partner countries' institutions improve their capacity to use appropriate intelligence for monitoring labour market trends and the demand for skills as an input to effective VET policy making.
- EC services have regular access to updated information on labour market and employment challenges in the partner countries.

## 2.6 Skills dimension of migration and mobility

### Justification

Most ETF partner countries have difficult labour market conditions that lead to significant labour emigration and many migration flows are intraregional. Increased labour mobility across borders brings the skills issue onto the international agenda, while education systems are increasingly under pressure to produce qualified human resources both for domestic and foreign labour markets. Specific policy actions related to skills and employment of both emigrants and returnees are necessary to facilitate mobility, mitigate negative effects and increase the benefits of circular migration to their countries of origin.

Based on the overarching policy framework of the EU external migration policy (Global Approach to Migration and Mobility - GAMM) which gives priority to the European Neighbourhood, the EU has already signed Mobility Partnership (MP) agreements with Moldova (2008), Georgia (2009), Armenia (2011) and Morocco (2013) and it has launched migration dialogues with Tunisia, Azerbaijan and Jordan that might eventually lead to similar MP agreements. These agreements include provisions on education, training and employment systems and ETF upon the request of the EC is to contribute to these dimensions. This is also linked with ETF work on qualifications.

### Objective

Provide inputs on skills-related dimensions of legal circular migration and mobility as a contribution, upon request of the EC, to the migration dialogue and/or the implementation of MP agreements between EU and ETF partner countries.

### Activities

- Analyses that explore the nexus between skills and migration and the role of training in improving the employment prospects of potential emigrants and returnees, the consequences of migration for the labour markets and the need for replacement skills in the context of ETF partner countries
- Responding to EC requests for provision of specific input to on-going dialogue on migration between the EU and the ETF partner countries through regular contacts/ missions
- Facilitating knowledge sharing with PCs on measures for migrants' skills such as transparency, recognition and portability of skills and qualifications, job and skills-matching mechanisms, validation of prior learning and reintegration of returnees so as to inform further policy development through publications, meetings and conferences
- Providing technical and policy advice for broader (national) skill development and employment policies within the framework of international labour mobility in relevant partner countries
- The selection of countries for these actions follows the requests of DG HOME /EEAS, mainly those countries that signed mobility partnership agreements and/or entered into migration



dialogues with the EU, such as Armenia, Azerbaijan, Georgia, Jordan, Moldova, , Morocco and Tunisia .

### Expected results

- Skills-related input provided in the migration dialogue and/or MP agreements between EU and relevant PCs for a better functioning of circular migration management
- Knowledge and experience on the policies regarding the transparency and portability of skills and qualifications of migrants improved and widely shared with the EU and relevant partner countries
- Effective policy measures that address the skills development needs of citizens (including emigrants and returnees) designed and implemented by partner countries

## 2.7 Entrepreneurial learning and enterprise skills

### Justification

In the bid for improved competitiveness and sustainable employment, ETF partner countries stand to gain from EU policy and practice, and in particular the European Commission's policy guidance on entrepreneurial learning, the human capital provisions of the Small Business Act and the wider drivers for change articulated within the Entrepreneurship Action Plan. Work to date in the pre-accession and neighbourhood regions on entrepreneurial learning and enterprise skills involving a set of policy indicators allows partner countries, the Commission and ETF through its wider Torino Process policy monitoring drive to determine challenges and constraints. The most pertinent challenges include a lack of engagement by education authorities in promoting entrepreneurial learning, and particularly entrepreneurship as a key competence, and weak intelligence on enterprise skills. Sharing of know-how and good practice provides an opportunity for both policy makers and the education and training community to better understand how policy and practice can be improved. In the period 2014-2017, a 'shared learning' objective lies behind a more concerted effort by ETF to improve its policy indicator framework for its partner regions, including a more strategic drive to identify and quality-assure good practice in three core areas considered critical for employment and growth: a) training for young entrepreneurs, b) training and mentoring for women entrepreneurs and c) improved skills for growth enterprises.

### Objectives

- develop the capacity of partner country institutions and other stakeholders in developing, monitoring and reviewing of policies in the areas of entrepreneurial learning and enterprise skills, including increased policy ownership, implementation and accountability;

### Activities

In 2014-2017 ETF will take actions along two pillars

#### 1. Policy assessment and follow-up

- Upgrade ETF's policy index and assessment tools (entrepreneurial learning and enterprise skills) in the pre-accession and Eastern Neighbourhood regions, including dissemination and know-how transfer to Southern Neighbourhood;
- SBA assessments in the pre-accession and Neighbourhood regions, including policy improvement recommendations;
- Customised support to partner countries following specific requests by the European Commission and European External Action Service

- Organise policy interest workshops and conferences for ETF partner regions, including cross-regional events which can bring added value, innovation and efficiency to ETF's work;
  - Contribute to the revised analytical framework for the 2014 Torino Process round ensuring better coverage of entrepreneurial learning and enterprise skills, including good practice in policy development in the partner countries.
2. Innovation support tools for policy makers and practitioners
- Consolidate ETF good practice peer review tools and methodology and development of a virtual peer review platform;
  - Build integrated EU and cross-regional networks of training providers in 3 areas (youth entrepreneurship, training for women entrepreneurs, skills for internationalisation of small businesses)
  - Based on the outcomes of EU developments, ETF will explore ways to adapt criteria, assessment tools and assessment methods to measure the entrepreneurial capital of vocational schools in partner countries.
  - Generate innovation in ETF policy support to partner countries through more direct involvement in EU policy working groups, projects and good practice networks.

### Expected results

The overall results from above activities in 2017 will be:

- two SBA assessments (2015, 2017) in the pre-accession regions, including full capacity for SBA policy assessment in the pre-accession region, with ownership and accountability of the policy assessment drive transferred to regional bodies (SEECCEL) and the partner countries
- two SBA assessments in each of the Neighbourhood regions, including a more developed commitment by national stakeholders (particularly of the education authorities) to the human capital dimensions of the Small Business Act (SBA), with examples of reformed policies in line with EU policy guidance and recommendations;
- a fully functional virtual peer review platform for good practice in entrepreneurship and enterprise skills, with rolling catalogue of quality assured good practices available on-line;
- established criteria, tools and assessment arrangements to measure entrepreneurial capital and capacity of vocational schools in ETF partner countries, including good practice intelligence area available on line, building on the outcomes of EU developments;

## 3 Geographic operations

### 3.1 South Eastern Europe and Turkey

#### Achievements

All countries have put skills for growth high on their agendas and acknowledge the critical role education and training play in competitiveness, sustainable growth and social inclusion. It is noteworthy that in each of these countries, VET and more broadly, the educational systems in place are impacted and shaped by the institutional, cultural, historical, political and economic constructs specific to each national context. Progress continues to be hampered by a combination of weak economic growth, inadequate employment opportunities and slow rates of job creation, and a mismatch between education and training outputs and industry skills needs. Even Turkey, which has

enjoyed strong economic growth in recent years, has not been able to generate a sufficient number of jobs to meet the demands of its growing population.

Governments throughout the region have taken measures to tackle the crisis and are adapting their socio-economic policies to deal with the dynamic environment and to advance on the European pathway. The 2012 Torino and Bruges Processes and the Human Resources Development reviews have highlighted the following progresses: on-going reforms in lifelong learning with national qualifications frameworks and quality assurance systems under development, as well as in entrepreneurship, work-based learning and teacher/trainer training; ensuring inclusive education is on the reform agenda of governments; governance of the system and, developing capacity to gather and analyse data and translate them into policies.

Signalling the end of the double-dip recession of 2012, South Eastern European (SEE6) countries are beginning to make a fragile recovery. Their combined real GDP is projected to grow by 1.7% in 2013 after a 0.6% decline in 2012, according to the latest World Bank South Eastern Europe Regular Economic Report (SEE RER)<sup>36</sup>. However, with the exception of Turkey (2.6% and 3.4%<sup>37</sup> respectively), the recovery in these countries is still tentative and unlikely to accelerate as long as the Eurozone remains in recession.

### Challenges

The 2012 Enlargement Strategy Paper concludes that the political commitment to implement reform policies aiming at developing skills for employment is often too weak. "Labour markets remain largely unreformed and vocational education systems do not contribute to reductions in skills mismatch. As a result, workers often seek jobs abroad...in the longer run it limits the potential for growth due to a smaller labour force and brain drain".

Countries in the South Eastern Europe and Turkey typically perform under the EU average and 2020 benchmarks. The notable exception is for early school leaving where available data indicate that Serbia already meet the 2020 benchmark, but Albania and Turkey suffer from very high rates of early school leaving. The entire region also suffers from high proportions of low achievers in PISA, especially Albania and the former Yugoslav Republic of Macedonia. This indicates problems with school quality despite reported high upper secondary participation in some of the countries. Finally, the entire region struggles with low rates of participation in lifelong learning with even the highest values, in Serbia, being less than one-third of the EU 2020 benchmark. Employment rates lag below the EU average and 2020 benchmarks throughout the region while youth unemployment rates in all South Eastern European countries, but not in Turkey, exceed the already high aggregated EU27 rate of youth unemployment. Although progress has been made, policy makers in the region face the risk of a lost generation caused by high levels of enrolment in VET but with low quality and relevance as judged by employers. Limited employment opportunities encourage VET students to continue to higher education, but the labour market for higher education graduates is swamped and unemployment among them is growing rapidly. The challenge of youth employability is therefore critical but the ETF's report on the five candidate countries' progress towards the Bruges communiqué finds little evidence of feedback on employability of vocational graduates (STD 5c) being used to improve the relevance of VET. Moreover, except for Turkey, there is not a clearly defined regulatory basis in the region to collect data on the employment status of VET graduates<sup>38</sup>.

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<sup>36</sup> South East Europe Regular Economic Report. No.4 From Double-Dip Recession To Fragile Recovery Reforms; Worldbank, June 2013, which refers to the fact that data is often unreliable.

<sup>37</sup> World Economic Outlook Database, April 2013, IMF

<sup>38</sup> Idem

Many analyses including the ETF's HRD reviews of the countries in the region and the Torino Process reports document the trend towards more skill-intensive jobs and the potential over-supply of individuals with high-level qualifications by 2020. This underscores the need for education and training systems to become better aligned with emerging labour market skills needs and to better address employability. Many jobs in the coming years will require medium-skills levels similar to those typically acquired through quality VET systems but most VET providers in the South Eastern Europe and Turkey are either unaware of, or unable to adapt to, future skills needs. Moreover, public and private investment in education and especially training is well below international standards despite the challenge of up-skilling the population. Without good short and long term employment prospects, and adequate training and support for the transition to work, young people and adults migrate. The result is a loss of much needed skills for sustainable economic and social development. Therefore, there is an urgent need for policy makers to work together with stakeholders to develop a vision for VET based on enhanced quality and relevance supported by adequate capacity and financing.

In the drive to 2020 and with support from IPA: Skills for the future, Enlargement countries should develop sector-wide strategies facilitating networks of institutions involving key stakeholders for policy dialogue and action to combat a fragmented approach that has not achieved adequate results. The key is for the countries to achieve a shared vision, incorporating citizen- and learner-centred policies, of what to achieve and a roadmap on how to achieve it. Missing the call for action may result in further deterioration of the relevance of skills, which will aggravate unemployment and intensify social and economic challenges.

### Objectives

In response to the above challenges, the ETF aims to improve the capacity of the key stakeholders in SEET to strengthen comprehensive HRD policy planning, implementation and monitoring through evidence based policy analysis. Focus will be on the development of a long-term vision for VET, related road maps for implementation and monitoring of progress shared amongst policy makers and key stakeholders.

The ETF also aims at modernising VET systems through improved multi-level governance and quality assurance mechanisms. Focus will be on structural changes in education and training and partnership building between the world of work and education.

The ETF seeks to improve the relevance of VET provision through support to development and implementation of qualification frameworks and teacher training. An important aspect will be to guide the countries towards referencing their qualification frameworks with the EQF. In teacher training emphasis will be on mainstreaming experience from pilot projects into the VET system.

### Activities

In order to achieve the above objectives, ETF interventions in SEET will focus on the following activities.

*Evidence based policy analysis* will be supported in a variety of ways in all countries in the region: Under the FRAME project, the ETF will support the fine-tuning of the visions 2020 and the roadmaps for implementation. Progress achieved in the implementation of the roadmaps will be monitored throughout the mid-term perspective. It will be informed in 2014 and 2016 by the Torino and Bruges processes, which will be carried out in the region to support comprehensive policy making and VET quality improvements. Policy analyses will be undertaken in Albania, Bosnia and Herzegovina and Kosovo through the Torino Process whereas the candidate countries will engage in the Bruges review. This will be complemented by advice and guidance to DGVT/ACVT members from the candidate countries to foster their active participation and reflection on mainstreaming of EU policies into the countries' VET systems. The ETF will make available Torino Process reports for all seven countries

and Bruges reports for the candidate countries. The ETF will work closely together with Cedefop on the Bruges review under the coordination of DG EAC.

Furthermore the ETF will facilitate the Small Business Act assessment process and contribute to the further development of the assessment tool together with DG Enterprise, OECD, EBRD and SEECEL. In addition, the ETF will draw up an inventory on NQF developments in the region and review progress in VET to inform the Regular Progress Report of the Commission. The ETF will also continue its input to IPA 2014-2020 programming based on requests from the Commission.

*Modernisation of VET systems* will be supported through the following interventions at country level: In Albania, the ETF will provide advice for setting up multi-functional VET centres to create a more efficient collaboration between education and the world of work for implementing reforms. This will also take place in close co-operation with the donors and international community active in the country. The ETF will familiarise stakeholders from Bosnia and Herzegovina with EU quality assurance tools and how they can be made integral part of the VET system.

Furthermore the ETF will improve the relevance of VET provision at country level through support to the development and implementation of qualification frameworks in Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Serbia and Turkey. Emphasis will be on qualifications frameworks in a lifelong learning context, linking VET, higher education and adult learning. Recognition of prior learning will be also an important focus of intervention. In Montenegro, the focus will be on VET teacher training reform, building on the pilot experience and the hand-book developed by the ETF.

In its interventions, the ETF will continue its co-operation with the RCC and will provide support to monitoring and implementation for the SEE 2020 strategy in particular through its work under FRAME, the Torino and Bruges Processes to contribute to strategic human resource development in the region. In this context the ETF will also continue its co-operation with ERISSE and SEECEL, World Bank and OECD, who are strategic partners supporting the implementation of SEE 2020.

### Expected Results

These actions will lead to:

- more comprehensive approaches to VET strategy planning and capacity to follow up implementation.
- improved quality in the provision of VET; and
- increased links between the worlds of work and education in a lifelong learning context.

### South Eastern Europe and Turkey country/regional projects following the 2014-17 intervention logic

Country	Objective	Proposed structural intervention 2014-17	Expected results in 2017
Albania	Support to human resource development 2020 policies	Assist with the planning of VET provision, develop further the legal framework and systematise qualifications in line with AQF levels.	Systemic VET reform and multifunctional centres supported within a regional development context: for the setting up of pilot multifunctional centres. Legal framework and a systematisation of qualifications further developed.

Country	Objective	Proposed structural intervention 2014-17	Expected results in 2017
Bosnia and Herzegovina	Support the development of quality assurance policy in VET	Development of a policy for VET quality assurance through policy learning interventions, such as capacity building initiatives. BIH counterparts will be introduced to EU tools and policies and their relevance and feasibility in BIH.	Policy dialogue with stakeholders on developing national policies and implementation plans for quality assurance.  EU/EQAVET approaches related to quality in VET highlighted.
	Support to baseline qualification framework (BQF) development	Continued support to the Inter Sector Committee under the Authority of the Ministry of Civil Affairs for the development and implementation of BQF. Dialogue and advice for a comprehensive sustainable approach.	Support to BQF implementation aiming at the development of qualifications in at least 3 economic sectors and provided in relevant education and training institutions in both entities and Brcko District.
former Yugoslav Republic of Macedonia	Support for better coordinated skills policies	Continued support to multi-stakeholder coordination (social partners and ministries) for HRD policy making at all stages of the project cycle and support with NQF development.	Revised action plan (2017-2020) of the VET strategy better coordinated with employment and new education strategy (future); NQF referenced to EQF.
Kosovo	Support to human resource development in a lifelong learning context	Continued support for the Kosovo Government's Joint Annual Review and in particular for the annual VET sub-sector assessment. Continued support to Kosovo Ministry of Labour and Social Welfare (MLSW) with the implementation of the Sectorial Strategy for Employment and Social Welfare 2014-2020".	The agreed roadmap that accommodates all HRD related initiatives in a comprehensive strategy and involves the national stakeholders starts to be implemented. Priority is given to follow-up of already started reforms in implementing the multi annual operational programme.
Montenegro	Support to vocational teacher training	Development of policy documents and implementation plans building on achievements in the area. Facilitate sharing and dialogue among the VET school network.	Policy documents available for mainstreaming VET in-service teacher training, implementation plan approved. VET school network operational for the implementation of the VET in-service teacher training strategy.
Serbia	Support for a comprehensive NQF development	Support to the Council for VET and Adult Education and other actors to develop descriptors for levels 1 to 5 and ensure the HE levels 6-8 are integrated. Support for drafting and enacting legislation and to implement a sustainable structure for the Serbian NQF. Support the development of Sector Skills Councils.	The Serbian NQF will have the European Qualification Framework as its main reference and will include support for the recognition and validation of non-formal and informal learning.



Country	Objective	Proposed structural intervention 2014-17	Expected results in 2017
Turkey	Support the development of the Turkish qualifications framework for lifelong learning	Support private actor (social partners, chambers, professional associations) involvement in the Turkish qualification framework (TQF) and national vocational qualification systems (NVQS) in cooperation with public stakeholders, EU project beneficiaries and EUD. Continue advice to EU Delegation and EU cooperation Department of the Ministry of Labour and Social Security on TQF and NVQS.	TQF has started implementation (governance, QA and coordination issues decided), NVQS widened implementation across Turkey, and a substantial number of adults is certified. TQF is operational beyond NVQS and integrate MoNE and HE qualifications of which some are already registered in the TQF register
Regional SEET	FRAME Phase I (2013-2014), Title IV FRAME Phase II (2015-2017), tbc	Support to implementation and monitoring of roadmap for skills 2020, while ensuring synergy and complementarity with developments under SEE 2020 regional strategy. Dialogue and sharing at country and regional levels.	Roadmap for skills development HRD 2020 monitored with particular reference to national and regional target of SEE 2020 strategy.
	Support to DGV/ACVT	Support enlargement countries for dialogue and interventions in Committees of relevance for future developments in VET and foster translation of decisions back into national systems.	Continued support to the members of DGV/ACVT (candidate countries) with the implementation of the Bruges agenda as part of their VET reforms.
Support to the EC		Support to EU project cycle  Annual progress reports	Support to IPA 2014-2020 HRD sector fiches, programming and monitoring. Input to EC Regular progress report for SEET.
Policy analysis		Torino Process 2014 & 2016 Bruges Process 2014 & 2016 SBA assessment process	Torino Process reports for Albania, Bosnia and Herzegovina, Kosovo, former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey and a regional report. Bruges reports for the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey and a regional report  Facilitate SBA reporting in 2015 in co-operation with SEECEL. Advisory support to the SBA reporting in 2017 which will be carried out by the countries.

## 3.2 Southern and Eastern Mediterranean

### Achievements

Following the Arab awakening, the policy agenda in the region and with that, EU and other donor support, have focused on job creation, in particular increased financing for SMEs, VET projects to improve youth employability, entrepreneurship skills for women, and development of inclusive and

transparent governance systems. Several countries in the region had already embarked in broad VET reforms before 2011. However progress in implementation during the post Arab Spring period has been slow in most cases, also due to the political instability, the transitory character of the Governments that have been in place since 2011 or the need to give priority to short term responses to the emergency situation created after the awakenings. In parallel, and in order to tackle pressing socio-economic problems and demands for inclusive and participatory governance, countries have moved towards the definition of new or revised visions of VET that aspire to have a stronger social component, catering for special groups and for more territorial cohesion (Morocco has drafted a new VET strategy, Libya will do so in the coming years, Tunisia launched broad national consultation).

The 2012 Torino Process confirms the increasing attention given to VET issues in the countries in the Mediterranean. Progress has been made on governance and trends can be observed towards geographical decentralisation (Tunisia and Morocco), greater participation of stakeholders, and higher involvement of business sector.

### Challenges

Increased rationalisation and coordination between government agencies involved in VET is also a trend that is leading to rethinking the institutional settings (Egypt, Palestine). Changes in governance are by nature slow and many of these trends are, however, only incipient at present. Regarding internal efficiency, the quality challenge remains high. Countries have focused on a quantitative expansion to cater for the high numbers of new entrants to the education systems (it is estimated that 60% of the population is below 30 years of age and one third below 15 years of age). The quantitative expansion has in many cases been made at the expense of quality. While most countries are engaged in different initiatives to reform curricula and pedagogical methods, improving premises or equipment these are often at the level of pilots and do not become mainstreamed in the system. Regarding external efficiency, improving the relevance of VET provision for labour market needs and diversifying the VET offer to cater for different target groups and in particular for women (only one in four women is active) and the high level of young people outside education and labour market (it is estimated that one third of the population is neither in education and training nor in employment – NEETs) remain a priority. In this context, and as a way to increase relevance, and attractiveness, many countries have moved towards the development of qualifications frameworks. The stage of development varies considerably from country to country (Tunisia, Morocco, Jordan, Lebanon, Palestine, Egypt). NQFs are also attracting higher attention as a tool to facilitate mobility. As a measure to support employment, higher attention is being given to the promotion of entrepreneurship (Lebanon, Tunisia, Morocco).

### Objectives

Based on the progress achieved so far and on the trends in the region, the main aim will be to improve the governance and quality of VET as a tool to increase youth employability and social inclusion and participation. Quality and governance will be key in achieving these goals. Quality of VET systems remains a key issue and although there are good pilot projects a comprehensive approach to quality assurance, management and development is still missing. Multilevel governance including development of new mechanisms to increase participation, coordination, accountability and efficiency gains remain high in the agenda. Development of qualifications frameworks will remain a priority. In countries where the process has already started, and there is a good level of understanding, awareness and capacities the focus will be on the NQF governance structures and its role out. In others where the process is less advanced, the focus will be on development of experiences at sectoral level on learning outcomes approaches, raising understanding and capacities on what the development of an NQF implies. Entrepreneurial learning and skills for enterprise growth should receive further attention to define implementation measures on how to strengthen skills provision for SMEs which are the cornerstone of the economies of the region, including issues linked not only to



relevance of initial VET but also to training for start-ups, growth and access to international markets and continuing training mechanisms in general.

With regard to mobility issues, the ETF strategy over the next four years will focus on promoting the skills dimension of migration and mobility, with emphasis on the transparency, recognition and portability of skills and qualifications, through specific country and regional actions on the transnational dimension of qualifications. ETF will as well provide country analysis on the skills composition of migratory flows and on skills related schemes that can facilitate the reintegration of migrants.

Considering the different phases of the policy cycle and taking into consideration the higher demands for accountability and the pressure of meeting expectations, it is expected that the support to and the development of capacities for monitoring the implementation of reforms, for which the Torino Process will be the main tool.

### Activities

In addition to targeted country actions on the priority areas mentioned above, during the mid-term perspective, ETF intervention at regional level will focus on:

- qualifications and mobility. From a first phase of awareness raising, set up and development of capacities of country multi-stakeholder sectoral groups (in Morocco, Tunisia, Egypt, Jordan) and development of technical tools for increasing the transparency of qualifications (common profiles, glossary, IT based database) cooperation will move in the new MTP to a policy level with the creation of a EuroMed strategic committee that should agree on methodologies for comparing qualifications North-South and South-South based on the EQF referencing experience. Pilot actions will be agreed by the strategic committee to allow the testing of the methodology and prove its added value for mobility purposes and/or country based system improvements. This project will support the on-going EU dialogue on migration and mobility partnerships established with countries in the region and will complement on-going efforts at national level to develop NQFs. In view of this and in the light of the progress made in other countries (Lebanon, Palestine) on qualifications, the project could be enlarged.
- Youth and women's employability: the ETF will continue to support regional policy dialogue linked to employment involving all countries in the region. The ETF proposes a more targeted strategic approach by refocusing the bi-annual employability reviews towards specific issues in addition to the yearly update of country data and employability fiches. For example, in 2014 the focus will be on active labour market policies to support youth employment. A general review of the employment situation in the region could be made with a longer time span (three to four years) to allow for changes to become evident. These reviews are used not only for regional exchanges in the framework of the UFM but also for high level policy forums, and to support specific countries that embark on the development of employment strategies. Given the social pressure that arises from the high levels of young people outside education and labour markets, diversification of training provision (to cater for dropouts, NEETs, those in the informal economy or inactive in the labour market) and to enhance access to skills development opportunities both within and outside the formal VET system as well as developing further apprenticeship or other work-based learning opportunities could be the focus of future interventions at country or regional level.
- Entrepreneurial learning and skills for micro and SMEs. The 2013 assessment of the Euro Mediterranean Charter carried out with DG ENTR, OECD, EIB and EBRD, has confirmed the need to develop coherent entrepreneurial learning policies in a lifelong learning perspective. While countries have a wealth of good practices, there is a potential for cross country exchange and for mainstreaming of good practices. With these in mind, the ETF will focus during the MTP (in addition to country based actions wherever there is country engagement) on regional exchange involving all countries to exchange on good practice in the areas of entrepreneurial learning and

skills development and mainstream such examples into system-wide developments. Complementarity will be sought with the Union for the Mediterranean Initiative for Jobs and activities falling under the European Enterprise Network. In the framework of the UfM industrial cooperation programme, the ETF will also support aligning the Charter more closely with the Small Business Act for Europe. The third assessment of the Euro Mediterranean Charter for Enterprise could take place during the MTP period.

- Furthermore and following the agreement between DG EAC and DG DEVCO, the ETF will implement the EU funded project “Governance for Employability in the Mediterranean” until mid 2016. The project that involves all countries in the region tackles governance and quality issues with focus on capacity building at national and subnational levels. The GEMM project and the ETF work programme will be complementary in particular in countries where there is specific work on governance issues (e.g. Morocco, Tunisia). The GEMM project mapping will feed into the Torino process 2014 and 2016 and will be of special relevance in countries where there is commitment to development of comprehensive VET strategies (eg. Libya) or to monitor progress of reforms. The gaps identified through the GEMM mapping will inform future ETF actions at country or regional level.

These priorities are in line with the EU Neighbourhood Policy and the 2012 assessment of the delivery of a new European Neighbourhood. For the Neighbourhood South, job creation and support to SMEs, along with building deep democracies, including issues of gender inequality and territorial disparities have been established as priorities. While the need for a more differentiated approach based on the principle of more for more is recognised, the Union for the Mediterranean offers a framework for regional cooperation and dialogue, to which ETF regional initiatives as mentioned above should contribute to. The vast majority of EU assistance in VET to the region is provided via bilateral agreements. In addition to initiatives focusing directly on VET reform, it is expected that in the coming period there will be a trend towards the inclusion of skills development within economic development or private sector development programmes. The ETF will continue to deploy its resources and in-depth knowledge of the region to support the design of new EU funded operations and to the continuous follow up of progress achieved. The ETF will continue to support the Mobility Partnership between the EU and Morocco and the migration and mobility dialogues launched with Tunisia and Jordan in the region on the skills dimension of migration and mobility.

The ETF will continue to cooperate with the UfM secretariat by providing information and exchanging analysis and practice. In terms of new cooperation, the ETF will strengthen cooperation with the Anna Lindh Foundation and ARLEM in the field of multilevel governance. Cooperation with other donors in the field will continue and will be strengthened as necessary to ensure the coordination and synergy of actions at country and regional level.

### Expected results

By 2017 the above mentioned activities are expected to lead to:

- Through the ETF employability reviews, enhanced regional policy dialogue and understanding in the areas of youth employability and entrepreneurial learning under the Union for the Mediterranean policy and ad hoc policy forums;
- New approaches and methodologies for implementation of national qualifications frameworks, entrepreneurial learning, and multilevel governance have been developed and tested and capacities of stakeholders improved for their implementation;
- The Torino process has contributed to a better use of evidence, supported the development of national strategies (wherever relevant) and the exchange of practices between countries in the region;

- A sustainable forum has been set up for policy dialogue on EuroMed qualifications and a methodology for referencing of qualifications in the EuroMed region has been tested and agreed.

### Southern and Eastern Mediterranean country and regional projects following the 2014-17 intervention logic

Country	Objective	Proposed structural intervention 2014-2017	Expected results in 2017
Algeria	Networking and exposure to good practice in the region and beyond (tbc)	Participation in regional and corporate projects and events	Through the participation in regional initiatives and the Torino Process (i.e. the GEMM regional project) and corporate events, Algerian counterparts are exposed to EU/partner countries models and practice in the field of VET multi-level governance and policy analysis. Algerian counterparts make use of the results of both initiatives to inform the policy debate in the field of VTE.
Egypt	Supporting the analysis of challenges and policy options for the reform of TVET in Egypt through participatory evidence based processes during a complex political transition in the country  Strengthening key networks in the country that can contribute in an effective manner to the reform of TVET	Participation in regional and corporate projects and events  Implementation of Torino Process in 2014 and 2016 as a means to support the decision making processes in TVET in the country.  Support to initiatives for reform of TVET that may be launched by the interim and successive GoEs in this period, in synergy with EU support activities	Torino Process policy analysis in 2014 and in 2016 contributes to the setting up of the policy agenda for TVET in Egypt in a time of complex political transition  National capacities to design and implement TVET reform in Egypt are enhanced by the participation of Egypt in national, regional and corporate ETF activities.
Israel	Networking and support the development of closer links with European Union Policies and Practice. Enhance exchange and dialogue with the EU and other EU partner countries through the participation in regional project initiatives and support dialogue with other countries in the region.	Participate in knowledge sharing initiatives with EU Member States and other partner countries  Participation in regional and corporate projects and events	Through the participation in regional initiatives and the Torino Process (i.e. the GEMM regional project) and corporate events, Israeli counterparts are exposed to EU/partner countries models and practice in the field of VET multi-level governance and policy analysis. Israeli counterparts make use of the results of both initiatives to inform the policy debate in the field of VTE.

Country	Objective	Proposed structural intervention 2014-2017	Expected results in 2017
Jordan	<p>Support to Jordanian relevant TVET stakeholders and decision makers in the assessment, evaluation and choice of policy options for reforming their TVET system</p> <p>Building national capacities in the different phases of the policy cycle, including policy implementation and monitoring and evaluation of the E-TVET sector reform</p>	<p>In the framework of the Torino process, and as one of three pilot countries, Jordan is supported by ETF in carrying an ex-ante impact assessment of their TVET system in 2014.</p> <p>As a continuation of the above, further ETF interventions targeting the enhancement of the national capacities for policy analysis, policy choices, implementation and monitoring and evaluation of the TVET system reform.</p>	<p>Policy options for effective implementation of TVET reform in Jordan are identified and evaluated by the Jordanian stakeholders with ETF support through the implementation of the Torino Process (ex-ante impact assessment modality).</p> <p>Jordanian stakeholders' capacities for effective policy analysis, implementation and monitoring and evaluation are enhanced to carry out these exercises in an autonomous way.</p>
Lebanon	Entrepreneurship as a core transversal skill	<p>In cooperation with the Ministry of Education and Higher Education, ILO and UNESCO, the project will work on the following levels:</p> <ul style="list-style-type: none"> <li>- Curricula reform – including finalisation of curricula and related manuals</li> <li>- Pilot-testing phase; curricula are piloted in selected schools in 2014 and results of the evaluation of the pilots inform the action plan to integrate entrepreneurship modules in all schools at the same level and at all levels of education</li> <li>- Fine tuning of a strategy and action plan to mainstream entrepreneurship in all schools at TVET secondary level (2014-2016). Progressively all levels of education will be covered (2016 and beyond);</li> <li>- Definition and adoption of a framework for lifelong entrepreneurship in Lebanon</li> </ul> <p>The project activities will include capacity building actions (to reform curricula, to deliver entrepreneurship modules and to monitor and evaluate curricula delivery) ; dissemination and networking for practitioners, policy makers, social partners, civil society, on entrepreneurship and entrepreneurial learning issues.</p>	<p>Curricula and related teaching material are available for all schools at TVET secondary levels and for all other levels of education.</p> <p>A strategy and an action plan for integrating entrepreneurship at all levels of education is in place and can be implemented by the country independently</p> <p>A framework for lifelong entrepreneurial learning is developed and agreed</p> <p>A governing structure is in place for entrepreneurial learning in Lebanon including policy makers at government level, social partners and civil society</p>

Country	Objective	Proposed structural intervention 2014-2017	Expected results in 2017
	NQF	<p>Following the development and adoption of the Lebanese NQF, the project will work on the following levels;</p> <ol style="list-style-type: none"> <li>1) Legal/institutional framework – drafting and adoption of a legal act and setting up of the institutional framework selected as model for NQF governance;</li> <li>2) Capacity building and policy advice in support to the operationalization of the NQF (including finalisation of processes and procedures for the referencing process)</li> <li>3) Dissemination and networking – development of a communication plan on the Lebanese NQF</li> <li>4) Wider use and application of the NQF in Lebanon</li> </ol>	<p>A legal and institutional framework for the Lebanese NQF is put in place and is operational</p> <p>A referencing process and procedures are tested and operational</p> <p>All concerned parties are informed on the procedures and process to reference qualifications</p> <p>Providers are able to reference their qualifications to the LNQF</p>
Libya	Development of a comprehensive strategy for the VET sector	The support will consist mainly on capacity building and facilitation of the process to develop a VET strategy. This will include organisation of workshops where examples of VET strategies developed by other countries are presented; organisation of study visits to countries that have developed VET strategies (e.g. Morocco), providing expertise in facilitating workshops	<p>Multistakeholder group is set up</p> <p>A roadmap is defined</p> <p>Multistakeholder group is trained and supported on the key elements of the process</p>
Morocco	NQF implementation	Support roll out of the NQF (capacity building of broader stakeholder groups to introduce the concept of learning outcomes), support to define governance structure	<p>Global implementation plan approved</p> <p>Governance entity set up</p>
	Reinforce governance of VET at territorial level in the region of Tanger-Tetouan	Skills needs analysis at local level, capacity building for different stakeholder groups at regional level, etc.	<p>Analysis of VET supply and skills needs at regional level carried out</p> <p>Capacity building for regionalisation of VET at DFP completed</p> <p>Capacity building actions of local actors completed</p>
Palestine	Support local development in Area C through an integrated approach of CVET and Validation of prior learning	Capacity building for relevant actors on qualifications development processes; the development of CVT curricula, or the validation of non-formal and informal learning; drawing lessons and recommendations.	<p>An action plan for the implementation of the multiannual initiative is approved by the project steering committee</p> <p>The economic sector and the specific local territory targeted by the project are identified</p> <p>The qualifications targeted by the project are identified and analysed</p>

Country	Objective	Proposed structural intervention 2014-2017	Expected results in 2017
Tunisia	Enhance territorial governance in the region of Medenine	Dissemination of results to other regions in Tunisia; facilitation of discussion on lessons learnt; support to define policy orientations on "regionalisation of VET"	<p>Evidence based recommendations for developing a strategic approach for regional governance of VET and employment are discussed with the government</p> <p>In the Mednine governorate the regional stakeholder coordination is established and operational to address VET and employability regional issues</p> <p>A series of technical fiches regarding some structuring activities to make regional governance happen are disseminated to all regions and to national stakeholders as an input for a national approach to regional governance</p> <p>A study visit engaging both regional and national stakeholders serves as a preliminary, trust-building initiative to engage various stakeholders into the reform process</p>
	Entrepreneurship learning	Policy advice to define a policy/strategy on how to introduce entrepreneurship skills in VET; capacity building. Cooperation with GIZ	<p>A national technical team is appointed to work out the recommendations of the review and propose a roadmap for development of the strategy</p> <p>Main pillars of the strategy are identified</p> <p>Technical support is provided on a regular basis to the team through workshops and distance-coaching</p>

Country	Objective	Proposed structural intervention 2014-2017	Expected results in 2017
Regional	EuroMed qualifications	<p>Deepening and expanding the scope of the Phase 1 of the regional project on qualifications (Morocco, Tunisia, Egypt, Jordan) will include establishing a regional coordinating body, the EuroMed Strategic Committee, comprising high level policy makers from the partner countries, the European Commission and EU Member States. The committee is expected to establish a relationship with the EQF Advisory Group. The project will begin the development of tools for recognition of qualifications, including a methodology to compare different national qualifications and systems and a shared database of qualifications and standards. Pilot actions to test these instruments and approaches will begin.</p> <p>Capacity-building actions to support national technical teams in the participating countries, in particular in their development and adaptation of tools and methodologies to analyse and compare qualifications .</p> <p>The results of this project feed in the implementation of the EU-Morocco Mobility Partnership and provide inputs to the Migration and Mobility Dialogues with Jordan and Tunisia.</p>	<p>The EuroMed Strategic Committee is established, and drives the Project forward.</p> <p>National technical teams have acquired capacities to apply independently tools and methods for analysing and comparing qualifications</p> <p>The results of this project feed in the implementation of the EU-Morocco Mobility Partnership and provide inputs to the Migration and Mobility Dialogues with Jordan and Tunisia.</p>
	Employment and Youth employability	<p>Provision of regional analysis and sharing practices in support to EU regional dialogue. Regarding employment and in particular youth employment, the ETF will organise the third edition of the policy leaders forum building on the results of 2013 Marseilles Forum</p>	<p>SEMED country employability fiches are updated every year.</p> <p>A short policy paper on employment and youth employability in the SEMED is drafted and disseminated</p>
	Entrepreneurial learning and skills for SMEs	<p>As a follow up to the SBA assessment in 2013 a regional activity will be organised to share good practices in the region and beyond on skills to support SME creation and growth and how to scale up good practices</p>	<p>Good practices at national level are shared among the countries of the region</p> <p>Support to ICWG provided.</p>
	GEMM – Governance for Employability in the Mediterranean	<p>As a follow up to the mapping and analysis of the VET governance systems carried out in 2013 and focusing at the national and sub-national level in SEMED countries, the findings and analysis will feed into the capacity building and networking actions. The aim is to expose the target population to good practices on VET governance, through the organisation of the first regional conference and study visit in one of the SEMED countries (Morocco). Pilot projects will be selected and implementation and capacity buildings programmes will be organised both for policy makers and social partners as well as for representatives of pilot projects.</p>	<p>Knowledge and awareness of different approaches to governance of VET systems, for better youth and female employability, are increased in the SEMED region.</p> <p>VET policy and decision makers and social partners in the SEMED region are exposed to EU and SEMED experiences in the field of multilevel governance for better youth and female employability.</p>
Support to the Commission		<p>Support to EU project cycle</p> <p>Annual progress reports</p> <p>Additional requests</p>	<p>Support to EU projects and SPSP in Morocco, Tunisia, Algeria, Libya, Egypt, Jordan, Lebanon and Palestine.</p> <p>Annual progress reports for Morocco, Tunisia, Egypt, Jordan, Lebanon, Israel and Palestine</p>



Country	Objective	Proposed structural intervention 2014-2017	Expected results in 2017
Policy analysis		Torino Process 2014 and 2016 Qualifications and qualifications frameworks	Torino Process reports drafted by September. Regional TRP analysis validated during policy leaders Forum in November 2014. Inventory and thematic studies highlighting good practices on qualifications and qualifications frameworks in Morocco, Tunisia, Egypt, Lebanon, Jordan, Israel and Palestine.

### 3.3 Eastern Europe

#### Achievements

Since 2010 all seven Eastern European countries have developed VET policies and introduced systemic changes which focus strongly on national contexts. These positive developments have been accompanied by new legislative frameworks and considerable stakeholder involvement (mostly employers) in strategic discussions and in national/regional VET councils. Less demand from learners caused by demographic decline is currently influencing education systems and population trends in nearly all countries. All countries have experienced positive economic growth (around 5%) in recent years and for the first time this has led to jobs growth. The employment level in the region is rather high (with the exception of the Republic of Moldova), and unemployment rates are below 10%, except in Armenia (19%) and Georgia (17%). There is growing unemployment among higher education graduates. The skills dimension of migration and mobility is an important factor in the region with large outflows from the Republic of Moldova, Armenia and Georgia and inflows to Russia and Ukraine.

The 2012 Torino Process report for Eastern Europe has come to the conclusion that the countries have made substantial progress in developing VET legislation and strategies since 2010, and that the next years will need to focus on the implementation of VET reforms. VET has moved up the political agenda in most countries, but this has not led to a clear increase in vocational students. Strong progress has been made in involving VET stakeholders in discussions, in particular through the establishment of VET councils and, in some countries, also sector councils. A driving force behind the VET discussions has been the development of national qualifications frameworks. Employers have been engaged in discussions about occupational standards and labour market perspectives. The countries have also invested in curricula reforms and in equipping pilot schools.

#### Challenges

Thanks to the progress made, the countries can build further in the next years on several topics. The implementation of national qualifications frameworks will require consistent and constant attention. All Eastern European countries are developing sector councils, which need to grow through hands-on experience. In particular, collecting and using labour market information as a driver for reforms requires more coordinated efforts. Apart from in Georgia, the quality assurance mechanisms are still very limited. In the discussions on national qualifications frameworks it is important to consider pathways and mobility within the system. School-enterprise links should be established or strengthened and opportunities for work-based learning explored. There is a growing focus on improving the efficiency of the VET system and in particular on approaches to implement school optimisation. Continuing vocational training will become more important with the aging populations and would be supported by coherent legislation and targeted support to SMEs. Validation of non-formal and informal learning is on the agenda in many countries, in particular with a view to returning migrants.



## Objectives

EU cooperation for Eastern Europe is driven by the European Neighbourhood policy (2011-12) for the Eastern Partnership countries and by the Partnership for Modernisation for Russia (2010). An important new principle is 'more for more', which creates a link between reform performance and EU investment in cooperation. Now that economic growth for the first time seems to be going hand in hand with increased employment, it is crucial to establish closer links between socio-economic strategies and skills strategies.

It is expected that in several countries, education and training will be included in the new multi-annual programming for 2014-20 (MIP). The EU's major chance to have an impact on education and training in these countries will be through larger scale interventions. It is therefore of essential strategic importance that the ETF mobilises its resources and in-depth knowledge of the region to support the design and continuous monitoring of these EU interventions. The ETF will provide its support to the EC and EU Delegations through policy advice, evidence-based analysis and capacity development. Other ETF activities will seek complementarity

to these and other donor actions. The ETF will support the Mobility Partnerships between the EU and Armenia, Georgia and the Republic of Moldova, focusing on the skills dimension of migration and mobility. Likewise, the ETF will support the migration dialogue with Azerbaijan which may evolve into a Mobility Partnership.

## Activities

For the mid-term perspective the ETF intervention at regional level focused on continuing vocational training. Policies and good examples have been shared among the Eastern European countries through peer learning. Building on the outcomes Azerbaijan, Belarus, Georgia and Russia identified the sector approach towards skills analysis as follow-up actions and Armenia, Moldova and Ukraine selected validation of non-formal and informal learning. This has led to conceptual papers for strategic actions.

In addition to targeted national actions on these topics, the ETF will continue to support regional policy learning. In 2014-2017 the focus will be on:

1. Social dialogue and skills development through sector and regional approaches. With the growing interest of employers in education and in developing national qualification framework the countries have expressed the intention to or prepared legislation (Moldova, Ukraine) to establish sector skills councils. In the CVT project, countries have developed and discussed conceptual papers on the role of sector councils up to 2013. Ukraine and Russia have piloted skills analyses at regional level. From 2014 advantages and disadvantages of both approaches will be explored and discussed between all Eastern European countries. The ETF will provide support and share experience to sector skills councils in developing the scope of work in the early stages of their establishment. With the support of Platform 2 of the Eastern Partnership, skills matching and anticipation, entrepreneurial learning and labour migration policies and practice will be shared. The countries will be expected to have designed and (partially) implemented a coherent consultation and information structure of social dialogue for the implementation of VET reforms by 2017. A growing number of sector skills councils will have a clear mandate and vision about their roles and responsibilities.
2. Support to the implementation of national qualification frameworks. Most countries have or are about to finalise their national qualification frameworks, although most countries still need to bridge approaches in higher education and the rest of education. Occupational standards are under development. The key challenge is now to implement the frameworks and to use

occupational standards for the development of qualifications and curricula and to introduce quality and certification mechanisms. There is a growing interest of countries to be referenced to the EQF. The ETF will support this process through the country projects, but also through the organisation of two yearly regional policy learning workshops supported by the Platform 4 of the Eastern Partnership. In this NQF discussion also the results of the work on validation of non-formal and informal learning will be shared, which has been carried out in the CVT project and in relation to the Mobility Partnerships.

3. Policies and practices of skills for small and medium enterprises. The SBA policy assessment carried out in 2012 with DG ENTR, OECD and EBRD indicated that no coherent policies existed to promote skills for enterprises and entrepreneurial learning. Key challenges are to develop effective methods for skills analysis for enterprises; to move from entrepreneurship content in curricula to entrepreneurial learning as a key competence and to explore policy options to promote work-based learning. The SBA policy analysis in 2014-15 will allow an analysis of progress made since 2012 and to formulate follow-up support. Platform 2 of the Eastern Partnership will also support the sharing of policy experience and good practice on moving towards entrepreneurial learning as a key competence. The ETF will have supported the discussions on work-based learning that have led to policy strategies for strengthening work-based learning.

The ETF will continue to contribute to Eastern Partnership platforms 2 and 4 and to participate in, and where relevant, initiate donor coordination meetings in the countries. Good cooperation is expected to continue with the Council of Europe and the British Council on national qualifications frameworks, with the ILO on migration and occupational standards, the OECD on small business assessment, the World Bank on regional development, and the GIZ on several issues.

### **Expected results of national and regional actions**

1. Enhanced regional dialogue and understanding in the areas of skills matching and skills for SMEs under the EaP Platforms 2 and 4; national qualifications frameworks, sector committees, validation of non-formal and informal learning; training and skills for migration; and VET strategies through the Torino Process.
2. New approaches and methodologies for skills matching and anticipation, implementation of national qualifications frameworks, sector committees, quality assurance, education and business cooperation, work-based learning, and career guidance have been developed through extensive stakeholder involvement at national level enhancing the implementation of human resources development strategies.
3. The Torino Process and the Small Business Act assessment have contributed to a better use of evidence and a greater awareness of EU reporting and benchmarking in Eastern Europe, in particular in Belarus and Ukraine through participation in Torinet.

## Eastern Europe country and regional projects following the 2014-17 intervention logic

Country/ Theme	Objective	Proposed structural intervention 2014-17	Expected results in 2017
Armenia	Broaden career guidance and counselling support	Develop and implement follow up CG training course, introduce tracer system, structured approach to LM info, CG policy development, work-based learning and entrepreneurial learning reviews	12 Pilot schools provide modern career guidance support to students, using tracer studies and other evidence. CG policy revised following recommendations from project and practice. Work-based learning and entrepreneurial learning practice reviewed and recommendations are followed up by key stakeholders.
Azerbaijan	Strengthening links between VET system and the private sector	Support to policy development, use the proposed NQF structures, capacity building at different levels, link to EU intervention	Raised quality of EU support for VET provision in the regions New mechanisms involve the private sector systematically at national, sectoral, regional and/or local level Some sectoral committees are operational and based on the agreed concept of sectoral committees. Key institutional roles for NQF implementation are clear. The first qualifications registered in the NQF register. A link to the EQF is established.
Belarus	Quality assurance mechanisms	Quality strategy, review QA mechanisms, introduction of self-assessment at schools, quality indicators review	Strategy on Quality and quality assurance implemented. Quality indicators systematically used. Self-assessment accepted and used as instrument for school improvements.
Georgia	Improved synergy education and business for innovation and employment	Support to policy development, use existing NQF/sector council structures, capacity building at different levels, support development in new area of LM policy; link to new EU Sector Programme Employment and VET.	Concept for LM Info System and Active LM policies adopted; Work-based concept adopted; NQF revisited; social partnership model operational
Moldova	Support to NQF design and implementation	Introducing concept of learning outcomes in qualifications, broaden scope of sector councils (including LMA and skills finance), support QA & certification discussions	NQF designed and existing methodologies for occupational standards, qualifications and validation of non-formal and informal learning used in all sectors Outcome based qualifications completed in at least one sector. 14 sector councils discuss skills issues in a broader economic sector strategy, including LM needs, qualifications, work-based learning, CVT and Finance.
Russia	Capacity development for info on skills gaps	Support EU-Russia bilaterals, targeted seminars on skills issues	Russian stakeholders better aware of EU approaches to skills matching
Ukraine	Social partnership for skills anticipation and NQF implementation	Skills anticipation methodology, LM info system revised, Support to occupational standards and qualification methodology, QA and certification, Capacity development of key actors in skills anticipation and NQF	Skills forecast methodology embedded in national VET planning. LMI system and key data collection practices refined to use skills anticipation methodology. NQF implementation plan supported with adequate national legal and regulatory framework. A coordinating structure/institution/authority identified (and possibly operational) responsible for

Country/ Theme	Objective	Proposed structural intervention 2014-17	Expected results in 2017
			national qualifications and quality assurance. A roadmap developed to restructure VET institutions to increasing operational efficiency and responsiveness to labour market demand. Evidence based policy making practice disseminated through regional TRP analyses in regions of Ukraine.
Regional	Sector and regional approaches to LMA/VET	2014: Sector council concepts tested in countries, policy sharing regional VET approaches; 2015-17 skills anticipation methodologies at sector and regional levels, increasing business participation and work-based learning options	Sector council concepts tested in countries Policy sharing regional approaches to skills anticipation, private sector involvement and work-based learning.
	Supporting EaP Platforms	Platform 2: Annual meeting on skills matching, Annual meeting on labour migration, EL follow-up conference; Platform 4: Regional TRP meeting end 2014; Regional NQF conference 2015	Eastern partner countries and EU policies and practice for skills anticipation, labour migration, entrepreneurial learning, VET policies and NQF shared
Support to the Commission		Support to EU project cycle Annual progress reports Additional requests	Support to EU projects and SPSP in Armenia, Azerbaijan, Georgia, Republic of Moldova and Ukraine Annual progress reports for Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine
Policy analysis		Torino Process 2014 and 2016 SBA assessment 2014 and 2016/7 NQF	Torino Process reports in Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Russia and Ukraine Draft SBA assessments in Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine Inventory and thematic studies highlighting good practices on qualifications and qualifications frameworks in Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Russia and Ukraine

### 3.4 Central Asia

#### Achievements

Central Asia has enjoyed strong economic growth in recent years (7-8% in 2011) as it has recovered from the economic recession and the loss of traditional markets experienced following independence. The 2012 Torino Process identified significant progress in the development of strategies and legislation in all countries.

#### Challenges

The labour market is a challenge as most of Central Asia is characterised by growth in the share of the working-age population and a high youth population which presents challenges and opportunities. One of these is to ensure that this potential is not limited by a lack of employment opportunities and the absence of relevant skills that will enable the population to progress in the labour force.

Unemployment in the region is in general not very high (from 0.4% in Uzbekistan to 11.6% in Tajikistan) but informal employment represents a significant and largely unmeasured issue. Migration

remains a significant labour force characteristic of the region with employment abroad – frequently in Russia (93% of Tajik migrants) or Kazakhstan. The VET systems of the region differ in terms of structure and capacity and reflect the economic situation in the country. All systems are undergoing reform with a view to expanding the number of vocational students.

### Objectives

The focus in 2014-17 will move further towards policy implementation. The ETF is committed to supporting national VET policy reforms to the countries and providing support to the European Commission through policy advice, evidence-based analysis and complementary capacity development. The key challenges in Central Asia for the coming four years are: developing the education and business cooperation; strengthening social dialogue in VET councils; improving cooperation between the different levels of VET; enhancing quality assurance mechanisms and fostering teacher training.

### Activities

In a region with an increasing young population, vocational education and training and higher education are high on the agenda of the Development Cooperation Instrument (DCI) and are expected to be identified as one of the few priorities in the EU programmes for a number of Central Asian countries. This will allow the countries to take an important step forward in VET system reforms. Kazakhstan is expected to withdraw from the DCI and only continue to be engaged in a number of regional programmes.

The priority setting is in line with the Council's "The EU and Central Asia: Strategy for a New Partnership", which also identifies education and training as a key priority. The strategy has resulted in the Central Asia Education Initiative, which includes a Central Asia Education Platform for regional policy dialogue in VET and higher education. The ETF and the Education, Audiovisual and Culture Executive Agency (EACEA) are actively cooperating with the Platform (2012-14) in the area of VET policy analysis (Torino Process), national qualifications frameworks, quality assurance and teacher training. Once the platform comes to an end, the ETF will remain committed to promoting policy learning through regional policy dialogue and exchange of examples of good practice.

At regional level the ETF will continue to focus on governance and school development. The project aims at increasing the efficiency and effectiveness of multi-level governance structures by promoting school development. Until 2013, six capacity building modules were designed, tested and implemented with school directors from around 25 VET schools of Kazakhstan, Kyrgyzstan and Tajikistan. This training has empowered them to develop strategic school plans, cooperation with companies, support teacher training and introduce quality assurance mechanisms in the schools. A start has been made with linking satellite schools to pilot schools to extend the impact of the programme. Also a policy dialogue between policy makers and schools on school development has been set up.

By 2017, the ETF will have developed a certified training programme for school managers in Central Asia which is included in in-service teacher training programme of at least one teacher training institution and which forms the basis for the establishment of a summer school programme. A network of 50 vocational schools in the region will promote exchange of good practice. Structures for a policy dialogue of policy makers and school directors are supporting the VET reforms.

### Expected results

In addition, by 2017 through its regional and national activities the ETF aims to have:

- strengthened the capacities of national actors to develop and embed evidence-based policy making and implementation through the use of specific methodological instruments throughout the policy cycle, such as transition studies, institutional assessment and monitoring of HRD.

- fostered the quality, relevance and inclusiveness of vocational education and training systems for the labour market through increased cooperation between education and the world of work, thus contributing to improving the employment prospects of young people and society at large.
- consolidated as trusted key player for policy learning on VET at regional level by enhancing the mutual understanding of policies and sharing policy experience and practice.

The ETF will seek synergy with EU investments and with relevant donors active in Central Asia, such as the World Bank, Asian Development Bank, the German Society for International Cooperation (GIZ) and actively participate in donor coordination.

### Central Asia country and regional projects following the 2014-17 intervention logic

Country	Objective	Proposed structural intervention 2014-17	Expected results in 2017
Kazakhstan	Cooperation education and business for strengthening work-based learning	2014: finalisation of education and business study in three regions and dissemination; 2015-17 follow-up seminars on recommendations	Education and business study has given deepened understanding on success and failures of cooperation for work-based learning. Policies and practice of cooperation for work-based learning reviewed and improved.
Kyrgyzstan	Strengthening capacity of VET stakeholders to develop and embed evidence-based policy making	Evaluate pilot tracer study methodology and dissemination, policy advice to national skills anticipation methodologies	Employment and VET policies are using evidence from tracer studies, employer surveys and TRP. Capacity at national and providers' level strengthened to implement tracer studies and employer surveys. Tracer study methodology embedded in school development strategies.
Tajikistan	Quality assurance in VET	Quality strategy, review quality assurance mechanisms, quality assurance committee/institute pilot of self-assessment at some schools, quality indicators review	Quality and quality assurance strategy under implementation. Quality indicators identified and agreed with stakeholders. Self-assessment methodology well tested and ready for wide dissemination.
Turkmenistan	Support to quality and innovation	Seminars for policy makers and VET schools, facilitating debate policy makers and VET schools	Policy makers and VET school directors have discussed VET progress as input for new EU project intervention
Uzbekistan	Support to Education and Business stakeholder co-operation	Engage SMEs and other private companies in policy dialogue and school-business cooperation through targeted seminars	Co-operative institutional practices sustained by Uzbek stakeholders between business and VET institutions for VET delivery and development and have progressed from initial to structure with pilot activities underway in agreed areas – e.g., policy/legislation; qualifications/curricula; or in respect to VET providers.
Regional	School development	Finalise and certify capacity building training programme, teacher training support, extension of school networks, policy dialogue governments, SP, VET associations and schools, Summer School	Capacity development programme for school development certified.  New VET school directors of participated in ETF Summer Schools  Increased VET schools network  Policy dialogue agenda 2014-17 defined and implemented



Country	Objective	Proposed structural intervention 2014-17	Expected results in 2017
	CAEP	Regional Torino Process meeting in 2014-15, specialised regional conferences	Regional TRP analysis validated with countries stakeholders
Support to the EC		Support to EU project cycle Additional requests	Support to EU projects and SPSP in Kyrgyzstan, Tajikistan, and Turkmenistan
Policy analysis		Torino Process 2014 and 2016 NQF	Torino Process Self-assessments reports drafted by Kazakhstan Torino Process ETF led-assessments reports drafted for Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan Regional TRP analysis validated with countries stakeholders with support of Central Asia Education Platform NQF inventory and study on current practice in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan

## 4. Knowledge management

### Justification

The ETF's capacity to retain and redeploy the expertise it develops through its activities is fundamental for ensuring high quality and consistent policy support across its thematic and geographical areas. Moreover, the capacity of partner countries to share policy knowledge, such as quantitative and qualitative evidence, conditions progress in policy making in partner countries. The 2012-13 Torino Process Evaluation clearly indicates that partner country capacity in this area is limited and this has a constraining impact on the reform process,

The ETF will continue to reinforce its capacity to source and share knowledge to improve its expertise development. This includes consolidating the ETF virtual library, the development of internal knowledge sharing communities and knowledge bases to systematically store and retrieve expertise knowledge from ETF publications, events, projects and missions.

In terms of support to ETF actions in partner countries, the ETF will continue to develop tools and techniques to enhance knowledge sharing among stakeholders. In 2014, this will include designing tools and guidelines for use in ETF operational activities, such as corporate, regional and national events and the evidence-based policy making work. In addition, the ETF will continue deploy on-line platforms using social media to connect policy makers and practitioners and facilitate policy sharing through international networks, using the experience of the Qualifications Platform. These tools and platforms have a wide application across ETF expertise and geographical actions, in particular in evidence-based policy making.

### Expected results

By 2017 through its activities the ETF aims to have:

- reinforced capacity to support policy learning and provide consistent policy advice through the application of knowledge management tools and techniques





## PART IV: GOVERNANCE, MANAGEMENT, RESOURCES AND COMMUNICATION

The organisational context for the 2014-17 period will be characterised by static financial resources (in real terms), and reduced human resources. At the same time, expectations as to what the ETF can deliver in terms of results and compliance with standards of accountability and control are expected to rise. In this context, the ETF must become more effective and efficient as an organisation and enhance its reputation and recognition among stakeholders as a leading centre of expertise on human capital development and a soundly run organisation using public funds in a transparent way to achieve measureable results.

### 1 Governance

The ETF is governed by a Board consisting of one representative of each Member State, three representatives of the European Commission, including the Director-General of DG Education and Culture (DG EAC) as chair. The Board also includes three non-voting experts appointed by the European Parliament<sup>39</sup>. In addition, three partner country representatives may attend the meetings of the Governing Board as observers.

The main responsibility of the Governing Board is the adoption the draft annual work programme of the ETF, the annual activity report and the budgets, subject to the approval of the European Parliament in the context of the overall EU budget. With the aim of increasing the contribution and involvement of Governing Board members in ETF planning and evaluation exercises, two working groups have been set up to provide input to the organisational planning cycle.

The ETF aims at taking advantage of technical expertise of its Board members through their direct participation in events and support in organising mutual learning in Europe. Their support will also be sought to ensure ETF participation in the EU Presidencies' most relevant initiatives.

Seeking a flexible and proactive approach towards the different stakeholders, the ETF governance processes include regular meetings with:

- the EC Directorate Generals represented in its Governing Board
- its parent DG (DG Education and Culture),
- the different DGs requesting services for operational matters, notably DG ELARG, DG DEVCO, DG EMPL, DG ENTR, DG HOME and others.

The ETF also works with the European Parliament, particularly the Committee on Employment and Social Affairs, the budgetary committees and others (e.g. Education and Culture). It can also be asked to participate in European Council committees, such as education and employment.

The ETF cooperates regularly with EU economic and social partners and their different institutions, as well as other EU agencies for sharing knowledge and maximising synergy, e.g. Cedefop and Eurofound. Cooperation with other agencies is high on the ETF's agenda to maximise synergy.

The ETF is also accountable to the European Court of Auditors which promotes accountability and transparency by assisting the European Parliament and Council to oversee the implementation of the

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<sup>39</sup> Article 7 of the Regulation (EC) № 1339/2008.

ETF budget, particularly during the discharge procedures, and brings added value to EU financial management through its reporting and opinions.

## 2 Stakeholder relations

According to its Regulation, the ETF cooperates with the European Commission, Council and the Parliament – the key primary stakeholders that ensure the governance of the ETF. The ETF closely cooperates with the EC services- DG EAC- as the ETF's parent DG - DG DEVCO, DG ELARG (represented as members in the ETF Governing Board) as well as with other Commission services including DG ENTR, DG HOME and the European External Action Service (EEAS).

The ETF collaborates with various European Parliament committees.

The ETF will enhance its efforts to promote networking and the exchange of experience and good practice between the EU Member States and partner countries working together with the Member State organisations through its Governing Board representatives. The cooperation agreements concluded with the British Council and DVV international (Germany) as well as the objectives set in the letter of intent signed with the Chamber of Commerce in Milan will be implemented.

The ETF liaises with the European Economic and Social Committee as well as with the Committee of Regions and its ARLEM (Southern and Eastern Mediterranean) and CORLEAP (Eastern Europe) initiatives that aim at strengthening the territorial dimension and multilevel governance in the neighbourhood policy.

The ETF will continue to work together with other EU agencies, in particular, Cedefop and Eurofound.

The representatives of the social partners at European level which are already active in the work of Community institutions and in the field of human capital development, will be invited, where appropriate, to participate in the ETF's work.

In 2014-17, the ETF will coordinate its activities with the development co-operation actors active in the partner countries like international organisations, the regional cooperation structures and the international development banks. The ETF will continue to contribute to the inter-agency group on vocational education and training together with European Commission, UNESCO, the ILO, the OECD, the World Bank and the Asian Development Bank. Considering the G20 focus on human capital development, the ETF will carry on supporting knowledge sharing activities within the Inter Agency Group in relation to the partner countries that are part of G20 projects and initiatives.

The ETF will continue to work with the European Bank for Reconstruction and Development and the European Investment Bank and at the same time, will contribute to the projects and activities developed by the Council of Europe, the Regional Co-operation Council for South Eastern Europe, Union for the Mediterranean, the South East European Centre for Entrepreneurial Learning and the Education Reform Initiative of South East Europe that target the area of human capital.

The objectives included in the cooperation agreement signed with the European Group on Public Administration (EGPA) as well as those of the declarations of intent agreed with the Union for Mediterranean Secretariat, ILO Turin Training Centre and the International Vocational Training Association (IVETA) will be followed.

Over the next years, the ETF will increase its cooperation with private sector stakeholders, social partners and civic society organisations, such as NGOs working in the field of youth and women's employment and entrepreneurship.

## 3 Management

### 3.1 Planning

The ETF's annual planning and programming cycle starts with dialogue with the EU institutions and main stakeholders, policy assessments and environmental analyses. In 2012, the ETF developed its strategy for 2014-20. Following the recommendations from the last external evaluation, the intervention logic was reviewed in 2012 and an attempt to reconstruct a nested logframe for the whole period 2010-13 was introduced in 2013. This became a part of the ETF 2014-20 strategy and is accompanied in this MTP by a multi-annual logical framework matrix focusing on the objectives and results of the ETF's core mission.

A critical challenge for the ETF is to continually improve the relevance and measurability of its objectives and indicators. This involves further enhancing the planning mechanism, methodology and process within the ETF programming cycle. Being aware of its resources and changing environment, the ETF aims in the current planning period at:

- further integrating the programming, budgeting and management processes;
- introducing the multi-annuality principle and developing it in terms of planning and budgeting;
- improving the planning process and tools in line with the Common Approach statement from the European Commission, European Council and the European Parliament and the EC roadmap for the agencies.

### 3.2 Performance-based Management Framework

In 2012 the ETF adopted a Performance-based Management Framework (PMF) (ETF/12/DEC/010), to set up an integrated system to effectively and efficiently manage the performance of all activities, processes and resources, and to ensure the achievement of the organisation's mandate and objectives, whilst fulfilling the needs and expectations of its stakeholders, management and staff. The PMF is based on a cascading logic from corporate through to individual staff members. It focuses on the management of results across all its key management processes. The framework has the dual purpose of driving internal performance towards continuous quality improvement while providing a clear reference for external accountability.

#### Internal Control Standards

To reinforce the message of the PMF and the commitment of the organisation to it, the ETF has integrated the main principles with the existing internal control standards. Additionally, risk management is also an important enabler of good performance. Performance management is underpinned by effective risk management and internal control activities.

The overall standards framework provides the quality benchmark standards to achieve efficiency and effectiveness in the organisation's operations. The ETF objective in this area is therefore to confirm the effective deployment of all elements and components of the framework thus achieving

#### Risk management

The objective for 2014-17 is to further develop quality and risk management as an integral part of the planning and management cycle and processes through the implementation of lessons learned from the monitoring and evaluation process, annual internal reviews, self-assessment exercises and audit recommendations. The aim is to embed these elements into the organisational culture.

#### Internal audit

The Internal Audit Service of the Commission (ETF internal audit capability) audits the ETF's organisational management and control system by providing an independent and objective assurance

and consulting service to add value and improve ETF operations. The ETF values the constructive role of its internal auditor to ensure that any weaknesses in the ETF management and control system are identified and systematically addressed by proportional improvement actions. Improvement actions support the achievement of the ETF's overall mission in the mid-term while complying with its regulatory framework and demonstrating the effectiveness of its internal management.

### Process management

Process management is one the pillars of the Performance-based Management Framework. In 2014-17 work will progress on three strands concerning process management:

1. Maintaining documentation on existing process and procedures;
2. Developing and deploying processes included in the ETF's key processes and procedures; and
3. Developing solutions to improve the management of information and knowledge to ensure more efficient processes.

### Monitoring and evaluation

Monitoring and evaluation aims at measuring the achievement of the ETF's operational objectives on the basis of output targets and indicators. The ETF's monitoring and evaluation function forms a basis for informed decision-making in planning and implementation. Further developments of this key function during the planning period aim at reinforcing ETF capacity to manage its effectiveness and efficiency by:

- focusing on results and reinforcing the on-going analysis of the progress of projects and activities towards achieving planned results (this will be supported by the nested logframe approach used for the multiannual planning period 2014-17);
- introducing and developing the multi-annuality principle;
- fully implementing, reviewing and improving the monitoring and evaluation tools and processes within the Performance-based Management Framework introduced in 2012

This work is supported by quarterly reporting and a dedicated IT tool, the ETF dashboard.

The ETF will continue to monitor and evaluate the progress of the implementation of the mid-term perspective through its annual work programmes.

### 3.3 Human resources management

While considering and implementing the revised Staff Regulations and related implementing rules, human resources management in the next four years will continue to:

- focus on increasing efficiency by improving processes and reinforcing the range of ICT support tools;
- invest in the professional development and motivation of staff by fostering adequate and innovative learning opportunities;
- develop and implement plans for strengthening professional capacity and institutional memory through knowledge management, in-house dialogue and sharing;
- enhance the working environment and culture to attract and retain high-quality staff by implementing improvement actions deriving from the results of regular staff surveys.

### 3.4 Financial management

Having introduced activity-based budgeting that integrates planning, budgeting, management and reporting processes, as well as decentralised financial management in a risk-based proportionality approach, the ETF will focus on further efficiency gains and the consolidation of its budget performance.

Measures will focus on the zero-based budgeting principle aiming to move from input-focused budgeting (cost oriented) to result-focus budgeting.

The ETF will increasingly seek cost beneficial deployment of EC financial management systems, and electronic means of communication in the area of finance and procurement providing further guarantees of efficiency and compliance with its regulatory framework which will be reviewed during the mid-term perspective period.

### 3.5 Facilities management

With the signature of a three-year rental contract with the Piedmont regional administration, the ETF will, after many years of deferring expenditure on the building, invest in improving the fabric and furnishing of its premises. The current contract will come to an end in 2015 and the risk of it not being continued still exists.

The ETF will seek a continuous increase in efficiency in facility management and look into the possibility for further service outsourcing.

In the area of health and safety, the ETF will continue to respect the relevant applicable laws. In cooperation with local and national authorities, the ETF will do its best to ensure the building is safe and healthy, implementing corrective measures to avoid water infiltration and its consequences.

### 3.6 Information and communication technology

In the mid-term, Information and Communication Technology will ensure the continued evolution of systems and services supporting the operations and administration of the ETF. During this period a major investment will be required to renew the ETF's core ICT infrastructure and networks.

ICT governance sustains and extends the ETF's strategies and objectives and is ensured through leadership and organisational structures and processes.

Specific projects will address emerging knowledge, document and information management needs, the ETF's web presence including social business and collaboration needs. ICT will also address staff needs for mobility and enhance the efficiency of the ETF's administrative systems in the area of financial management and human resources.

### 3.7 Business continuity

The ETF has had a business continuity plan in place since 2009 and has been carrying out business continuity trials annually since 2010. In the mid-term, the ETF will review and enhance its business continuity and disaster recovery arrangements, in particular to ensure a more rapid recovery of ICT systems.

### 3.8 Inter-institutional and interagency cooperation

The ETF will continue to work closely with the European institutions, the inter-institutional bodies (EPSO, PMO, EUSA, OIB) and other agencies to share experience and good practice on management and administrative issues and to make efficiency gains through joint actions, particularly in the light of the findings of the Common Approach on Agencies agreed between the EU institutions.

The ETF operates in compliance with Regulation 45/2001 on the protection of personal data. ETF activities involving the processing of personal data are therefore mapped and recorded in standardised processes and submitted for prior checking to the European Data Protection Supervisor as applicable to assess compliance with Regulation 45/2001. The EDPS also provides advice, guidance and training on the processing of personal data.

The ETF supports the Ombudsman upon request in case of enquires. It also pays particular attention to the Ombudsman Annual Report to adapt as applicable, relevant practices and procedures. The Ombudsman often participates in the network of agency procurement officers (NAPO) and provides advice and guidance on procurement related issues.

## 4 Resources

### 4.1. Financial resources

For the period 2014-17 the ETF expects to receive a total of €84.74 million from the EU budget, as follows<sup>40</sup>:

(million €)	2014	2015	2016	2017	Total 2014-17
ETF Subsidy Title 1 & 2	15.161	16.142	16.423	16.697	64.423
ETF Subsidy Title 3	4.983	4.965	5.107	5.263	20.318
<b>Total</b>	<b>20.144</b>	<b>21.107</b>	<b>21.530</b>	<b>21.960</b>	<b>84.741</b>

Of this subsidy, 76% corresponds to Titles 1 and 2 (staff expenditure and building, equipment and miscellaneous operating expenditure), while 24% corresponds to Title 3 (expenses relating to the performance of specific missions through outsourcing of services)<sup>41</sup>. This reflects the ETF's profile as a centre of expertise, whose main asset is the expertise of its staff.

Other project-related revenue may be added to this budget from other EU funds, bilateral aid or international organisations<sup>42</sup>.

The ETF intends to fulfil its mandate, prioritising its activities in a results-oriented perspective in line with the expectations of its stakeholders while making efficient use of all its financial resources.

### 4.2. Human resources

The ETF's human resources are its most valuable organisational asset. In 2014-17, the ETF will deploy the following staff<sup>43</sup>:

	2014	2015	2016	2017
TA	94	94	93	92
CA	39	40	40	40
LA	2	2	2	2

<sup>40</sup> As foreseen in the ETF proposal for the Legislative Financial Statement 2014-20.

<sup>41</sup> See table in the Annex relating to regions, functions and titles.

<sup>42</sup> See art. 15.3 and 15.4 of the Council Regulation (EC) no. 1339/2008.

<sup>43</sup> As foreseen in the ETF proposal for the Legislative Financial Statement 2014-20.



SNEs	0	0	0	0
<b>Total</b>	<b>135</b>	<b>136</b>	<b>135</b>	<b>134</b>

Since the adoption of its recast mandate in 2008, the ETF has been striving to reduce the number of staff in central administrative functions while at the same time maximising the number of experts it deploys. Following the major reorganisation of its central administration in 2010-11, which resulted in a reduction in the percentage of staff working in selected central administrative functions from 33% to 22%, the 2014-17 period will be one of consolidation and incremental improvement in order to absorb a 5% reduction of its staff without impact on the ETF's delivery of its core business activities. Any further staff cuts decided by the budget authority will mean a corresponding reduction in the ETF's expertise capacity.

In order to optimise the contribution of staff, the ETF will continue investing in the professional development and motivation of staff and will foster in-house dialogue and employee engagement.

## 5 Communication

Communication, information and knowledge-sharing are key to ensuring a clear and common understanding of the role of the ETF in supporting human capital development within the context of the EU external relations policies.

By projecting the role of the ETF in major developments in Europe following the fall of the Berlin Wall, the war in South Eastern Europe and the Arab Spring, as well as the on-going services, activities and achievements, corporate communication during the 2014-17 will promote the ETF as a leading EU agency and an international centre of expertise in human capital development.

In 2014 the ETF will organise two corporate conferences on the topics of qualifications and governance. 2015 and 2017 will see corporate conferences linked to the Torino Process.

### 5.1 Objective

The principle aims of ETF corporate communication activities are to support policy development and knowledge-sharing in the ETF's field of competence and responsibility, enhance the impact of the EU external assistance programmes, develop communication with citizens in line with the European Commission's communication policies by working in partnership with the EU institutions and bodies on mainstreaming information and encouraging dialogue and debate, as well as ensuring employee engagement within the organisation.

The ETF's main emphasis will be on promoting its achievements and activities through information and exchanges of expertise, knowledge-sharing and experience through print and digital publications, the internet, social media, meetings and other appropriate means, taking particular account of new technologies and the linguistic diversity of our main audiences (which include EU institutional stakeholders, stakeholders in the partner countries as well as counterparts in other international organisations working in a similar field).

### 5.2 Main goals

In order to achieve our objectives, the ETF aims to:

- support knowledge-sharing and capacity building on human capital development in ETF partner countries;
- enhance two-way communication and debate on human capital development issues between the EU and partner countries;

- facilitate and work together with European and national authorities, decision makers and organisations to share knowledge, expertise and support in the field of human capital development;
- raise the profile of the ETF as a centre of expertise by providing authoritative information and contributing actively to international debate on human capital in transition and developing countries.

To be successful, the ETF's internal and external information and communication activities must be distinct, visible, proactive, regular and transparent. Corporate communication will use a variety of off and online channels to achieve the strongest impact, in particular digital media, including e-publications, social and audio-visual media.

The ETF must stand out as an EU body open to politicians, authorities, organisations and the public, and the information gathered must be made freely available.

### 5.3 Results

- Decision makers and citizens in the EU and in the partner countries provided with independent and reliable information on human capital development in the context of the ETF's mandate;
- The ETF is branded as the EU agency involved in EU external relations policy actions and as a centre of expertise by providing authoritative information and contributing actively to the international debate on human capital in transition and developing countries;
- Openness and engagement are promoted with a wider audience on vocational education, training and employment through the enhanced use of social media;
- Efficient internal communication is ensured as are tools for knowledge sharing and promoting quality, service and effectiveness at work.

# ANNEXES

## Annex 1: European policy context by geographical and thematic coverage

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
	EU policies for education, training and employment						
1	EU 2020 Strategy European Council Conclusions (17/06/2010) and European Commission Communication (03/03/2010)	The Lisbon Strategy developed for the period 2000-10 to provide a framework for a European-wide approach to economic growth has been updated through the Europe 2020 strategy. The Europe 2020 strategy identifies two key flagship areas for human capital development within the EU. These are: ‘Youth on the move’ and ‘An agenda for new skills and jobs’. In addition, the European Platform against Poverty and Social Exclusion sets out actions to reach the EU target of reducing poverty and social exclusion by at least 20 million by 2020.		√	√	√	√
2	A strategic framework for European Cooperation in education and training (ET 2020)	The strategy has the following objectives for education and training in the EU to: make lifelong learning and mobility a reality; improve the quality and efficiency of education and training; promote equity, social cohesion and active citizenship; and, enhance creativity and innovation, including entrepreneurship, at all levels of education and training.	The Torino process related activities, both the overall principles of the Process as such but also the specific analytical framework are highly inspired by the E&T 2020 framework and in particular the Copenhagen process.	√	√	√	√

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
3	The Bruges Communiqué on enhanced European Cooperation in Vocational Education and Training 2011-2020	The global vision for vocational education and training in 2020 indicates that European VET systems should be more attractive, relevant, career-oriented, innovative, accessible and flexible and should contribute to excellence and equity in lifelong learning.	<p>In the case of the Candidate countries, they fully participate in the Bruges reports with the support of the ETF teams. The Torino process related activities, both the overall principles of the Process as such but also the specific analytical framework are highly inspired by the E&amp;T 2020 framework and in particular the Copenhagen process.</p> <p>The so called "2014 Review" will focus on the definition of the short term deliverables, the basis remaining the strategic objectives defined in the Bruges Communiqué and the progress Member States and the candidate countries have made in the period 2011-2014, both to be considered in the context of the economic crisis with high youth unemployment. It is foreseen to adopt again both Council Conclusions as well as a Communiqué by early 2015. The ETF will contribute to this process.</p>	√	√	√	√

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
4	Rethinking Education: Investing in skills for better socio-economic outcomes, 20.11.2012, COM (2012) 669 final	The Communication promotes employability, competitiveness and intercultural dialogue in fostering transversal key competences in LLL policies The Communication covers: developing world-class vocational education and training to raise the quality of vocational skills; promoting work based learning including quality traineeships, apprenticeships and dual learning models to help the transition from learning to work; promoting partnerships between public and private institutions (to ensure appropriate curricula and skills provision); promoting mobility through the proposed Erasmus for All programme.	The ETF will continue to cooperate with Cedefop to produce the state of play of the VET systems in the candidate countries. For the other partner countries, the ETF will use the Torino process exercises to determine the state of the art and vision for VET in each country and provide an assessment of the progress that countries are making in achieving the desired results. The ETF will act as a key stakeholder promoting the principles of the Alliance in the partner countries. With the support of the European Commission the ETF will follow in the period of 2014-17 actions related to the simplification of qualifications frameworks and contributing to the elaboration of European criteria and procedures for recognition of qualifications for learning purposes at all levels, promoting coherence between the different European credit transfer systems and the different European quality assurance arrangements. he ETF will borrow on the EU's policy guidance on entrepreneurship education in the upgrading of the policy indicators for Eastern Europe, South Eastern Europe and Turkey and the Southern and Eastern Mediterranean, as well as integrating the EU entrepreneurship education indicators within its monitoring framework for South Eastern Europe and Turkey. The ETF promotes the cooperation between the education, training and research as part of the evidenced based policy analysis as Torino process, SBA, Employment/Employability Analysis. Cooperation between VET and business is promoted by the ETF through both governance related actions and the ones aiming to increase the relevance of VET provision such as qualifications development, work based learning, enterprise learning and skills development for SME's, skills anticipation and matching	√	√	√	√

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
5.	A new impetus for European cooperation in vocational education and training COM(2010) 296 final	The priorities that give vocational education and training a new impetus include: ensuring access to training and qualifications; promoting mobility; ensuring the highest possible quality of education and training; providing more opportunities for disadvantaged groups; and nurturing creative, innovative and entrepreneurial thinking in students.	The ETF has been a pioneer in the partner countries and regions on the field of qualifications and quality. ETF provides expertise to the partner countries and runs the Qualifications platform, in particular updating the inventory on progress made in the development and implementation of qualifications in the partner countries	√	√	√	√
<b>EU migration and mobility external policy</b>							
6	Communication on migration COM (2011) 248 final, 4.05.2011	The document indicates that there is a need for the EU to strengthen its external migration policies, using the partnerships with third countries that address the issues related to migration and mobility in a way that makes cooperation mutually beneficial. The EU has established structured dialogues on migration and mobility with neighbouring countries, both with the EaP and the South Mediterranean partners. Some of these dialogues have evolved to Mobility Partnerships as in the cases of Armenia, Georgia, Moldova in the East and Morocco in the South. Dialogues with Tunisia, Jordan and with Azerbaijan might eventually lead to Mobility Partnerships.	There is a specific project on Migration and skills focusing on the skills dimension of migration, the validation of skills of returnees and other measures facilitating the circular migration. The ETF also supports the different countries with a Mobility Partnership agreement, or in a process of having one.		√	√	

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
7	A dialogue for migration, mobility and security with the southern Mediterranean countries 24.5.2011, COM(2011) 292	The Communication supports and encourages reforms to improve security giving partner country citizens a possibility of mobility to the EU while addressing illegal migration flows. Mobility partnerships could also encompass specific schemes for facilitating labour migration between interested Member States and the southern Mediterranean countries.	There is a specific project on Migration and skills focusing on the skills dimension of migration, the validation of skills of returnees and other measures facilitating the circular migration. The ETF also supports the different countries with a Mobility Partnership agreement, or in a process of having one.		√		
8	The Global Approach to Migration and Mobility	The Global Approach is defined as the overarching framework of EU external migration policy, complementary to other, broader, objectives that are served by EU foreign policy and development cooperation. Education and training play a crucial role in successfully integrating migrants into society and the labour market and therefore are an important element in all migration dialogues and Mobility Partnerships.	There is a specific project on Migration and skills focusing on the skills dimension of migration, the validation of skills of returnees and other measures facilitating the circular migration. The ETF also supports the different countries with a Mobility Partnership agreement, or in a process of having one.		√	√	
<b>Development policy</b>							
9	Increasing the impact of the EU Development Policy: an agenda for change, 13.10.2011- COM (2011)637 final	The Communication proposes to continue the support for social inclusion and human development through at least 20% of EU aid. A greater focus will be on investing in drivers for inclusive and sustainable economic growth. Through capacity-building and exchange of knowledge, the EU will support vocational training for employability and capacity to carry out and use the results of research.	The EU Development Agenda inspires the whole activities of the ETF, in particular the Neighbourhood and Central Asia regions. Social Inclusion has a particular emphasis in the enlargement region. Sustainable economic growth is supported by the ETF in the contribution the VET systems and the entrepreneurial learning activities can make to it.		√	√	√



No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
Enterprise and entrepreneurial learning							
10	Small Business Act for Europe ,26.06. 2008 Euro Med Charter for Enterprise Charter signed by the ministries of industry in 2004	The European Union's Small Business Act frames the EU's approach to supporting small business development, including the contribution to human capital development. Its key objectives include promotion of entrepreneurial learning and enterprise skills.	The ETF supports these objectives through regular indicator-driven assessments.	√	√	√	
11	Entrepreneurship 2020 Action Plan COM(2012) 795 final, 9.1.2013	The Action Plan sets out a renewed vision and a number of actions to be taken at both EU and Member States' level to support entrepreneurship in Europe. It is based on three pillars: developing entrepreneurial education and training; creating the right business environment; role models and reaching out to specific groups.	The ETF (together with OECD, EIB and DG ENTR) contributes to the SBA assessments in the different regions. The Action Plan has been examined and its implications considered for ETF's work since it was consulted in 2012. The CoP on Entrepreneurship and Enterprise skills will use as reference tool.	√	√	√	
12	Small Business, Big World — a new partners hip to help SMEs seize global opportunities 9.11. 2011	The Communication set the objectives to i) provide SMEs with easily accessible and adequate information on how to expand their business outside the EU; ii) improve the coherence of support activities; iii) improve the cost-effectiveness of support activities; iv) fill existing gaps in support services and v) establish a level playing field and provide equal access for SMEs from all EU Member States.		√	√	√	√

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
External relations policies and instruments							
South Eastern Europe and Turkey							
13	Instrument for Pre-accession Assistance (IPA II), Brussels, 7.12.2011 COM(2011) 838 final	The Instrument for Pre-accession Assistance (IPA) remains the financial pillar of the Enlargement Strategy, encompassing all aspects of internal policies and thematic issues. The aim will be to ensure that candidate countries and potential candidates are fully prepared for possible accession by encouraging them to adapt emerging EU strategies and policies into their national priorities.	The ETF will focus its interventions on assisting the countries to develop more coherent and strategic approaches in line with their visions, strengthen impact through improved institutional arrangements and monitor progress. Support to the preparation of annual or multi-annual programmes to be adopted under IPA II will be a cornerstone of ETF support to the Commission services in the period.	√			
14	European Union Strategy for Danube Region COM(2010) 715	The document stresses the importance of investing in people so that the region can progress and grow sustainably, prioritising knowledge and inclusion. Building on success, parts of the region will open access to further education, and modernise training and social support.		√			
15	SEE 2020 Strategy ( draft)	The strategy is based on five pillars: integrated, smart, sustainable and inclusive growth, and good governance for growth. The basic goal of SEE 2020 is to improve living conditions and put competitiveness and development back into focus in each country and the entire region. In that sense, the document leans on the EU Europe 2020 strategy. The most important SEE 2020 targets include: employment growth rate (12%), increase in mutual trade by 230%, and an increase in GDP from the current 38% to 46% of the EU average.		√			
European Neighbourhood							

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
16	2012 ENP Package: Communications 1) Delivering on a new Neighbourhood Policy and 2) Eastern Partnership Roadmap 15.05. 2012 (COM(2012)13 and 14,SWD (2012)108-124	The 2 Communications 1) look at the implementation of EU's new approach towards the neighbourhood as launched on 25 May 2011 and 2) set out a roadmap for the implementation in the East till the new Eastern Partnership Summit in autumn 2013. Several SWDs and 12 country progress reports are part of the package.	The ETF is a regular reporter on HCD to the Neighbourhood Progress Reports. The communication also frames the contribution of the ETF to programming of ENPI in the SEMED and EE regions		√	√	
17	A response to a changing neighbourhood 25.05.2011, COM(2011) 303	The EU approach aims to: provide greater support to partners engaged in building deep democracy, support inclusive economic development, strengthen the two regional dimensions of the European Neighbourhood Policy covering the Eastern Partnership and the southern Mediterranean and provide the mechanisms and instruments fit to deliver these objectives. Cooperation under the Eastern Partnership will continue with policy dialogue in areas such as: education, youth and culture as well as employment and social policies.	The response to the requests coming from countries involved in the Arab Spring will continue to give a priority to the political commitments highlighted in the Communication. They also inspire the priorities of the whole Neighbourhood south region.		√	√	
18	A European Neighbourhood Instrument, Brussels, 7.12.2011 COM(2011) 839 final	The European Neighbourhood Instrument (ENI) will benefit the EU's neighbouring countries supporting deeper political cooperation, closer economic integration with the EU and an effective and sustainable transition to democracy. Cooperation with the EU's neighbours will be based on the 'more for more' principle, as proposed in the Joint Communication of the High Representative of the EU for Foreign Affairs and Security Policy and the European Commission 'A new response to a changing Neighbourhood'.	The ETF supports the human capital development priorities of the action plans and helps the countries involved to develop education, training and employment systems that produce skills and competencies relevant to participation in the internal market and economic growth more generally and also contributes to the development of democratic societies. The ETF's actions in the European Neighbourhood support these specific regional initiatives in the context of the overall priorities of the Neighbourhood Policy.		√	√	

No.	Paper	Content	ETF Mid-term Perspective	Geographical coverage			
				South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
19	Joint Communication "Delivering on a new European Neighbourhood Policy" (JOIN(2012)14, 15 May 2012)	Progress achieved in 2011 under the new European Neighbourhood Policy was assessed, as well as in the related regional and country progress reports covering the year 2011. Specific activities concerning VET were also included and highlighted in the Roadmaps towards 2013 for the Eastern Partnership and the Partnership for Democracy and Shared Prosperity, which were issued in conjunction with the progress reports.	The ETF supports the human capital development priorities of the action plans and helps the countries involved to develop education, training and employment systems that produce skills and competencies relevant to participation in the internal market and economic growth more generally and also contributes to the development of democratic societies.		√		
<b>Southern and Eastern Mediterranean</b>							
20	A Partnership for Democracy and Shared Prosperity with the Southern Mediterranean The Joint COM(2011) 200 final	Education is a key focus of EU activities in the region. Tackling high levels of illiteracy is an important element to promoting democracy and ensuring a qualified workforce to help modernise the southern Mediterranean economies. Vocational education and training also has an important role to play in addressing disparities.	The ETF will support the partner countries in identifying the key strategic components on an integrated VET policy. Exchanges of best practice on programmes enhancing the skills of unemployed people will be encouraged.		√		
<b>Central Asia</b>							
21	A financing instrument for development cooperation Proposal for a Regulation of the European Parliament and of the Council, Brussels, 7.12.2011 COM(2011) 840 final		The ETF supports the implementation of the EU-Central Asia Education Platform which started in February 2012 and aims to strengthen education reforms in the region by promoting policy dialogue as well as improving the coordination of donor financed education projects and programmes.				√

## Annex 2: Torino Process needs assessment 2012

Regional Priorities  Building Block	Policy priorities captured in regional reports			
	South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
Vision	<ul style="list-style-type: none"> <li>Shared vision across institutions for effective HCD governance</li> <li>Strengthened link between VET vision and EU policy framework; lifelong learning and economic development</li> </ul>	<ul style="list-style-type: none"> <li>New visions to support Arab Spring reforms</li> <li>Capacity development for participatory approaches, synergy with employment, economic and social development</li> <li>Vision for expansion of VET at middle and higher technical levels; improving the quality of postsecondary VET and “vocationalising” higher education</li> <li>Coordination of national vision and donor contribution</li> </ul>	<ul style="list-style-type: none"> <li>Capacity development for implementation of visions</li> <li>Maintenance of vision and development of legislation for CVET</li> <li>Developing vision for post-secondary VET</li> <li>Vision with links and pathways between VET and LLL</li> <li>Scaling up reforms from pilot actions to mainstream policy</li> <li>Improving attractiveness of VET compared with higher education</li> <li>Improve quality of research on VET</li> </ul>	<ul style="list-style-type: none"> <li>Re-inforce link between labour market and economic development</li> <li>Enhancing attractiveness of VET</li> <li>Learning from international developments</li> <li>Shared institutional co-operation in vision development and implementation</li> </ul>
External Efficiency (economic)	<ul style="list-style-type: none"> <li>Capacity-building and incentives for social partner involvement in labour market information and assess skills needs</li> <li>Sector councils to support qualifications and competence development</li> <li>Economies of scale through Multifunctional Centres and Centres of excellence in VET</li> <li>Resourcing and serving different learners, employers and the community for transition to employment (see also governance below).</li> </ul>	<ul style="list-style-type: none"> <li>Developing employment strategies which supporting youth transitions from VET to labour market</li> <li>Sector councils to support qualifications and competence development</li> <li>Skills needs analysis from different sources (incl. also tracer studies, employer surveys and evaluations)</li> <li>Improving private sector in VET delivery, e.g., extending apprenticeships where possible</li> </ul>	<ul style="list-style-type: none"> <li>Availability and quality of labour market information, including forecasting</li> <li>Improving the labour market relevance of initial and CVET</li> <li>Improve links between public provision of VET and business sector, especially for small business</li> <li>Entrepreneurial learning for different target groups – schools based VET and unemployed</li> </ul>	<ul style="list-style-type: none"> <li>Qualitative assessments of skills needs taking into account national economic development sectors, including small business</li> <li>Developing work based learning systems to increase relevance of VET provision and transition to employment</li> </ul>

Regional Priorities Building Block	Policy priorities captured in regional reports			
	South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
External Efficiency- (social cohesion)	<ul style="list-style-type: none"> <li>Promoting access and equity/ equal opportunities/ access to all particularly the most vulnerable</li> <li>Targeted measures for inactive, low skilled, long term unemployed</li> <li>Targeted measures for provide access in mainstream VET for women, rural communities and ethnic groups</li> </ul>	<ul style="list-style-type: none"> <li>Expanding adult training provision, in particular for vulnerable groups of people and including second chance training</li> <li>Targeted measures to increase the employability, or chances to engage in some gainful economic activity, of first labour market entrants (in particular for young people not in employment, education or training - NEETs), including crafts skills or other types of vocational skills, entrepreneurship training;</li> <li>Specific measures to increase women's participation in the labour market</li> </ul>	<ul style="list-style-type: none"> <li>Expanding adult training provision, in particular for vulnerable groups of people and including second chance training</li> </ul>	<ul style="list-style-type: none"> <li>Expanding adult training provision, in particular for vulnerable groups of people and including second chance training;</li> <li>Measures to minimise drop outs from secondary school VET provision</li> </ul>
Internal efficiency	<ul style="list-style-type: none"> <li>Embedding key competences into the VET curriculum</li> <li>Work-based learning and apprenticeships</li> <li>Enhance the skills of VET teachers and trainers</li> <li>Expanding labour market-oriented VET at postsecondary and tertiary levels</li> <li>Adult training: Expanding the offer and improving the quality of training for low-skilled adults, jobseekers and employed people</li> </ul>	<ul style="list-style-type: none"> <li>Embedding key competences into the VET curriculum</li> <li>Career information and guidance systems</li> <li>Enhance the skills of VET teachers and trainers</li> <li>Development and implementation of qualifications frameworks</li> <li>Qualifications and Quality assurance</li> </ul>	<ul style="list-style-type: none"> <li>Design and implementation of NQF</li> <li>Improving pre- and in-service teacher training</li> <li>Postsecondary/ higher VET (for both secondary general and VET graduates) as an alternative or complementary to higher education,</li> <li>Career information and guidance systems</li> </ul>	<ul style="list-style-type: none"> <li>Professional development of VET teachers and instructors in schools and in companies</li> <li>Developing pathways/NQF between VET and other education provision (for example integration of short courses into lifelong learning)</li> <li>Mobility instruments – validation of prior learning</li> <li>Career information and guidance systems</li> </ul>
Governance and financing	<ul style="list-style-type: none"> <li>Overcoming fragmentation in VET system development Building capacity and institutional role for involvement of social</li> </ul>	<ul style="list-style-type: none"> <li>Overcoming fragmentation in management of VET and structured</li> <li>Enhance private sector participation in</li> </ul>	<ul style="list-style-type: none"> <li>Involving or strengthening the involvement of employers or a wider range of stakeholders in VET governance at different levels</li> </ul>	<ul style="list-style-type: none"> <li>Multilevel education business cooperation including at national, regional school level for secondary and post</li> </ul>

Regional Priorities Building Block	Policy priorities captured in regional reports			
	South Eastern Europe and Turkey	Southern and Eastern Mediterranean	Eastern Europe	Central Asia
	<p>partners in VET governance</p> <ul style="list-style-type: none"> <li>■ Creating or strengthening regional structures and empowering regional actors regional partnerships for employment, also with a view to prepare for ESF</li> <li>■ Strengthening multifunctional centres for VET for governance and efficiency (see above)</li> <li>■ Defining NQF as a vehicle for governance</li> <li>■ Re-examining the allocation and use of funds to increase efficiency; stimulating private investment (e.g. expanding apprenticeship and voucher schemes); allow schools to generate and retain additional income</li> </ul>	<p>VET provision</p> <ul style="list-style-type: none"> <li>■ Further decentralisation of responsibilities for VET and empowering regional actors; increased autonomy of schools</li> <li>■ Re-examining the allocation and use of funds to increase efficiency; incentives for private sector to (co-invest; innovative funding schemes such as Training Funds or voucher schemes ('chèque formation'))</li> <li>■ Pooling of resources for VET by creating 'poles d'excellence'.</li> </ul>	<p>(national – (regional) –local)</p> <ul style="list-style-type: none"> <li>■ Empowerment of schools' autonomy</li> <li>■ Enhance funding mechanisms through PPP, and rationalization, of school networks</li> </ul>	<p>secondary/adult learning</p> <ul style="list-style-type: none"> <li>■ Infrastructure investments in buildings, equipment and materials)</li> <li>■ Public and private partnerships in VET delivery</li> </ul>



## Annex 3: Torino Process conference declaration 2013

The Torino Process conference, 'Moving Skills Forward', hosted by the European Training Foundation (ETF) in Turin on 8-9 May 2013 has brought together representatives of the ETF partner countries, European Union Member States and international organisations to discuss how to move skills forward.

Inspired by the findings of the Torino Process 2012 involving 25 countries, and informed by the experiences of the ETF partner countries, international best practice, and the EU 2020 Strategy, EU external relations policies and Copenhagen Process on enhanced cooperation in vocational education and training (VET), we have focused on present and future demand for skills as well as the processes needed to achieve progress. The goal is innovative, inclusive, resilient lifelong learning systems that support sustainable growth.

The conference has been a valuable opportunity for policy leaders, practitioners, experts, the business community and civil society to share knowledge and experience, and to build a network of expertise which can move skills forward.

It has also been an important forum for ETF partner countries to share achievements and to learn about policy progress in other countries. We acknowledge the important progress we have made in developing and implementing VET policies since 2010. Policy makers increasingly recognise that VET is essential to meet the needs and aspirations of young people and adults for jobs, growth and social inclusion.

The Torino Process has had an impact in our countries and we welcome its further development in 2014, which will see a stronger focus on country-led analysis and wider participation of stakeholders, including regional and local authorities, the business sector and civil society. We also welcome the opportunity in 2014 to focus on the impact of policies, their relevance, sustainability, cost-effectiveness and contribution to innovation on the basis of evidence in a policy cycle perspective.

We acknowledge the validity of the Torino Process principles: their holistic approach to education and training; their emphasis on national ownership and leadership; the active participation of social, political and economic stakeholders; and the focus on evidence to guide policy analysis and decision-making. We support the aim of the Torino Process, namely to increase the evidence base for policy development. The conference showed more countries taking the lead in analysing VET policies in the light of their contexts, visions and labour market needs.

The conference confirms the main policy priorities facing partner countries:

- A shared, long-term vision focused on the development and use of relevant skills for better quality jobs for young people and adults in partnership with VET providers and business.
- The role of innovation and forward-looking policy-making to enable education and training to respond to current and future needs and equip citizens with better skills for employability, entrepreneurship and successful transition from education and training to work.
- The closer integration of learning and work by actively engaging businesses both large and small at national, local and sectoral levels, and diversifying VET provision also through post-secondary institutions and work-based learning.
- Making social inclusion a key transversal principal in VET policy and practice.
- Improving the attractiveness of initial and continuing VET through frameworks for quality assurance; national qualifications systems and pathways for progression and participation that lead to valued employment.

- Enhancing the quality of VET by developing the competences of teachers and trainers to support better learning outcomes.
- Effective sharing of responsibilities in the governance of education and training systems, including sound policy coordination across government and between national and local levels, including business and civil society.

Meeting the challenge of these priorities requires leadership which ensures that policy formulation and implementation is monitored and evaluated to benchmark progress. In this respect, the conference supports the further development of the Torino Process analytical framework towards stronger analyses of the outcomes, cost-effectiveness, sustainability and innovative capacity of public policies. The conference also confirms the need for policy making bodies to engage in a joint policy learning cycle, to assess the impact of policies, learn from experience and move forward to deliver relevant skills.

The conference outlines the following areas for joint action to move skills forward:

4. Identify areas for policy support in each country using evidence, analysis, scenarios and foresight, and prioritise them for follow up and implementation through strategies and short-term deliverables that are realistic in the national context;
5. Monitor progress on the basis of indicators measuring results using the 2012 Torino Process as a national baseline: in addition, for interested countries, developments can be monitored against relevant EU, ETF and international benchmarks for education and training;
6. Increase the use of evidence in policy making, assessing what works, and disseminating good practice achieved bearing in mind national contexts;
7. Broaden participation in policy analysis and policy making to actively include all relevant stakeholder groups, including young people, making use of social media to increase public policy transparency and participatory processes;
8. Develop methodological tools to support policy development in the partner countries according to the priority areas identified
9. Ensure education and training are labour-market oriented and serve entrepreneurial and local communities with the active involvement of business at all levels.

We welcome the ETF's support and cooperation in policy analysis and policy learning. We call upon the EU and the international community to work together in the on-going effort to move skills forward. We thank the EU and the ETF for this rich learning opportunity and look forward to the next round of the Torino Process in 2014.

## Annex 4: Implementation of qualifications and governance thematic areas

### Qualifications and qualification systems

POLICY STAGE/ IMPLEMENTATION LEVEL	DESCRIPTOR	MODALITY OF WORK	TARGET INTERVENTION(S) BY POLICY STAGE
Ad- HOC	Policy discussions, where discussion or debate is taking place about change, but there are as yet no clear plans for a policy or implementation	Awareness	Define needs including institutional capabilities and, if in line with government' agenda define a road map for action Institutional capabilities needs assessment
INITIAL	Policy, where the direction is set, perhaps through a law or a high level decision, but there are as yet no clear plans or strategies for implementation,	Conceptualization	Training of actors on content, tools and methods. Development of strategies and legal framework, institutional architecture.
STRUCTURED	Implementation, where the infrastructure to make change happen is in place and arrangements such as a leading organization and funding arrangements have been decided on	Implementation	Pilot of actions to support the policy implementation, establishment of routine performance tracking and delivery mechanisms at all levels in the system. Work on extended network for improved delivery
DEFINED	Change in practice, where pilot schemes and full scale implementation mean that providers or other stakeholders are taking policy through to the final stage, which is full implementation	Implementation/monitoring policy cycle in place	Support of review processes and partnership approach, including consolidation of capacity across network for consolidation preparation.
CONSOLIDATED	Effect, where the new system brings benefit to learners, stakeholders, organizations or society, and where reform or policy change can be evaluated.	Policy learning independent	Exit – act as external evaluator/critical friend Impact evaluation and self-renewal

## Governance

POLICY STAGE/ IMPLEMENTATION LEVEL	DESCRIPTOR	MODALITY OF WORK	Target intervention(s) by policy level
Ad- HOC	Roles and responsibilities of actors are not clear, processes are difficult to track, partnership is not developed and actors are not organized and/or connected. There is no clarity of approach neither clarity of strategies in place, consultation among individuals belonging to different groups exist on an ad-hoc basis	Awareness and mapping	Mapping of governance structure and modalities, identification of targets. Awareness of role and benefits of cooperation and social partnership in the context of VET Institutional capabilities need assessment and mapping of capabilities by group of actors.
INITIAL	Single actors have the need to develop, clarify roles and functions to better contribute to the governance of the system. Access to information for all actors is still problematic and prevents coalition building, strategy formulation and implementation and convergence over the approach. Consultation mechanisms are sporadic, informal, not consistent, at initial level	Conceptualization and Institutional/organizational Development	Institutional/organizational development. Definition of legal frameworks, procedures, institutional building. Strategic development, and definition of approach  Institutional capabilities development of single actors (at different governance levels and within specific functions to be specified in the intervention logic) Establishment of institutional performance targets and monitoring mechanisms
STRUCTURED	Actors have a good development and capabilities in place/process and procedures, however delivery is weak and coordination and policy networks are to be strengthened/defined. Access to information is defined though not always shared by all actors in the system and randomly used for formal negotiation on policy decisions	Implementation Delivery of functions according to mandate, defined role (at different governance levels) Coordination Mechanisms development/strengthening for improvement of delivery/implementation/efficiency and effectiveness gain Policy networks creation supported	Pilot of actions to support policy implementation, establishment of routine performance tracking and delivery Pilot and consolidation of coordination mechanisms (among actors, vertically and horizontally) Competences of actors in relation to Participation, negotiation, partnership mechanisms, policy networking are developed
DEFINED	System functions, roles and responsibilities are clearly mapped and run. Coordination mechanisms exist and run and policy networks are active. Accountability in implementation and joined up policies and bottom-up processes need still to be streamlined.. Innovation is to be embedded in the system to ensure further adaptation and development of governance modes.	Implementation/monitoring in place – introduction of innovative tools for governance and functions delivery and monitoring	Support to monitor implementation and analyze efficiency gains potential. Introduction of innovative tools, methods, arrangements to strengthen and develop the governance area Support to policy networks Trade-off and cost-benefits, efficiency gain analysis and capacity development for innovation
CONSOLIDATED	Consultation is at the core of the system, transparency and access to information is ensured at all governance levels. The strategy of the government in clear, monitored and improved for the benefits of the sector	Policy learning independent	Exit – act as external evaluator/critical friend Impact evaluation and self-renewal

## Annex 5: ETF logical framework matrix

MTP 2014-17 intervention logic	Objectively verifiable indicators	Sources of verification	Assumptions
<p><b>Overall Objective</b></p> <p>To make vocational education and training in the partner countries a driver for lifelong learning and sustainable development, focusing on competitiveness and social cohesion.</p>	<p>Vocational education and training is a driver for lifelong learning and sustainable development in the partner countries</p>	<p>2016 External Evaluation of the ETF (conducted by European Commission) and European Commission report on ETF evaluation</p>	
<p><b>Purpose</b></p> <p>The ETF helps transition and developing countries to harness the potential of their human capital through the reform of education, training and labour market systems in the context of the EU's external relations policy.</p> <p>The ETF will achieve this by:</p> <ul style="list-style-type: none"> <li>■ Providing impartial, non-commercial expertise on public policies for human capital development.</li> <li>■ Encouraging ownership and broad participation among relevant stakeholders, supporting consensus building and mutual learning among actors</li> <li>■ Utilising a holistic policymaking approach that takes into account the context of each country and is based on evidence.</li> <li>■ Considering VET in a broad context in terms of its links to employment, social inclusion, enterprise development, competitiveness and sustainable development.</li> <li>■ Ensuring priorities evolve constantly according to changes in its operational environment, EU priorities and specific requests from the European Union.</li> <li>■ Focusing on priorities that produce high impact with the resources available.</li> <li>■ Ensuring consistency between its work in the partner countries and its support to programming EU development cooperation instruments and projects.</li> </ul>	<p>ETF activities facilitate partner countries' reform of education, training and labour market systems with a focus on competitiveness and social cohesion</p>	<p>ETF evaluations of work in the partner countries.</p>	<p>ETF continues to operate as an agency of the EU</p> <p>Mandate of the ETF is unchanged</p>

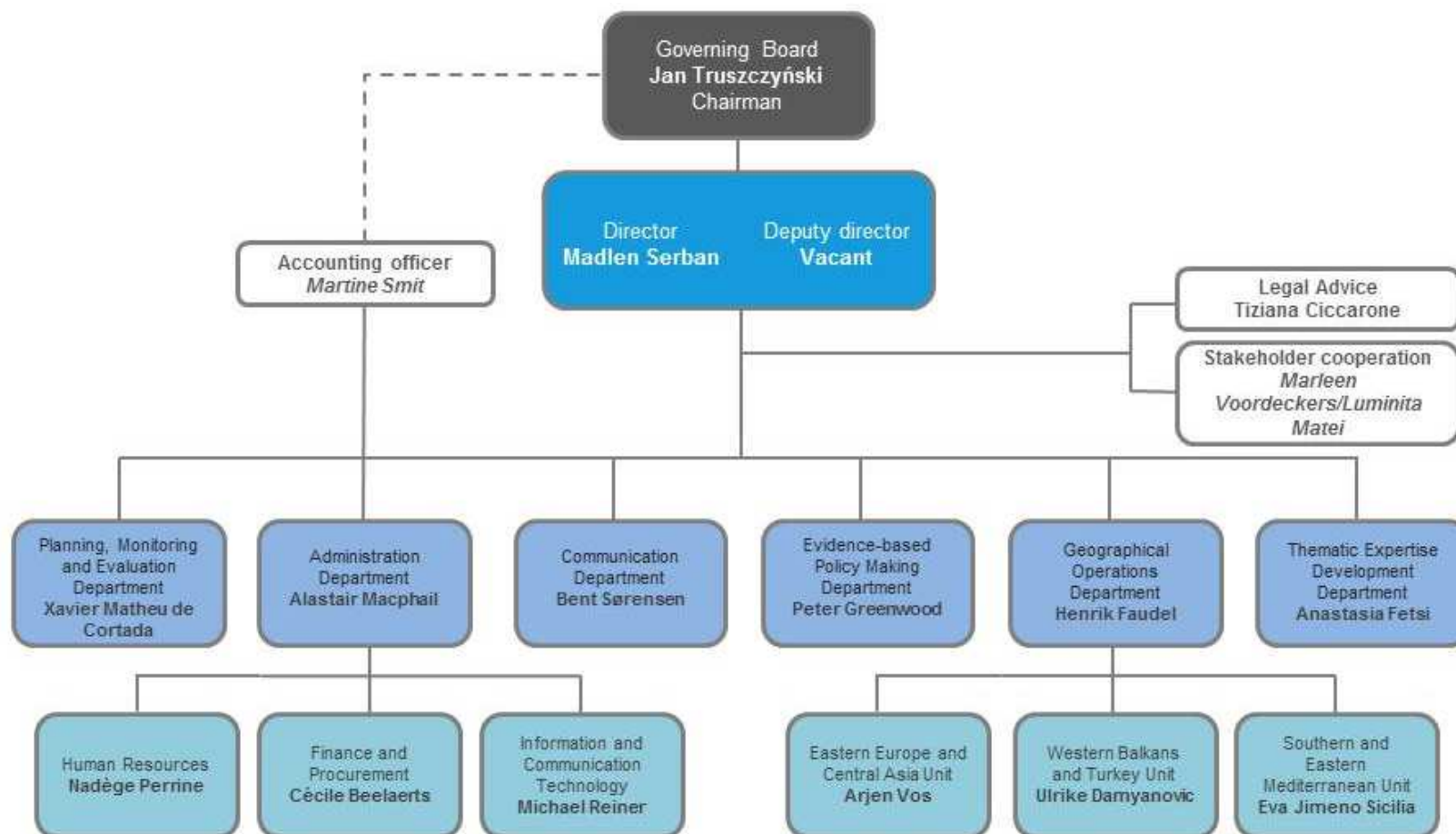
MTP 2014-17 intervention logic	Objectively verifiable indicators	Sources of verification	Assumptions
<p><b>Results</b></p> <ul style="list-style-type: none"> <li>■ Increased effectiveness of VET policy making based on participatory processes</li> <li>■ Enhanced VET provision leading to an increase in employability</li> </ul>	<p>Torino Process set of Indicators (Vision; External efficiency; Internal efficiency; Governance)</p> <p>Key Performance Indicators, in particular the ones measuring the achievement of annual results according the ETF's multidimensional interventions (countries, functions and core themes).</p> <p>European Commission Opinions on and Governing Board decisions on Work Programmes and Annual Activity Reports; European Parliament discharge reports, including court of auditors and Internal audit Service reports.</p>	<p>Torino Process reports 2014 and 2016</p> <p>European Commission progress reports in Enlargement and Neighbourhood regions</p> <p>European Commission opinions</p> <p>GB decisions</p> <p>EP discharge reports</p>	<p>The ETF is not the only contributor to the expected results, but these will be the effect of a coordinated intervention of several actors, local and international. The attribution of the results to the ETF needs to be done following a contribution assessment between ETF outcomes and progress recorded in partner countries</p>

MTP 2014-17 intervention logic	Objectively verifiable indicators	Sources of verification	Assumptions
<p><b>Activities</b></p> <p><b>Multiannual planning:</b></p> <ul style="list-style-type: none"> <li>Regional and Departmental Plans</li> <li>Country Plans and Regional/Thematic Projects</li> <li>Functions and countries are expected to remain stable in the period 2014-2017.</li> </ul> <p><b>Thematic Areas<sup>44</sup>:</b></p> <ol style="list-style-type: none"> <li>Qualifications and qualifications systems</li> <li>VET quality assurance</li> <li>Learning and teaching in VET</li> <li>VET governance</li> <li>Employment and employability</li> <li>Skills dimension of migration and mobility</li> <li>Entrepreneurial learning and enterprise skills</li> </ol>	<p><b>Means</b></p> <p>ETF Team :</p> <p>2014=94TA+39CA+2LA=135 posts  2015=94TA+38CA+2LA=134  2016=93TA+38CA+2LA=133  2017=92TA+38CA+2LA=132</p> <p>Each year the ETF will also have two local agents. Outsourced international and local experts and logistics</p> <p>The ETF will use ETF in-house expertise as much as possible for the priority areas.</p>	<p><b>Allocated budget</b></p> <p>2014= €20.144 million  2015= €21.107 million  2016= €21.530 million  2017= €21.960 million  2014-17= €84.741 million</p> <p>ETF Subsidy Title 3:</p> <p>2014= €4.983 million  2015= €4.965 million  2016= €5.107 million  2017= €5.263 million  2014-17= €20.318 million</p>	<p>The ETF's resources (both human and financial) are the ones estimated in the Legislative Financial Statement for the period 2014-17 and their confirmation is dependent of annual approval of the EU budget.</p> <p>The European Commission has the prerogative of requesting the Governing Board to modify the countries considered as partner countries, according to article 1.1.c. and 2.h.</p>

<sup>44</sup> May change in successive work programmes according to evolving EC priorities, country context and ETF policy analyses



## Annex 6: Management and organisation



## Annex 7: Distribution of Title 3 (Operational expenses) per type of action and year

Objectives			2014		2015		2016		2017		2018		2019		2020		Total	
	Type	Average Cost	Number	Cost (in million €)	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost
<b>Specific Objective n. 1: To support partner country intelligence and capacities in all stages of the VET policy cycle bringing innovation and sustainable development</b>																		
Capacity building	actions*	0.018	60	0.95	105	1.696	60	1.058	105	1.897	60	1.100	75	1.385	75	1.391	540	9.476
Policy Analysis	actions*	0.019	105	1.85	60	1.060	105	1.883	60	1.100	105	2.085	75	1.500	99	2.079	609	11.557
Dissemination and Networking	actions*	0.016	36	0.56	39	0.615	36	0.581	39	0.627	36	0.609	60	1.012	36	0.630	282	4.634
Sub-total Ob 1		0.018	201	3.36	204	3.371	201	3.522	204	3.624	201	3.794	210	3.897	210	4.100	1431	25.667
<b>Specific Objective n.2: To support the external dimension of EU policies in human capital development</b>																		
Support to the EU institutions and bodies	actions*	0.009	70	0.6	56	0.476	100	0.875	56	0.501	100	0.933	98	0.931	80	0.780	560	5.096
Policy analysis	actions*	0.020	30	0.6	36	0.708	21	0.420	36	0.720	30	0.600	36	0.755	33	0.693	222	4.496
Dissemination and Networking	actions*	0.016	26	0.423	26	0.410	18	0.291	26	0.418	26	0.435	18	0.308	26	0.450	166	2.735
Sub-total Ob 2		0.013	126	1.623	118	1.594	139	1.586	118	1.639	156	1.968	152	1.994	139	1.923	948	12.326
<b>Total Cost</b>		0.016	327	4.983	322	4.965	340	5.107	322	5.263	357	5.762	362	5.891	349	6.023	2379	37.993
<b>Target Totals (from MFF):</b>				4.983		4.965		5.107		5.263		5.762		5.891		6.023		37.993

* Actions		
Support to the EU institutions and bodies	Country, regional and thematic background analyses to feed into EU programming, into IPA/ENP/DCI reporting exercises and into regional policy dialogue processes, such as the Regional Cooperation Council, the Eastern Partnership thematic platforms and the Union for the Mediterranean. At the request of relevant EC services, the ETF will provide inputs to the EC project cycle and sector policy support programme preparations	
Capacity building	Workshops, training, study-visits, action-research activities, dissemination of information, networking and exchange of experience and good practice between the EU, EUMS and partner countries, between partner countries themselves and among different geographical regions. It also includes development of national capacities for the provision of reliable data	
	Policy analysis	Evidence-based analysis on country or cross-country policy reforms to support informed decision-making on partner country policy responses, including national, regional or sub-regional and thematic analysis.
	Dissemination and Networking	Exchange of information, joint participation in conferences or workshops, development of joint research or analytical work, and peer review exercises, publications either using face-to-face or printing modalities and increasingly digital and social media

## Annex 8: ABB by function, region and core theme

The tables in this section present the total ETF subsidy assumptions according to the three dimensions of the ETF planning and monitoring principles. These principles are operationalised from articles 1 and 2 of the ETF founding regulation and include: Main interventions (South Eastern Europe and Turkey, Southern Eastern Mediterranean, Eastern Europe, Central Asia, as well as the two areas which are cross-regional, Thematic Development and Evidence-based policy making), Core Themes (A Evidence-based VET policy analysis; B Modernisation of the VET systems and C. Innovative approaches for increased relevance of VET provision in respect of labour markets and economic and social cohesion) and Functions (F1. Support to the European Union, F2. Capacity building, F3. Policy analysis and F4. Dissemination and networking). The distribution is made according to the direct costs planned in these different categories: (Title III, operational expenses) and the planned human resources. On the basis of this distribution, the rest of the indirect costs have been attributed on a pro-rata basis.

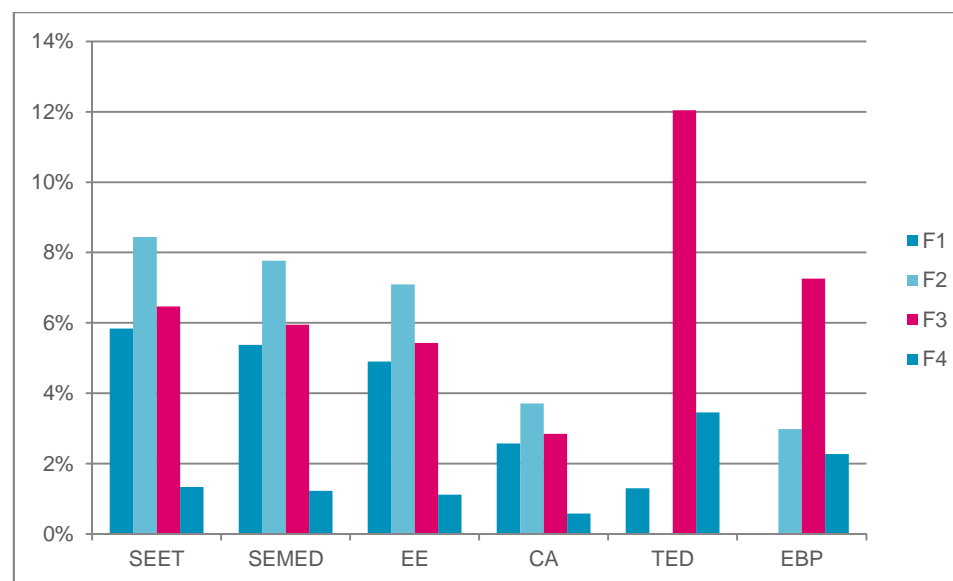
In addition, the table ABB by country distributes the total subsidy according to the different partner countries the ETF works with (re-distributing Thematic Development and Evidence-based policy making). The table ABB by theme does the same following the strategic policy areas.

Therefore, the concrete amounts in the different ABB tables do not coincide with the figures in the tables in section III.3 in the column project funds. The reason for that is that while the latter inform on operational expenses (Title 3 funds), the former also distribute the direct staff costs and the costs not directly attributable to different planning categories, as described before.

The communication budget is distributed transversally and proportionally across the themes, functions and regions.

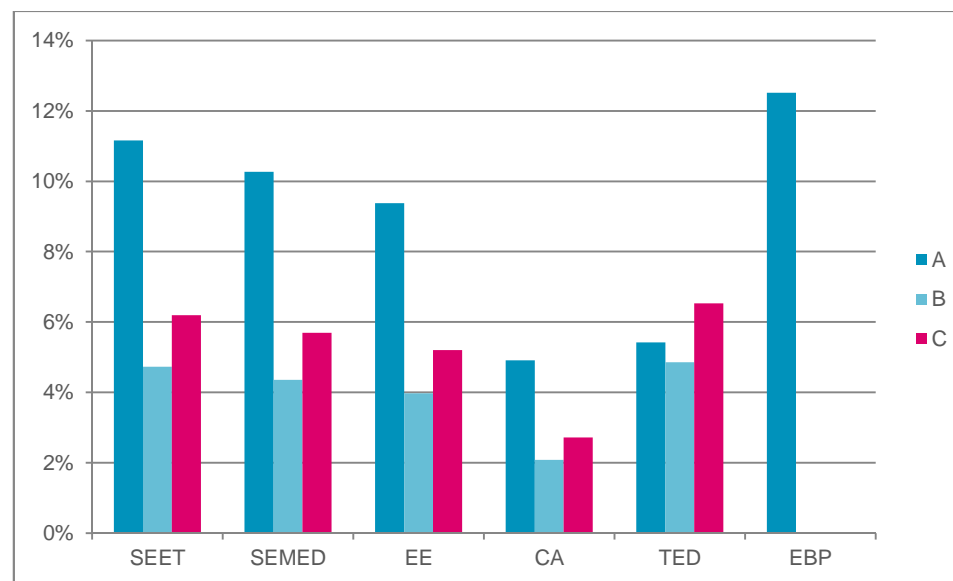
## ABB by function and region

Function/ Region	SEET	SEMED	EE	CA	TED	EBP	Total
F1	4.951	4.555	4.159	2.178	1.105	0.000	16.948
F2	7.153	6.581	6.009	3.148	0.000	2.531	25.422
F3	5.482	5.043	4.605	2.412	10.203	6.152	33.896
F4	1.130	1.040	0.949	0.497	2.933	1.924	8.474
Total	18.716	17.219	15.722	8.235	14.241	10.608	84.741



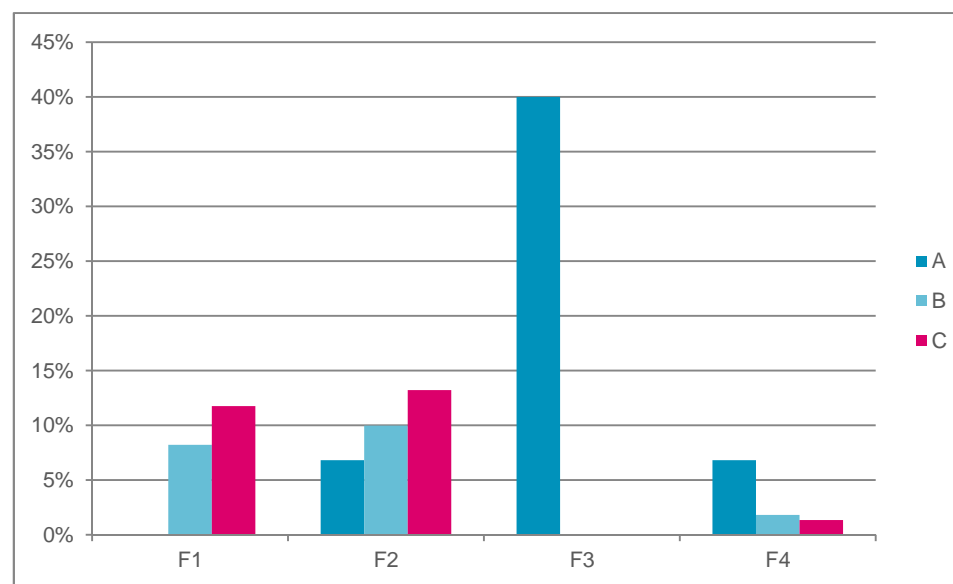
## ABB by theme and region

Theme/Region	SEET	SEMED	EE	CA	TED	EBP	Total
A	9.459	8.703	7.946	4.162	4.591	10.608	45.469
B	4.011	3.690	3.369	1.765	4.113	0.000	16.948
C	5.246	4.826	4.406	2.308	5.537	0.000	22.323
Total	18.716	17.219	15.722	8.235	14.241	10.608	84.741



## ABB by theme and function

Theme/Function	F1	F2	F3	F4	Total
A	0.000	5.786	33.896	5.786	45.469
B	6.976	8.439	0.000	1.534	16.948
C	9.972	11.197	0.000	1.154	22.323
Total	16.948	25.422	33.896	8.474	84.741



NB: These graphs and tables are based on rounded figures.

## Annex 9: ETF Risk Register in the mid-term Perspective 2014-17

Risk ref.	(ETF Risk Framework Area) MTP 2014-17 Goals <sup>45</sup> and Objectives	Description of risk	Inherent risk	Mitigating controls already in place (sub-processes involved)	Residual risk	Additional control planned (sub-processes)
ETF-RR-MTP14/17-01	<p>(1. Risks related to the external environment)</p> <p>Goal 1: Evidence-based policy making: to support partner country intelligence and capacities at all stages of the VET policy cycle, bringing innovation and sustainable development;</p> <p>Goal 2: EU policy support: to support the external dimension of EU policies in human capital development;</p> <p>Goal 3: Partnership and communication: to strengthen cooperation and communication with key stakeholders playing an active role in human capital development;</p> <p>Strategic objective 1: Reinforce evidence-based VET policy analysis</p> <p>Strategic objective 2: Modernise VET systems in a lifelong learning perspective</p> <p>Strategic objective 3: Increase the relevance of VET provision in respect of labour market, economic and social cohesion.</p>	<p>01. Disruption in the external environment limits partner country engagement in ETF activities and leads to failure/delays in achieving related objectives: Cause 1) Changing priorities of individual countries - either due to institutional political changes in the country or differences in the national agenda - resulting in limited ownership of ETF activities; Cause 2) Changes in EU external policies towards a given country; Cause 3) Reduced interest of some partner countries in ETF activities and failing to see the added value.</p>	High	<p>-Constant follow up of country by ETF managers and project teams. In addition, dashboard enables day to day monitoring of project progress and quarterly reporting to managers;</p> <p>-Master matrix built up driving different responses in each country situation;</p> <p>-Use lessons learned;</p> <p>-Continuity in communication both internally and externally in the partner countries;</p> <p>-Adaptation to agenda of specific country;</p> <p>-Communication with the European Commission and the European External Action Service and delegations.</p>	Medium	The preventive and mitigation actions put in place by the ETF bring the risk to an acceptable level and beyond which the risk is out of ETF control
ETF-RR-MTP14/17-02	(1. Risks related to the external environment )	<p>02. Uncertainty regarding the situation with the ETF's premises at the end of the current 3 year contract ending in 2015 may put the ETF's activities at risk in the long term. In addition, the ETF depends on the Piedmont Region for essential services such as heating, water, electricity and also building maintenance.</p>	Medium	<p>-Anticipate the preparation for the next contract one year in advance of the expiry date of the current contract;</p> <p>-Close monitoring of situation and contacts with local / and national Italian authorities;</p> <p>-Involvement of the European Commission;</p> <p>-Possible revision of ETF Business Continuity Plan.</p>	Medium	The preventive and mitigation actions put in place by the ETF bring the risk to an acceptable level and beyond which is out of control of the ETF

<sup>45</sup> Goal 3 and Goal 4 of the ETF Strategy 2014-20 are key horizontal principles of this MTP that underpin all activities that the ETF carries out.



Risk ref.	(ETF Risk Framework Area) MTP 2014-17 Goals <sup>45</sup> and Objectives	Description of risk	Inherent risk	Mitigating controls already in place (sub-processes involved)	Residual risk	Additional control planned (sub-processes)
ETF-RR-MTP14/17-03	Goal 4: Organisation development: to be a reliable and efficient EU organisation by maximising results and increasing efficiency.	03. The new financial perspective, new staff regulations and the continuous reduction of staff and budget in the context of increased demands on effectiveness could put at risk the capacity of the ETF to deliver its work programme and to respond adequately to additional requests.	High	<p>Improvement actions: The ETF Performance Management Framework and its performance enablers and management mechanisms such as improvement actions from audit bodies, the ETF risk register, ICS annual review and additional internal actions are recorded on the ETF Improvement Plan as well as the Annual Performance Report. These are regularly followed up by PMED and the status of implantation of actions is reported to management every quarter or more often if needed. This helps the ETF to implement continuous improvement actions aimed at increasing efficiency;</p> <p>Planning actions: Continue to enhance and structure the approach to planning through the following: -Continue to monitor the management of priorities as defined in the annual Work Programmes and in relation to the new priorities; -regular communication with the European Commission for the definition of priorities of partner countries and related priority setting for the ETF.</p>	Medium	The preventive and mitigation actions put in place by the ETF bring the risk to an acceptable level and beyond which is out of control of the ETF

