



Strategic Road Map on Vocational Education And Training of Azerbaijan Republic for 2017-2020

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Strategic Road Map

▶ National Economic Perspective

- Detailed one-year roadmap
- Economic growth strategy and plan of actions for 2016-2020
- Long-term vision for 2025
- Aspirational vision post-2025

▶ Sector Perspective

- Sector Development Road Map

- 6 Priority Production & Services Sectors

(Oil & Gas, Agriculture, SME, Heavy Industry, Tourism, Logistics & Trade)

- 2 Priority Social Sectors

(Affordable housing, Vocational Training)

- 3 Economic Infrastructure Sectors

(Financial services, Telecommunication, Utilities (electricity, water and et c.

National Economic Perspective I

TARGET INDICATORS:

- ▶ Increasing the share of non-oil sector's FDI in non-oil GDP from current 1, 5 % till 4% by 2025
- ▶ Increasing the share of non-oil sector export from current US\$ 200 per capita to US\$450 per capita by 2025 and US\$1,200 per capita by 2035
- ▶ Generating up to 150 thousand additional jobs by 2025 and up to 400 thousand additional jobs by 2035 in the tradable goods and services sector, such as manufacture and tourism sectors
- ▶ Reduced dependency of the state budget from the Oil Fund's transfers. Today each second manat spend in the public sector is financed by the transfers from the Oil Fund. This figure should be brought to 25% by 2025 and to 15% by 2035.

National Economic Perspective II

4 STRATEGIC TARGETS:

- ▶ **STRENGTHEN FISCAL SUSTAINABILITY AND ADOPT SUSTAINABLE MONETARY POLICY**
- ▶ **PRIVATIZATION AND REFORMS RELATED TO STATE-OWNED ENTERPRISES**
- ▶ **HUMAN CAPITAL DEVELOPMENT**
- ▶ **FAVORABLE BUSINESS ENVIRONMENT DEVELOPMENT**

Monitoring and Evaluation

- ▶ **Coordination entity is the Center for Reforms (CAERC)** as established by Presidential Decree dated 06 Dec 20016 to monitor, evaluate and communicate Strategic Road Map including VET SRM implementation to address emerging problems and to ensure adequate coordination between organizations
- ▶ **Mobilizing interested parties:** Advisory councils and working committees will be established to perform joint activities with the private sector, and international institutions, as well as IFS in order to ensure target adaptation and necessary coordination.

Why VET is important ?

- ▶ VET is a critical element in
 - supporting and accelerating development,
 - inclusive growth and poverty reductionthrough economic transformation and job creation!
- > Skills development should equip people with the skills enabling them:
 - to get good jobs
 - to face the key challenges posed by globalisation, the informal economy and, in the shorter term, recovery from the global crisis.

Macroeconomic benefits of VET

- ▶ Improvements in workforce skills are essential to attain higher economic growth and to compete effectively on product markets.
- ▶ Researches indicate a positive relationship between levels of education and productivity growth
- ▶ Analysis suggests that general and vocational skills complement each other and that the effect of (certified) skills on productivity is stronger when certified skills are reinforced by training

Adequate VET System

- ▶ Vocational Training and skills development need to be:
 - demand-driven,
 - learner centred,
 - inclusive,
 - accessible,
 - flexible.

VET in the world

- ▶ The 3rd UNESCO TVET Congress of 2012 stated that developing TVET should be a top priority to build greener societies and tackle global unemployment
- ▶ Shanghai consensus argues strongly for VET to be considered in the post-2015 international agenda.
- ▶ DEVCO concept note sets out the basic concepts that underlie the preparation of VET reforms and other VET-related projects undertaken by the European Commission.
- ▶ It presents the main challenges and guiding principles to introduce a new strategy based on labour market intelligence, public-private partnership, and better governance.

VET in TURKEY

- ▶ Students in [Turkey](#) may choose vocational high schools after completing the 8-year-long compulsory primary and secondary education. Vocational high school graduates may pursue two year-long polytechnics or may continue with a related tertiary degree.
- ▶ According to a survey by [OECD](#), 38% of 15-year-old students attend vocational study programmes that are offered by *Anatolian vocational*, *Anatolian technical*, and *technical high schools*.^[15]
- ▶ Municipalities in Turkey also offer vocational training. The metropolitan municipality of [Istanbul](#), the most populous city in Turkey, offers year long free vocational programs in a wide range of topics through ISMEK,^[16] an umbrella organization formed under the municipality.

Vocational training in Germany - how does it work?

- ▶ In Germany there is a special way of learning a trade: the Dual vocational training system.
- ▶ As part of the dual system, you will attend classes at a vocational school and receive on-the-job training at a company.
- ▶ **Dual vocational training programs** usually last between two and three and a half years and comprise theoretical as well as practical elements.
- ▶ One or two days a week, or several weeks at once, at a vocational school (called Berufsschule) to acquire the theoretical knowledge that is needed in future occupation.
- ▶ The rest of the time is spent at a company- by applying newly acquired knowledge in practice, for example by learning to operate machinery. get to know what your company does, learn how it operates and find out if working there after completing training.



Systematic elements of VET success (Woessmann 2008; CEDEFOP, 2008a, 2008b, Carrero 2006)

- ▶ 1. To ensure relevance of curricula, all stakeholders (government, employers, social partners, educational institutions) are involved in its development, with a clear assignment of responsibilities.
- ▶ 2. To maintain a close contact to the labor market, a system of continuous feedback from employers and private-sector institutions is required, which is particularly difficult to implement if employers have low levels of organization.
- ▶ 3. To ensure high-quality schooling, sufficient funding is required to guarantee the appropriate teaching material and the availability of well-trained teachers.
- ▶ 4. To incentivize training providers and create competition amongst training providers, a mix of public and private funding is required in addition to providing autonomy in teaching and staffing decisions.
- ▶ 5. To maintain a high level of training quality, a decentralized system of accreditation and quality assurance, as well as competition between training centers (such as output-based funding) is deemed crucial.
- ▶ 6. To limit the risk of establishing a dead-end vocational schooling track, the competences and qualifications acquired should be made comparable to market demand

Baseline needs that led to the roadmap?

- ▶ **Four major global trends increase the importance of VET as a factor for economic productivity:**
 - globalization,
 - global economic environment,
 - productivity imperatives
 - **increased focus for education for employment**

Note: 75 mn young people between 15-24 who are able to work and looking for a job but can't get one!!!

Vocational Education & Training

► STRATEGIC VISION by 2020

To form a VET system consisting of:

- optimized institutions with engineering pedagogical staff that meets labour-market needs,
- renewed educational programs (curricula) and occupational standards.

► STRATEGIC VISION BY 2025

- trains qualified workforce based on occupational standards and educational programs (curricula) meeting requirements of labour market;
- enjoys close cooperation with employers in every sector; and
- has functional VET institutions.

► TARGET VISSION BEYOND 2025

- to build an internationally recognized competitive system
- to involve potentially talented youth
- to equip the priority sectors with innovative workforce with high labour productivity.

TARGET INDICATORS

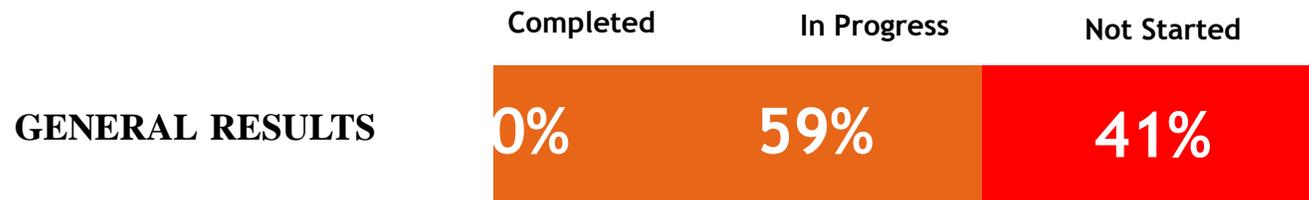
- GDP impact of VET sector priorities will be about 7 million manats,
- indirect impact of 1.230 million (about 2% of GDP of 2015) manats through initiatives of other sectors.

By 2020 VET system will own:

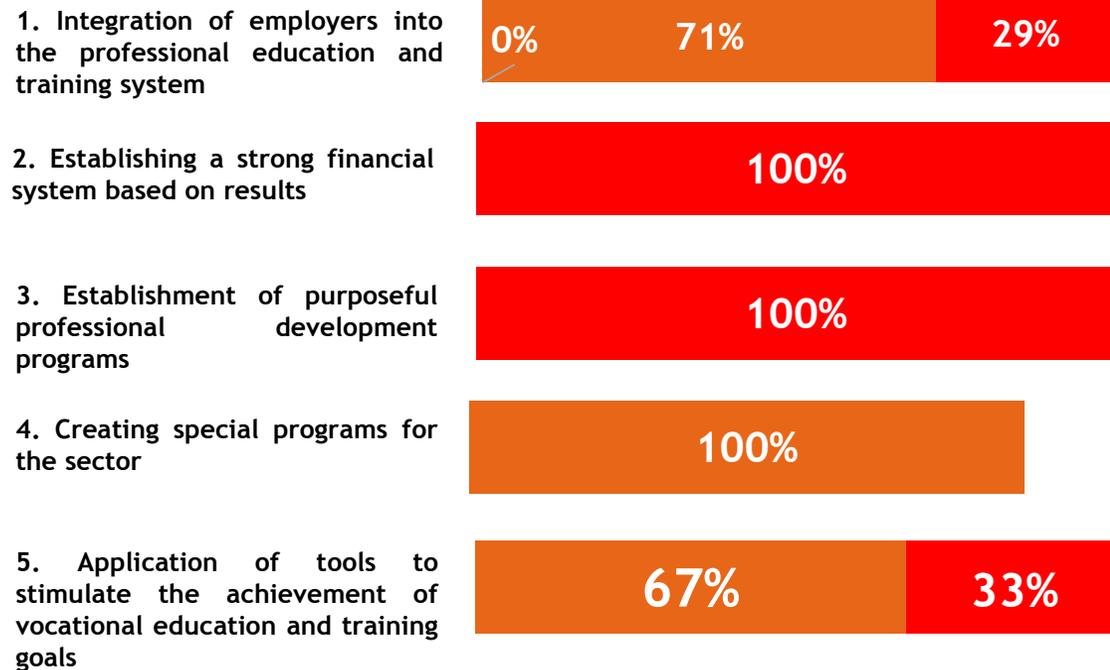
- 10 pilot vocational education institutions with diverse directions organized in partnership with employers;
- 70% of graduates of pilot vocational education institutions employed;
- 264 specialists and 176 seconded non-staff teachers involved in vocational education;
- Annual growth rate of the participants of adult training courses raised to 17%.

STRATEGIC TARGETS

- INTEGRATE EMPLOYERS INTO VOCATIONAL EDUCATION AND TRAINING SYSTEM
- BUILD AN OUTCOME-BASED STRONG FINANCING SYSTEM
- DEVELOP TARGETED PROFESSIONAL DEVELOPMENT PROGRAMS
- DEVELOP SECTOR-BASED SPECIFIC PROGRAMS
- APPLY TOOLS TO FACILITATE ACHIEVEMENT OF VET TARGETS

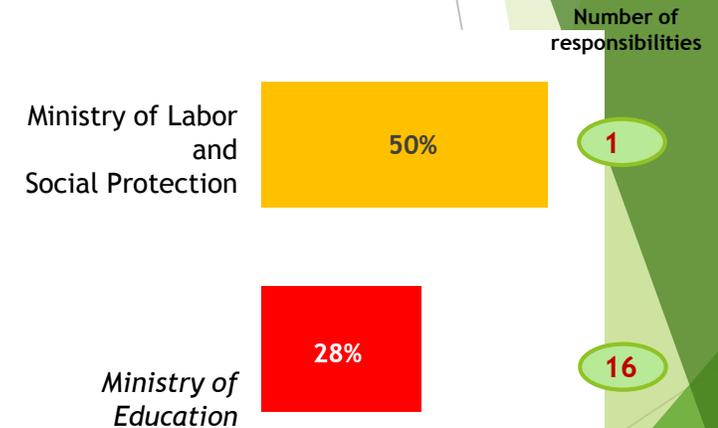


TARGETS



Performance of the key institutions

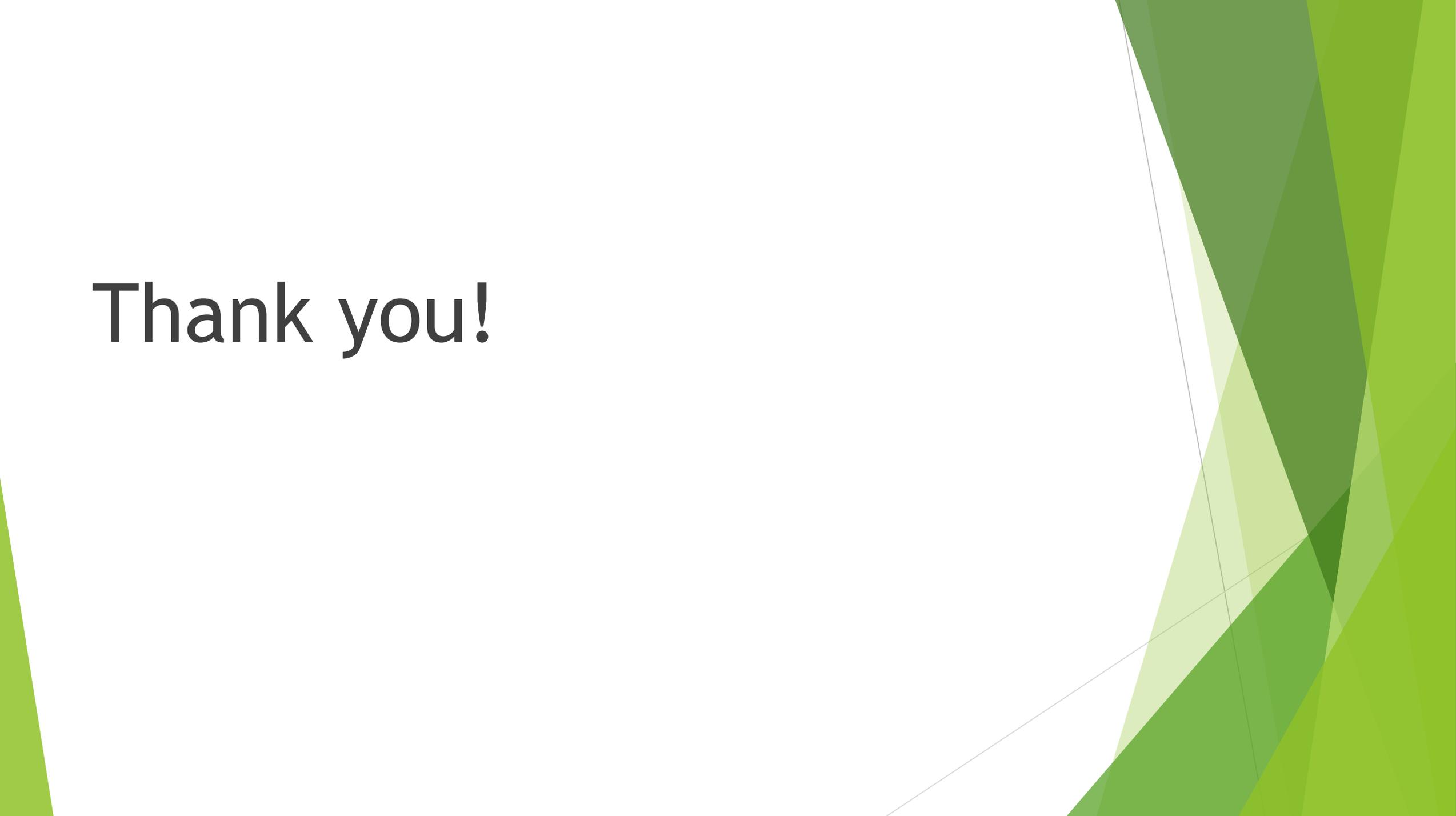
(Based on 100 points scale)



PPP in VET system: Way forward to implement VET SRM

- ▶ have AZN 6 million direct impact on real GDP
- ▶ these priorities will lead to AZN 1 billion indirect impact within the framework of other sectors' priorities
- ▶ will play an important role in the realization of the potential of those sectors,
- ▶ investments made in this sector will result in a multiplying impact on overall economy
- ▶ priorities that will require more than AZN 10 million investments and create more than 100 jobs

Thank you!

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TARGET INDICATORS

- ▶ Establish 10 differently specialized pilot vocational education schools within employer partnership;
- ▶ Increase the enrollment rate of comprehensive school students at vocational education institutions up to 25 percent;
- ▶ Increase the employment rate among graduates of pilot vocational education schools up to 50 percent within 6 months;
- ▶ Increase the number of students of vocational education schools by 50 percent;
- ▶ Increase the share of students from sensitive population groups in the total number of vocational education students to more than 5 percent;
- ▶ Create 195 new jobs in total and 176 directly in vocational education sector by attracting 264 specialists and 176 seconded adjunct teachers to vocational education;
- ▶ Double the salaries of teacher personnel at pilot vocational education schools;
- ▶ Achieve 17 percent annual increase rate of adult reskilling course attendants.

Required Investments

| No | Name of priority | GDP impact in real terms (AZN million, 2020) | Employment (full time employees, 2020) | Investment (AZN million) |
|------|---|--|--|--------------------------|
| 1.1. | Build partnership with employers | 1 | - | 165 |
| 1.2. | Involve new professional specialists in vocational education system | 2 | 195 | - |
| 2.1. | Identify additional public, private and international financing sources to ensure the future development of vocational education system | 2 | - | 23 |
| 3.1. | Provide adult vocational and up skilling courses | 1 | 177 | - |