



TORINO PROCESS 2016-17

KAZAKHSTAN

EXECUTIVE SUMMARY

Executive summary of the Torino Process 2016–17 Kazakhstan report.

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Acronyms

APQL	Assessment of professional qualifications level
CPD	Continuing professional development
ETF	European Training Foundation
GDP	Gross domestic product
NEETs	(Young people) Not in employment, education or training
OECD	Organization for Economic Cooperation and Development
PISA	Programme for International Student Assessment
SC MNE RK	Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan
SMEs	Small and medium-sized enterprises
SPESD	State Programme of Education and Science Development
VET	Vocational education and training

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1. Introduction

Over the past two years, the vocational education and training system (VET) in Kazakhstan has increasingly been seen as a key driver in socio-economic development. A new VET policy supports the socio-economic integration of young people by creating conditions for technical and vocational education.

Support functions exist in VET for socially vulnerable young people and young people with special needs. Measures to counter regional labour market imbalances are also in place. Tools are being developed to ensure that supply meets demand in the labour market by improving the national qualifications framework. Successful efforts have been made to expand responsibility for training and these obligations are enshrined in law in the current round of the Torino Process.

The VET system and employers could reach a common understanding by establishing a coherent national qualifications system. The previous Torino Process report led to a breakthrough in systematising employers' expectations of VET graduates and in securing employers' willingness to embark on an evaluation of professional qualifications.

Governance of the VET system is now the responsibility of public/community bodies.

2. Main findings

Overview and vision for VET

Since the last Torino Process report, there has been a downturn in Kazakhstan's economy due to the continuing drop in world oil prices and weak external and domestic demand. The growth rate in gross domestic product (GDP) declined from 4.2% in 2014 to 1.2% in 2015 (SC MNE RK¹). The slowdown in economic growth did not increase unemployment, thanks to effective public action initiated by the Employment Roadmap 2020 programme and comprehensive regional plans to promote employment throughout the population. The unemployment rate in 2011 was 5.4%; in 2015 it was 5%. Youth unemployment was reduced from 6.3% in 2011 to 4.3% in 2015 (SC MNE RK).

Since the previous Torino Process, Kazakhstan has launched a new project entitled Free Vocational Education for All. It stipulates that training in the first profession that a person works in will be provided free of charge from 2017.

¹ Statistics Committee of the Ministry of National Economy of the Republic of Kazakhstan.

Significant progress has been made in implementing the legislative framework and basic concepts of dual training in the Law on Education and the Labour Code. The National Chamber of Entrepreneurs 'Atameken' (NCE) plays a key role in consolidating the efforts of the Ministry of Education and Science, the Ministry of Healthcare and Social Development and other relevant state and local executive bodies in implementing the roadmap for dual education. By 2019, 80% of colleges are envisaged to have introduced the basic principles of dual training in technological, technical and agriculture fields. As of 2015, this figure stood at 60% (SPESD²). The National Chamber of Entrepreneurs supports the active introduction of dual training in Kazakhstan colleges.

Legislative changes made in 2014 increased the responsibility of employers in the training process by making them responsible for training in the enterprise and for developing professional standards. The legislation also set out other responsibilities for employers. Kazakhstan entered the international arena as a member of several working bodies (Organisation for Economic Cooperation and Development (OECD), World Trade Organisation (WTO), Eurasian Economic Union (EAEU)).

Reforms in VET, identified in the new State Programme of Education and Science Development for 2016–2019 (SPESD), demonstrate the changing approaches to understanding VET as a tool to regulate the socio-economic situation. Even though a number of projects in Kazakhstan, including those run by the state, are aimed at developing the skills of the population, their goals, objectives and performance indicators are not connected and coordinated. Existing indicators for these projects are not necessarily relevant and therefore their evaluation may not suit the changing approaches.

Effectiveness and efficiency in addressing economic and labour market demand

Despite the difficult economic situation, the labour market indicators in Kazakhstan remain positive. One significant achievement of social policy was the reduction in the number of unproductive self-employed individuals: the number fell from 1 010 900 in 2013 to 521 300 in 2015. Over five years (from 2011), the unemployment rate (5.0%) has decreased slightly (by 0.3%). The decline in unemployment has had a lasting effect and has continued for the last 14 years, thanks to the effective state policy targeting the labour market and employment.

The economic activity rate for people aged between 20 and 64 years in 2015 was 84.6%, an increase on the 2014 figure (83.9%). At the same time, the employment rate in the same age group was 80.4%, which again shows a slight improvement compared to 2014 (79.6%). These positive changes are attributed to deliberate action, planned within the framework of the Employment Roadmap 2020. Between 2011 and 2015, 123 000 people participated in training, 62 000 of whom participated in vocational training. Some 88% (104 000 people) of people who completed their training subsequently found employment.

The proportion of young people not in employment, education or training (NEETs) is double the youth unemployment figure (8.5% and 4.1%³, respectively) (SC MNE RK). NEET rates are characterised by strong regional differences. For example, in the West Kazakhstan region, the NEET rate is 3.4%; in Karaganda it is four times higher. Beyond statistical indicators, no data exists on youth NEET subgroups. The lack of information makes it difficult to develop targeted programmes for this segment of the population.

Significant socio-economic differences continue to exist throughout the 16 regions in Kazakhstan and between urban and rural areas. The Serpin Programme was developed to address the problem of regional imbalances in labour resources by bringing young people from regions with a labour force surplus to regions where there is a deficit of labour. Continuous progress is accompanied by improving

² State Programme of Education and Science Development

³ For young people aged 15 to 24 years.

mechanisms for the study and forecasting of labour market needs. In 2014, the Ministry of Healthcare and Social Development launched a web portal, *Rabota* (www.enbek.kz), containing a database of employers and job seekers throughout the country. The aim of the launch was to support graduates. A large array of quantitative data on the current and medium-term needs of the labour market is available at this stage. Much less information is available regarding quality and employee skills, which are necessary to increase competitiveness. There is little information available about the transition of graduates from VET and higher education to the labour market and the extent to which their skills meet labour market needs. Thus, the information in the data that has been collected is a better reflection of the situation in initial training. No systematic data exists regarding the retraining or advanced training of the workforce, including lifelong learning. The lack of such information reflects the lack of fundamental approaches in this field.

Career guidance in Kazakhstan is largely maintained by education providers, including colleges, as a tool to attract students. The National Chamber of Entrepreneurs recently stepped up its efforts to coordinate the activities of employers. The Ministry of Healthcare and Social Development has provided access to information on vacancies and the labour market in general. These changes can be used in the medium term to develop a more integrated approach to career management throughout life.

VET graduates do not see entrepreneurship as an alternative career development. The first steps towards developing entrepreneurial competences in educational institutions have already been taken. Further to the recommendations made by the Torino Process in 2014, the SPESD has scheduled the basics of entrepreneurial activities as an optional subject in colleges for the period 2016 to 2019. It will take some serious work to overcome a number of preconceived ideas about barriers related to the development of youth entrepreneurship. In this regard, an important role was established under the auspices of the National Chamber of Entrepreneurs: the Youth Entrepreneurship Development Council.

Effectiveness and efficiency in addressing demographic, social and inclusion demand

To correct the imbalance in labour resources in Kazakhstan, the government implemented a programme entitled *Mangilik El Zhastary – Industriyaga* in 2014.

The number of citizens with special needs increased by 13.2% between 2011 and 2015 (SC MNE RK). To support those individuals with disabilities, the Convention on the Rights of Persons with Disabilities was ratified in 2015, confirming a commitment to provide them with equal labour opportunities. Certification has been arranged for facilities with access for people with special needs. Measures were provided in the SPESD 2016–2019 to ensure barrier-free access and the creation of conditions for education in VET establishments. By 2019, 40% of VET organisations will have equal opportunities and access for students with disabilities. More and more efforts are being made to enhance the prestige of VET and to attract more students to colleges. In 2014, Kazakhstan entered the World Skills International competition and held its first national championship.

As in many other countries, VET graduates move on to higher education. VET graduates who wish to go on to higher education must pass a national entrance exam (comprehensive test) on general subjects as well as sitting their final college exams. If they receive low scores in the national exam, college graduates are unable to continue their education at a higher education institution. In 2015, only 22% of VET graduates were able to achieve the threshold score in the comprehensive test and move on to higher education (National Testing Centre, 2015). In 2016, the Ministry of Education and Science amended the admission rules; it removed some of the existing barriers and simplified the transition to higher education. According to the amendments, students can retake the comprehensive test in August and then again in January of the following year. In 2017, a new format of entrance exams will be implemented for college graduates.

Once students have completed basic secondary education, they can enrol in Kazakhstan's VET colleges on a competitive basis: based on the results of entrance examinations and the Unified National Test or the Complex Testing. Applicants are selected based on their knowledge of general subjects. Profiling and professional orientation for the selection of applicants in VET does not take place. Legislation has been enacted to ensure access to VET and a timely response to social demand in the country. Programmes regulating various quotas and the provision of accommodation and scholarships have also been developed. Quotas for admission to VET organisations exist for the following social groups: people with disabilities must account for 1% of admissions; orphans must account for 1%; young people from rural areas must account for 30%; Kazakhs who are not citizens of the country must account for 2% (Government Decree of the Republic of Kazakhstan No 264, 2012). In 2015, 8.1% of students (40 380 people) who entered the VET system fell into such categories. Students from rural areas accounted for 90.5% of the total composition of this group. Socially vulnerable groups are not always informed about the benefits and preferences regarding admission and training in the VET system. Information can be spread if there is close cooperation between VET organisations and schools and the social services of *akimats* (municipal or provincial governments).

The share of NEETs between the ages of 15 and 28 was 8.5% in 2015 (SC MNE RK). In 2015 alone, more than 59 000 students dropped out of college, and more than 58 000 dropped out of a higher education institute. The country has not developed a mechanism to identify NEETs, to explain the causes of non-employment and non-education or to define the needs of this group and attract them back to society. Significant regional imbalances exist between the lowest and highest share of NEETs, with the highest share being four times that of the lowest. The largest share of NEETs is in the Zhambyl region (13.6%).

The Free Vocational Education for All project is aimed at socially vulnerable groups but there are still no clearly identified mechanisms or tools to identify the categories of citizens that make up these groups. In addition, a lot of information is required to examine and understand the needs of specific groups in the population, as the VET system will need more flexibility in the future to meet the needs of different groups of students. Attention needs to be paid to the training of teachers on the specifics of working with each group of students.

Internal efficiency of the VET system

According to the European Training Foundation (ETF), VET staff in Kazakhstan have more opportunities for training than staff in other countries in Central Asia (ETF, 2015). During the 2014/2015 academic year, more than 30% of teaching staff underwent training. External evaluation of the VET teachers system entails certification based on compliance with the qualification requirements. The current requirements do not provide guidance on the competences that are actually necessary given the modernisation of VET in the country. Qualification requirements for teachers are not reviewed at the time of employment.

The active development of the dual training college has an impact on the need to improve industrial teacher training in enterprises. The National Educational Database (NED) shows that only 10.7% of teachers completed training courses in enterprises in the 2014/2015 academic year (NED, 2016). Another challenge facing the vocational teacher training system is the lack of subjects developed for inclusive education and teaching in a multicultural and polylingual environment. There are indications of internal barriers to implementing change and innovation and a lack of support from supervisors and colleagues in implementing the knowledge gained by teachers (ETF, 2015). Conflicting data on staffing by teaching staff indicates a lack of industrial training professionals due to a significant difference in the salaries paid to those working in education and to those working in industry. As with the other levels of education, low teacher salaries and staff turnover are recognised as a long-term problem in VET and one that affects the quality of education.

Teaching staff in colleges use a variety of approaches to improve the teaching process. However, the absence of a policy developed at central and regional level in the field of teaching and learning methods makes it impossible to evaluate the effectiveness of the work done. Another issue affecting the internal quality of VET is the regular updating of facilities and resources. Facilities and resources are funded at local and national level. A comparative analysis of indicators provided by facilities and resources in recent years shows an increase in the level of information and communications technology used in equipment and laboratories in colleges. However, an imbalance exists in the provision for private and rural colleges, which significantly affects the quality of the educational process.

Meanwhile, the PISA 2012 study shows that Kazakh VET students achieved poorly (more than half of them did not reach the threshold level) compared to their peers in OECD countries. Since PISA tests the basic skills and knowledge of 15-year-old secondary school students, the results indicate a low quality of education in schools. In addition, the young people with the least amount of training enter the VET system, thus reinforcing the colleges' lack of prestige. One of the positive ways to enhance the prestige of VET is to actively introduce dual training within the framework of large-scale national projects. Today, five years after the launch of reforms, dual training is implemented in 60% of the country's colleges. However, due to a lack of information on the dual approach, VET providers and enterprises are conducting an experiment to assess the different levels of understanding of the 'dual' aspect of the training. There is still no interim analysis, nor has there been any monitoring of dual programmes in the regions. Solving the problem of mentor training is still at an early stage and is being coordinated by the National Chamber of Entrepreneurs.

A relatively new tool for quality assurance in VET is independent accreditation. The Law on Education stipulates that, by 2020, the state will allocate the state educational order only to those colleges that have been accredited by the accreditation agencies included in the Ministry of Education and Science's National Register. As of 1 May 2016, the National Register consisted of 10 accreditation agencies, two of which are Kazakh. It should be noted that the accreditation process is not available to all colleges due to the high cost.

The assessment of student learning outcomes on completion of the vocational education programme is another tool used to improve the quality of VET education. One of the essential steps is to successfully complete an assessment of the professional qualifications level (APQL) and to devise a graduate certificate of proficiency. Until 2016, this assessment was the responsibility of the Republican Scientific and Methodological Centre, an organisation under the jurisdiction of the Ministry of Education and Science. The evaluation of professional readiness and the awarding of qualifications to the graduates were thus part of the final certification process and, as a result, part of the learning process, which involved the formal participation of employers. This approach is not consistent with international practices in independent certification. Large enterprises arrange their own certification without recognising the APQL certificates.

The SPESD 2016–2019 specifies the establishment of independent industry centres that will certify the qualifications of VET graduates. These activities will be implemented within the framework of the Jobs and Skills project run by the Ministry of Healthcare and Social Development. These independent centres will be able to certify the qualifications obtained in non-formal or informal education. All these activities are aimed at further developing the national qualifications system and its basic elements, legislatively established in the country in 2012.

In 2016, the national qualifications system was reviewed in the light of the definitions and level descriptions of the national qualifications framework. Guidelines were also revised prior to the development of the sectoral qualifications framework, which has now been updated to incorporate changes in the national qualifications framework and the methodology. Between 2012 and 2015, 449 occupational standards were developed and 147 educational programmes were based on these

standards. The Jobs and Skills project will continue to improve the national qualifications system: 550 professional standards, 160 educational modular programmes and an independent certification system will be developed.

Governance and policy practices in the VET system

Since the completion of the previous round of the Torino Process, non-state actors have taken an increasingly active role in vocational activities. An understanding was reached among all stakeholders as to the role of VET systems as a tool for socio-economic development. More and more employers and industry associations are involved in the management of the VET system.

A transparent vertical control process for the VET system is now in place. This involves the participation of the government, the Ministry of Education and Science, education management and educational service providers. The Ministry of Education and Science supervises national policy; the Board of Education does so at regional level. This board is responsible for fulfilling the requirements of the public VET system and meeting the social and economic development needs of the region.

VET development councils at national, regional and industry level continue the work aimed at encouraging more active participation by employers, big business and representatives of small and medium-sized enterprises (SMEs) as the main customers for highly qualified professionals at all levels of the VET system management (national, regional and sectoral). It should be noted that the National Chamber of Entrepreneurs 'Atameken' played a leading role in shaping and implementing policy in VET. It represents the interests of employers in the training of qualified specialists in accordance with employers' requirements. All regulations governing the activities of VET organisations are agreed with the National Chamber of Entrepreneurs. In 2016, a number of functions governing the approval of professional standards were transferred from government agencies to the National Chamber of Entrepreneurs.

Employers and associations in the oil and gas, mining, tourism and construction sectors, where major industrial giants or large enterprises are located, are the most actively involved in training and improving the quality of VET. Representatives of SMEs are still slightly less involved in VET activities.

Model regulations govern the activities of VET providers and organisations. Colleges have more autonomy to change the content of training modules (50%) and to determine the nature and order of the ongoing and interim supervision of students' progress. As part of the SPESD, changes have been planned regarding the legal form of VET institutions. These changes will make it possible for colleges to gain financial independence with the implementation of a single transparent accounting function and the introduction of corporate management. Boards of Trustees have been established to provide VET institutions with basic corporate governance skills. However, there is still a need to clearly define the mechanisms by which the Boards of Trustees function, and the expected results.

In 2015, expenditure on VET amounted to 0.2% of GDP. This is 2.5 to 3 times less than the amount spent in developed countries (for example, in OECD countries, expenditure amounts to about 0.6% of GDP) (National report, 2015). However, the resources allocated by the government and *akimats* in the regions to modernise the college infrastructure are distributed in accordance with the strategic objectives and national VET reform programmes.

3. Recommendations for action

To achieve progress in the development of learning tools to meet the labour market's needs for qualified personnel, a reasonable balance must be reached between quantitative and qualitative methods. This complex task involves the interaction of the education system and the labour market. It is therefore important to coordinate the interaction between stakeholders (Ministry of Healthcare and Social Development, Ministry of Education and Science, National Chamber of Entrepreneurs, sectoral

councils) and to ensure better integration of existing and future tools. A coordinated approach, as well as the joint development of tools are also needed in order to develop appropriate solutions to reintegrate NEETs and other vulnerable groups into training and employment.

Qualification requirements for VET teachers require extensive discussion by the National VET Council for the preparation of professional and technical personnel. The experiences of European countries should also be studied. Instead of the outdated system of professional development of VET personnel, a system of continuing professional development (CPD) with a wide range of forms and formats needs to be established for teachers. This involves studying the CPD needs of teachers so that resources can be distributed appropriately at national and regional level.

The quality of teachers is crucial to solving the problem of low basic skills among VET students. The first priority should be a review of the approaches taken to the development of content and teaching at high school level in college. Dual training is gaining in popularity in Kazakhstan colleges. The widespread nature of its implementation requires an assessment of the effectiveness of dual training programmes and timely measures to make any necessary changes. Options for the flexible transition of VET graduates to tertiary education need to be explored in order to increase the attractiveness of VET in Kazakhstan. There are increasing calls in the academic environment to revise the existing admission system for VET graduates who wish to progress to higher education.

The best practices of the VET system perform social functions that integrate NEETs into society. In Kazakhstan, it is time to find mechanisms and instruments to identify this category of citizen. The next steps in the strategy of working with NEETs should be to implement preventive measures and mechanisms to reintegrate and compensate young people who return to employment or education. Applying all these mechanisms will allow the country to reduce the proportion of NEETs and to ensure their entry into the education system or the labour market.

The best international practices use accreditation as a tool to ensure the quality of VET. In the context of updating the mission of VET in Kazakhstan and increasing the role of stakeholders, accreditation looks like a reasonable approach to take when monitoring training. A more specific approach to accreditation (standards, procedures and mechanisms), which can be used for Kazakhstan colleges, needs to be developed and adopted.

The basic elements of a national qualifications system were developed in 2012. Nevertheless, general principles by which non-formal education is recognised still exist, as does the potential for a credit-modular system. As part of the emerging system, industry certification authorities will ensure that the qualifications of VET graduates meet the requirements of employers and the national labour market. The active involvement of stakeholders in the management of VET providers can be achieved through the effective operation of the Board of Supervisors on the basis of accountability and independence. This development will give colleges the autonomy to develop strategic approaches to work under the new conditions.

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