



TORINO PROCESS 2016-17

BOSNIA AND HERZEGOVINA

EXECUTIVE SUMMARY

Executive summary of the Torino Process 2016–17 Bosnia and Herzegovina report.

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Acronyms

APOSO	Agency for Pre-School, Primary and Secondary Education
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
ETF	European Training Foundation
EU	European Union
IPA	Instrument for Pre-Accession Assistance
SMEs	Small and medium-sized enterprises
SPD	Sector Planning Document
VET	Vocational education and training

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1. Introduction

Bosnia and Herzegovina is a potential candidate country for European Union (EU) membership, with a Stabilisation and Association Agreement signed on 16 July 2008. EU accession has been identified as a strategic priority across all levels of government in the country.

In December 2014, the EU launched a new initiative for Bosnia and Herzegovina (known as the British-German Initiative), redefining its conditions and shifting the focus onto economic reforms and improving the business climate to accelerate the country's EU integration. Soon after the launch of this initiative, the authorities in the country held consultations with the international community in order to harmonise the Reform Agenda for Bosnia and Herzegovina 2015–2018, adopted by the Council of Ministers of Bosnia and Herzegovina in 2015. The agenda was intended to address the country's difficult social and economic situation, as well as its strategic commitment to EU membership. Neither of these two objectives could be achieved without a strategic document to guide the activities of all government levels and to provide financial support from international financial institutions. The Reform Agenda envisages six key reforms, with one of the reform measures addressing the labour market and social security. The activities undertaken in the labour field have resulted in the enactment of new labour laws.

Following the adoption of the Reform Agenda, the Stabilisation and Association Agreement came into force in June 2015.

Bosnia and Herzegovina lodged a formal application for EU membership in February 2016. The application was seen as a sign of the willingness of all political parties to embark on the path of European integration. The international community welcomed this step as a positive development and an incentive to pursue further reforms.

2. Main findings

Over the past 15 years, most education reform projects have focused on higher education and vocational education and training (VET). However, although some progress has been made, a number of observations were noted in the European Commission's Bosnia and Herzegovina 2016 Report and the recommendations of the 2016 Economic Reform Programme in relation to education and employment.

The European Commission's report¹ states that there has been some progress on employment policy. New labour laws have been adopted in line with the previous year's recommendation. 'In the coming year, Bosnia and Herzegovina should [...] urgently implement active labour measures to address high unemployment, notably youth unemployment, and provide effective support to job seekers.'

The report also states that 'preparations on education and research and innovation policy are at an early stage. There [has been] some progress in these sectors.' In the coming year, 'Bosnia and Herzegovina should [...] strengthen the capacity of state-level education agencies to develop EU standards and increase the level of quality assurance in education'.

This is the fourth cycle of the Torino Process – a review of VET progress, vision and evidence-based policies – in which Bosnia and Herzegovina has participated. It is also the country's first experience of independently managing this process, which is both a huge step forward and a challenge and responsibility for the education authorities with regard to the overall process. The majority of reform projects in Bosnia and Herzegovina have pertained to VET and higher education. This is quite understandable, as the EU's strategic documents build on the assumption that each country's development depends on its human resources, and that the economy, which is increasingly becoming knowledge-based, is looking for flexible and versatile workers with creative knowledge and innovative potential who are capable of being the agents of economic progress.

There have been fewer projects in the field of general education (pre-school, primary and general secondary) than in VET and higher education, and they have been funded mainly under the EU CARDS programme.

Higher education reform projects have been numerous, the four joint projects of the EU and the Council of Europe implemented from 2003 and 2015 being the more notable ones. These projects covered all the important segments of higher education, including university management, qualifications framework, recognition of qualifications, funding of higher education, quality assurance, modernisation of curricula and syllabuses, and occupational standards.

Education is the responsibility of the Republika Srpska entity and the 10 cantons in the Federation of Bosnia and Herzegovina, as well as the Education Department of the Brčko District. The Federal Ministry of Education and Science has a coordinating and advisory role. Since 2003, the Ministry of Civil Affairs has been coordinating activities between the entities and is responsible for international cooperation in the field of education.

Three agencies have been set up at the national level: the Agency for Development of Higher Education and Quality Assurance; the Centre for Information and Recognition of Qualifications in Higher Education; and the Agency for Pre-School, Primary and Secondary Education (APOSO). Advisory bodies have also been created, namely the Conference of Ministers of Education of Bosnia and Herzegovina, as the highest advisory body, the Rectors' Conference of Bosnia and Herzegovina and the Council for General Education in the period 2007–09. The abovementioned agency, APOSO, also includes a VET and Adult Education Department, which has specific tasks under the Law on the Agency in such areas as education standards and quality, and the common core of curricula and syllabuses, but its role is of a more advisory nature. The providers of adult education are mainly vocational secondary schools (with three- and four-year programmes), but there are also adult learning centres, local and international non-governmental organisations, and chambers of industry and commerce. In 2009 Republika Srpska created the Adult Education Institute, which is responsible for this segment of education.

¹ European Commission, *Bosnia and Herzegovina 2016 Report*, Commission Staff Working Document, SWD(2016) 365 final, Brussels, 2016.

In the employment and labour market sector, responsibility for policy making has certain specific features and sits with the two entities (Republika Srpska and the 10 cantons that make up the Federation of Bosnia and Herzegovina) and the Brčko District. At the national level, under the Law on Ministries and Other Administrative Bodies of Bosnia and Herzegovina², the Ministry of Civil Affairs is in charge of determining the main principles for the coordination of activities, the harmonisation of plans adopted by entity-level government bodies and defining international strategies for labour, employment, pensions and social security. Another body responsible for this field is the Labour and Employment Agency, established under the Law on the Labour and Employment Agency of Bosnia and Herzegovina. The Ministry of Labour and Social Policy of the Federation is responsible for administrative, technical and other duties provided for by the Federation's laws in the fields of social welfare, labour, pensions and disability insurance, labour and employment policy, occupational safety, social security, and solidarity and social protection. In addition, there are also 10 cantonal Ministries of Labour and Social Policy.

The Ministry of Labour, War Veterans' and Disabled Persons' Protection of Republika Srpska performs administrative and other technical duties, including those pertaining to employment, occupational safety, pensions and insurance for disabled persons.

Progress in VET must be evaluated with reference to this complex structure, as VET sits at the crossing point of the education sector and the employment and labour market sector in Bosnia and Herzegovina.

The European Training Foundation (ETF) FRAME project has produced a draft document, 'Vision for Skills'. This should be adopted as soon as possible because it provides a single focus for the different responsible authorities that jointly stand behind the vision of Bosnia and Herzegovina as a prosperous and competitive EU Member State, with efficient, flexible and inclusive systems, that is willing to continually improve knowledge and skills to meet the demands of the global economy, and that is capable of ensuring security and wellbeing for all its citizens. The document reflects the priorities of the EU 2020 Strategy, which envisages a VET system built on competitiveness, innovation and employability.

The following strategic documents were adopted in the period 2014–16:

- Principles and Standards of Adult Education in Bosnia and Herzegovina;
- Strategic Platform for Adult Education Development in the Context of Lifelong Learning for the Period 2014–2020;
- Action Plan for the Development and Implementation of the Qualifications Framework in Bosnia and Herzegovina in 2014–2020;
- Strategic Priorities in Higher Education 2016–2026.

Republika Srpska adopted the Education Development Strategy of Republika Srpska 2016–2021.

Because certain strategic documents had expired, the Ministry of Civil Affairs collaborated with the competent education authorities and other stakeholders to develop:

- Information on Implementation of the VET Development Strategy in Bosnia and Herzegovina 2007–2013;

² *Official Gazette of Bosnia and Herzegovina*, Nos 5/03, 42/03, 26/04, 42/04, 45/06, 88/07, 35/09, 59/09, 103/09, 87/12 and 6/13.

- Information on Implementation of the Entrepreneurial Learning Strategy in the Education Systems of Bosnia and Herzegovina 2012–2015, with the Action Plan;
- Information on Evaluation of Implementation of the Strategic Directions for Education Development 2008–2015, with the Implementation Plan.

The Memorandum of Understanding signed with the EU has allowed Bosnia and Herzegovina to partially participate in the Erasmus+ programme, as well as in the small and medium-sized enterprise (SME) competitiveness support programme COSME and the innovation and research programme Horizon 2020.

With regard to support for teacher education, in 2015 the ETF initiated and compiled the report *Continuing professional development for vocational teachers and trainers in Bosnia and Herzegovina*, which underlines that, over the years, Bosnia and Herzegovina has developed numerous policies which have to be implemented. As one of the first steps, APOSO, together with the ministries and the pedagogical institutes of the Tuzla and Una Sana cantons, began developing education standards for the accreditation of teachers' professional development within the framework of an open call.

Two EU projects within the framework of the Instrument for Pre-Accession Assistance (IPA) Programme 2012 focus on the development of a qualifications framework in Bosnia and Herzegovina:

- Qualifications Framework for General Education, which includes a component designed to provide a model external final examination and a component designed to develop the teaching profession;
- Qualifications Framework for Lifelong Learning project, which focuses on the recognition of informal and non-formal learning and prior knowledge, quality assurance in VET and a proposal for a VET financing model.

VET reforms in Bosnia and Herzegovina have traditionally aimed to ensure that vocational education provides pupils with a wide range of knowledge, providing not only vocational skills and vocational knowledge, but also opportunities for social inclusion and access to further education, i.e. higher education, thus creating a solid foundation for individuals' personal development. Moreover, as already stated, VET is a complex field that is expected to link education and training policies with economic and labour market policies, as well as social security policies. The VET system is expected to incorporate both current and future skills and key competences based on the demands of the economy, not only within the country, but also in Europe and beyond.

The country does not currently have a comprehensive strategic document for vocational education. In 2015 the Council of Ministers of Bosnia and Herzegovina once again recommended the adoption of a new strategic document for vocational education in line with the requirements of the EU's Europe 2020 Strategy and the South East Europe 2020 Strategy, and in view of the importance of this type of development for overall economic development.

The Council of Ministers has adopted the Strategic Framework for Bosnia and Herzegovina (Directorate of Economic Planning, 2015), an important strategic document that is based on the EU's Europe 2020 Strategy and the South East Europe 2020 Strategy and focuses on growth and employment. 'Inclusive growth has the aim of increasing employability of all social groups through strengthening active and passive measures in the labour market, lifelong learning and civic culture, thereby supporting social cohesion, preventing social exclusion and reducing poverty.

The employment sector is characterised by unemployment, which is predominantly of a long-term nature (82% of the total number of jobseekers in 2015, Agency for Statistics). Most of the employed population (64.6% in 2015) have secondary education qualifications and, as stated in the Strategic Framework, 'active labour market measures should be improved and coupled with continual VET

reform and development of entrepreneurial culture, which are some of the main challenges faced by Bosnia and Herzegovina in terms of improving skill sets in the labour market'. According to data from the Agency for Statistics, most pupils still enrol in VET schools (about 75% in 2015), while the share of people aged 30–34 who achieve tertiary education is relatively low compared with the EU average (17.2% and 38.7% respectively in 2015, according to Eurostat).

In 2015, the proportion of young people aged 15–24 not in employment, education or training (NEETs) was 27.7%, slightly higher for men (29.2%) than for women (26%). Half of the population (51%) aged 15 years and above had completed secondary education, 39.5% had completed primary (or lower) education and 9.5% had completed tertiary education (Agency for Statistics).

For the purposes of future planning of labour and employment reforms, it should be noted that the demographic trend in the country is negative. According to data from the Agency for Statistics, the population is ageing faster than in any other country in the region, the average age being 39.51 years. A particular challenge for Bosnia and Herzegovina is the so-called brain drain, i.e. educated young people leaving the country because they are unable to find employment, usually as a result of unfavourable vocational choices, lack of research opportunities and lack of career advancement opportunities (scientific projects and general scientific development of young people). According to figures from the World Bank for 2015, the emigration rate in the population as a whole is 44.5%, which ranks Bosnia and Herzegovina 16th in the world in terms of emigration, ahead of Serbia, Croatia and even Albania.

Reform of the VET system will imply the development of a skill set that meets the demands of modern technology and ensures access to lifelong learning as a key factor for reducing unemployment and labour market inactivity. The development of the qualifications framework, coupled with the development of education standards in VET and higher education, will ensure transparency of qualifications, their recognition in the labour market, and workforce mobility.

In recent years, VET reforms have focused mainly on the development of modular curricula and syllabuses that provide better mobility and flexibility within education levels. APOSO has developed vocational standards for 10 occupations in agriculture and food processing, followed by vocational standards in other areas, including textiles, mechanical engineering, wood and wood processing, and tourism and hospitality. It should be noted that VET reform has addressed VET programmes in formal education, i.e. four-year vocational programme enabling either progression into higher education or access to the labour market, depending on the individual's preferences, and three-year programme.

The competent authorities believe that future activities will need to focus more on the three-year qualifications, the so-called traditional crafts, because there is a labour shortage in this segment. Furthermore, a dialogue should be initiated on the need for post-secondary VET, and the development of this level should be an area of focus in the development of the qualifications framework.

Experiences in the implementation of entrepreneurial learning projects have shown that VET and entrepreneurial learning can support new job creation through self-employment and SME start-ups or restructuring of existing SMEs.

The role of colleges and vocational studies will emerge as one of the most important issues in defining levels and qualifications in the qualifications framework. The qualifications framework of Bosnia and Herzegovina includes all levels and types of qualifications, including all higher education qualifications. This integrated approach to qualifications framework development will have a positive effect on the perception and appeal of VET in the country. In this context, the priorities are focused on implementing the EU project Development of the Qualifications Framework for Lifelong Learning and the formation of the Interdepartmental Commission. In parallel with this, the development of the qualifications framework will also involve the recognition of informal and non-formal learning and the

recognition of prior knowledge, which should become an integral part of the efforts to develop the qualifications framework.

The documents adopted in the field of adult education have laid the foundation for the creation of a number of vocational education and lifelong learning providers (private and public service providers). However, in this context, the emphasis should be on the quality of these services and on human resources development. A number of mechanisms have been tested in practice, especially regarding VET providers. Their quality can be assured through external evaluation, self-evaluation and the development of quality indicators and application of the European Quality Assurance Framework.

The pedagogical institutes of the entities and the Brčko District have a wide range of responsibilities in terms of quality assurance, including curriculum development, the implementation of new methods and approaches in the education process, teacher education, and the supervision and evaluation of teachers and schools. Implementation and application of laws and the functioning of the institutions are the responsibilities of ministries, more specifically the education inspectorates within the line ministries. All of these should be supported in becoming actively involved in VET development and quality assurance.

The employment bureaus and the chambers of industry and commerce in Bosnia and Herzegovina have a role in providing training for individuals who are unemployed, for those starting their own businesses and for those undergoing professional development. The chambers of industry and commerce also provide training at the request of their members, i.e. employers.

The system of management and powers in VET is governed by the Constitution, laws and implementing regulations. Modern education systems, especially in VET, cannot rely solely on education ministries, school management, teachers and pupils. A system as complex as VET requires close cooperation with employers, i.e. the world of work and the economy, and the social partners. This dialogue needs to be intensified in Bosnia and Herzegovina. The roles of employers and social partners must be more visible.

In response to the high unemployment rate, especially among young people, the European Commission focuses on employment when planning financial support through IPA II programming, and education is seen as an employment service. In view of this, the Ministry of Civil Affairs' Sector Planning Document (SPD) has been developed as a result of broad consultations with all stakeholders in the employment, education and social security sectors, with the aim of aligning education reforms with labour market demand. It should be noted that the SPD for employment and education is closely linked with the implementation of the priority measures under the SPD in the fields of competitiveness, innovation and local strategy development, which should ultimately lay the foundations for economic growth and new employment.

3. Recommendations for action

Education reforms carried out over a number of years in Bosnia and Herzegovina have produced specific results, particularly in fields that were the focus of those reforms, namely higher education and VET. Many laws and other legal instruments have been adopted in the field of education, both at the national level and by competent education authorities. In addition, a significant number of strategic documents have been adopted, while reform projects have provided specific results in terms of alignment with EU values in education. The institutional structure required by the reform processes has, to a large extent, been established.

Bosnia and Herzegovina still faces significant challenges in VET. These can be translated into the following objectives:

1. build flexible VET systems in accordance with the needs of individuals and society, and ensure quality in vocational education;
2. adjust enrolment policy to the needs of local communities and the labour market;
3. further develop a qualifications framework in Bosnia and Herzegovina, with a special emphasis on the validation of non-formal and informal learning in the context of lifelong learning and equal opportunities for all learners;
4. ensure the necessary connections between VET and the labour market through work-based learning or other forms of practical training and the strengthening of entrepreneurial skills and opportunities for self-employment;
5. promote adult education programmes for the acquisition of basic knowledge and skills in order to increase opportunities for employment.

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For any additional information please contact:

European Training Foundation
Communication Department
Villa Gualino
Viale Settimio Severo 65
I – 10133 Torino

E info@etf.europa.eu

F +39 011 630 2200

T +39 011 630 2222