

# KOSOVO\*

## COUNTRY STRATEGY PAPER 2017-20

### 2018 UPDATES

\* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence



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## A. COUNTRY CONTEXT

### Political and socio-economic situation

Since late 2015, the political situation in Kosovo has been influenced by the protests started by the opposition parties. They take issue with the government for signing agreements regulating relations with Serbia in various domains. However, in May 2016, leaders of the five main parties took part in a joint roundtable organized by the EU as a sign of political reconciliation.

The population of Kosovo (some 1.9 million inhabitants) has increased by 3% over the past five years. The workforce is relatively young with 20% between 15 and 24 years old.

**Unemployment and inactivity are major problems in Kosovo**, which has the highest rates in the Western Balkans and the whole of Europe. With the working age population (demographic growth) growing steadily and little job creation, the employment rate fell to 31.3% (for 20-64 year-olds) in 2014, the lowest in Europe. The gender gap is sizeable, with only 14% of women in employment compared to nearly 50% of men. Nearly 70% of the workforce in Kosovo is employed in services, while less than 3% works in agriculture, with this percentage decreasing since 2011. This suggests imbalance in job creation, with more jobs being created in services and industry. These figures are also reflected in the workforce skills profile, with only 20% classified as low-skilled.

Unemployment rose to over 35% (2014), with long-term unemployment affecting almost 70% of jobseekers. The percentage of young people aged 15-24 not in employment, education or training ('NEETs') also remained very high (30% in 2014, against an EU average of 12.5%), though this figure has decreased since 2012. The employment rate of recent graduates was a little over 22% and youth unemployment surged to 61% (2014, last available data). The gender gap is the widest in Europe and there has been no significant progress in recent years (only one woman in five is active, compared to three in five men).

The **skills profile** of the population and the outcomes of the **education system** do not help in tackling the high joblessness and gender gaps on the labour market in Kosovo. One in five adults is low-skilled, with only 21% having a university-level qualification. A breakdown of unemployment by broad educational attainment level suggests there are few job opportunities for the lower-skilled, with two out of three in this group unemployed. However, the rate is also very high for the other groups too with 40% of people with a medium level of education and 19% of university graduates unemployed. VET graduates do not seem to find jobs either, with unemployment as high as one in three.

While VET remains relatively attractive at upper secondary level, with nearly half of upper secondary students enrolled in vocational programmes, only 48% of VET students in grades 12 and 13 pass the final exams (i.e. receive a 'transcription of the grade'), against 93% of Gymnasium students (2013 data, last available). The dropout rate is higher in VET (3.5% compared to 0.8% in Gymnasium), with most pupils leaving school in the first year of upper secondary education. Unsatisfactory results in VET point to a need to strengthen career guidance for pupils, improve VET quality based on accurate and timely information about skills demand and labour market outcomes of graduates and strengthen support given during transition to work phase. Business representatives are constantly complaining that the skills of VET graduates are insufficiently developed or inappropriate, which in turn present a major impediment to business development.

Active labour market policies are under-funded, with limited coverage of clients. No labour force survey (LFS) data are available on adult participation in education and training (EU benchmark), but proxy information shows there is still a major shortage of opportunities for and low uptake of

continuous education or training. Only 1.26% of registered jobseekers participated in training programmes whereas almost 60% of jobseekers are low skilled, while companies offer limited skills development opportunities to their workers.

## Relations with EU

The **Stabilisation and Association Agreement (SAA)** between the European Union and Kosovo entered into force on 1 April 2016. The SAA will support the implementation of reforms and give Kosovo an opportunity to move closer to Europe as an important stability anchor.

Kosovo reports annually on the **EU - Kosovo Stabilisation and Association Process Dialogue (SAPD)** and the **Economic Reform Programme (ERP)**.

Following the SAPD dialogue in January 2016, the Kosovan authorities were advised to increase their efforts to produce qualitative and contextualised data and information about education, training and labour market issues. Within the ERP policy dialogue (light European semester), Kosovo has put forward a set of structural reforms targeting education and employment in both the 2015 and 2016 cycles. In 2015, Kosovo was advised to improve the quality of education by measures such as continuing to roll out teacher licencing and training; accelerating the modernization of vocational education; and improving labour market responsiveness. Stress was placed on the need to operationalise the Kosovan Employment Agency and improve its effectiveness in reducing unemployment. In the 2016 cycle, the EC found that Kosovo responded only partially to these recommendations and invited national authorities to pursue their commitments further. Moreover, the 2016 specific recommendation in the area of skills and employability invites Kosovo to establish an action plan for tackling youth unemployment and focus on improving education outcomes through improved teacher training and supporting school to work transitions. The Employment Agency should have sufficient resources and priority should be given to specific measures to increase women's employment.

The European Commission launched a dialogue on **visa liberalisation** with Kosovo on 19 January 2012. In May 2016, the European Commission proposed to the Parliament and Council to lift the visa requirements for the people of Kosovo by adding Kosovo to the visa-free list for short-stays in the Schengen area. It is worth noting that Kosovo has recently experienced with an important surge in emigration. Nearly 80,000 Kosovan citizens applied for asylum in EU countries during 2014 and early 2015 (IOM, based on Eurostat and recipient countries statistics).

## B. VET AND SKILLS IN THE COUNTRY: OVERVIEW, PROGRESS AND MID-TERM PRIORITIES

Kosovo's **vision for VET system development** aims for an inclusive education system based on lifelong learning principles offering quality education to all. The Government is pursuing its education reforms towards increasing quality in pre-university education, improving the teacher career system, better reflection of economic demand in VET programmes and expansion of practical components. The education reforms build on a recent evaluation of the Kosovo Education Strategic Plan (KESP) 2011-2016, which identified key achievements and needs for further interventions. The Government is developing a new KESP for the period 2017-2021 based on this evaluation and measures identified under the National Development Strategy, which recognizes the need for investment and

improvements in the education sector including VET to make Kosovo's labour force an engine for development.

Since 2015, VET has been identified as top priority amongst the different education sectors, which is also confirmed by the great efforts of the Ministry of Education, Science and Technology (MEST) in establishing an Agency for VET and Adult Education (AVETAE) in 2014 and operationalising the VET and Adult Education Council. The functioning and capacity building of the AVETAE and the Council is a challenge and a prerequisite for creating a more coherent approach in VET and adult education and gathering all the relevant stakeholders for better cooperation between public and private sector.

The key challenges for skill demand and supply can be summarised as follows:

- Inclusion of the entire VET system in the Kosovo Curriculum Framework together with the lack of specific VET Core Curriculum.
- Limited opportunities for practical training within the schools and in enterprises.
- Insufficient budget and inadequate formula for VET.
- Lack of effective and open system for Adult Education.

Bridging the gap between labour market needs and the education and training system remains a problem in Kosovo, partly owing to the limited sustainability of cooperation between education and employers, which needs to go beyond project-based initiatives.

The Government of Kosovo has still to complete a major structural reform in employment through the separation of policy planning and execution roles. After the approval of the Law on the Employment Agency, the task of implementing employment policy should have been transferred from the Ministry of Labour and Social Welfare (MLSW) to the Kosovo Employment Agency. However, the Employment Agency is not yet fully operational. The MLSW's sectoral strategy to 2020 has not yet been adopted. Active labour market policies remain widely underfunded. Projects funded by IPA and other donors support outreach to the most vulnerable groups (IPA grant scheme), private sector involvement in skills development and employment stimulation programmes. Lessons learnt through these projects should be mainstreamed in the planning and delivery of services and programmes.

Cooperation between VET schools (education sector), the Vocational Training Centres (MLSW structure) and donor funded training structures (such as the Competence Centres) needs to be reinforced. A full lifelong learning (LLL) perspective for skills development is still to be achieved in Kosovo, especially as regards training provision and incentives to increase the access and participation of adults in LLL. One of the primary challenges therefore remains participation in life-long learning, building a sustainable system for promoting adult education and providing funding for this priority.

Over the years, the Torino process has identified a set of priorities in the areas of VET and employment for which support is needed in order to steer the country towards a further consolidation through actions at national level or funded by donors. Cutting across these priorities, which are set out below, is the key challenge of producing, disseminating and using in policy formulation and implementation robust and comprehensive evidence (data and information) on education, skills and labour market.

The first priority is **linking education and training to labour market demand**. No consistent information on the career path of VET graduates (whether initial or continuing) is available, and the capacity of VET providers to run tracer studies and generate information on skill needs is limited (both

initial and continuing). The limited capacity for skill needs assessment and anticipation are also confirmed by the latest SBA assessment report (SME Policy Index, Western Balkans and Turkey 2016), which highlight concerns about skills mismatches in the pre-accession region, including Kosovo. Policy makers need to make greater efforts to ensure that their education and training provision reflects the specific needs of businesses. In Kosovo, SMEs make up 99.78% of all registered companies and 74.5% of total employment. Poor SME skills intelligence is a key factor in the mismatch between supply and demand. High-quality training is a critical factor in building sustainable businesses, boosting productivity and increasing exports. Kosovo is a weak performer in the Western Balkan region on the SBA indicators on skills intelligence indicator (8.1), and entrepreneurship promotion in VET (1.13). Making progress on these issues would require developing tracer tools in VET schools and building overall capacity to generate and use skill needs information. Additionally, poor responsiveness of education and insufficient support during school to work transition means many young people end up jobless. Kosovo needs to more integrated and evidence-based employability actions (improved monitoring and evaluation within policy making).

The second priority is the **implementation of the National Qualifications Framework (NQF)**. Kosovo has already put in place many of the elements of a modernized qualification system. However, it needs to accelerate development and adoption of occupational standards for use in developing new qualifications; validate more new qualifications for inclusion in the framework; and to implement a system for validation of non-formal and informal learning which is also one of the key European education policy instruments. In this areas, the National Qualification Authority (NQA) has begun to design training courses for Recognition of Prior Learning (RPL) coordinators, assessors and mentors, as well as to train the trainers, in order to embed the validation system in the country. The engagement of social partners in the qualification system, through institutions such as skills councils or sectoral committees, remains limited, but this reflects the wider economic weaknesses of the country. Kosovo joined the EQF Advisory Group in October 2015. Once Kosovo's National Qualifications Framework is referenced to the EQF, which is expected to happen in 2016 or 2017, this will enhance transparency of its qualifications across the EU.

The third priority is **governance to strengthen inter-institutional co-operation**. In recent years, Kosovo has put a great effort into strengthening this collaboration to ensure joined-up policy approaches across government. However relevant stakeholders do not appear to be empowered to effectively design, implement, monitor and assess policies at national, regional, sectoral and local levels. The main policy-making challenges relate to empowering the full range of institutions, agencies and centres in the HRD sector and to promote a wider and more effective involvement of the social partners. Various strategies have been set up to address the main national policy issues, in particular unemployment, skills development, institutional arrangements, etc. The status of these policies, including the process of their entry into force, is uneven. Bodies have been created, such as the inter-ministerial commission in charge of monitoring the Skills vision 2020, placed under the Prime Minister's office and co-chaired by the Ministry of Labour and Social Welfare and the Ministry of Education, Science and Technology. In general, these bodies need to be supported and legitimated at government level to become fully operational.

Finally, on **social dialogue**, the role and contribution of the social partners to national policy dialogue could be further enhanced, especially in the area of skills development. Although the legislative framework and institutional structures for social dialogue are established, this does not guarantee its proper functioning or development.

The following priorities have been identified through the Torino Process 2016:

- Combat youth joblessness with an integrated approach to facilitate the transition from education to work and establish a tracking system of the employment outcomes of graduates of initial and continuing education and training
- Develop and implement equal opportunities policies and gender mainstreaming policies
- Establish pre-service teacher education and improve the quality and quantity of continuing professional development.
- Facilitate the development of schools into centres of learning, excellence and new technologies based on the experience of the Centres of Competences.
- Regarding adult learning, i) develop actions and policies to support adult learning (including recognition of non-formal and informal learning) ii) Strengthen the performance and reinforce the capacity of the Agency for VET and Adult Education and ii) Operationalize the Council for VET and Adult Education to enhance active cooperation of relevant stakeholders and iii)
- Regarding governance , i) Improve networking and linkages with businesses and social partners for stronger and more adequate provision of employable skills for VET graduates, ii) Improve institutional arrangements for the development, implementation and monitoring of VET/employment policies iii) Implement a legal reform for the provision of financial autonomy to the VET institutions.

## **C. EU AND OTHER DONORS SUPPORT IN VET AND SKILLS**

EU assistance to Kosovo under the priority sector education, employment & social policies (financial assistance under IPA II covering also promotion of gender equality and human resources development totals to €94.2 million) focuses on: i) improving the functioning of the labour market; ii) raising educational standards; iii) promoting skills development; and iii) restructuring the social welfare system.

Kosovo receives financial support and technical assistance from donors, including multilateral and bilateral international organisations. The most active in the field of human capital development are the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Lux Development, Austrian Development Agency (ADA), World Bank, Danish International Development Agency (DANIDA), Kulturkontakt, Swiss Cooperation, Swedish International Development Cooperation Agency (SIDA), United States Agency for International Development (USAID), United Nations Development Programme (UNDP).

In the area of human capital development (e.g. VET, employability), the following projects are in progress or planned in the medium term:

Under IPA the main interventions are related to:

- Support the Implementation of the Kosovo Education Sector Strategic Plan 2011-2016;
- Aligning education with labour market needs;
- Support to Social Partners;
- Improve the employability of vulnerable groups in Kosovo and their inclusiveness in both the education sector and the labour market;
- Provide higher level vocational educational and training opportunities for young people with special focus on both south and north Mitrovica;
- Support the Kosovo government in improving the quality and efficiency of education and training services through the integration of ICT technology into the teaching and learning process;
- Credit mobility and Capacity-building for HE and youth under ERASMUS+.

Measures to foster employment of vulnerable groups are very dependant on external funding from IPA and other donors'. The IPA I funded project on active labour market programmes provided grants targeting vulnerable groups.

A soft loan from the World Bank targets the improvement of Kosovo's Education System, with a focus on education data management, pre-university education financing, implementation of teacher licensing scheme, students assessment and examination system, Higher Education secondary legislation, law on regulated professions and piloting certification of two priority professions.

Lux Dev supports MEST on the process of VET reform in Kosovo and for the establishment and follow up of Competence Centres in Ferizaj and Prizren.

GIZ focuses on the core curriculum, capacity development for technical instructors and private sector, pilot projects for practical work. A new GIZ Program, in which VET is a key component, will start soon.

The ETF cooperates closely with all donors present in the country ensuring open dialogue among organizations in the HCD sector to feed into EU assistance and create synergies between interventions. The main tools for cooperating with donors are working groups in which the ETF takes part as an expert organisation providing input and disseminating EU and partner country practice. A specific role of the ETF within donor cooperation is to foster mainstreaming of the results of various VET and employability projects.

## **D. ETF MID-TERM INTERVENTION STRATEGY IN THE COUNTRY**

The priorities of **ETF's mid-term intervention strategy 2017-2020** focus on supporting Kosovo in implementing VET reforms, improving employability and fostering skills development. By doing this, the ETF contributes to the EU-Kosovo policy dialogue and complements measures adopted within the national agenda with a view to advancing Kosovo's readiness for EU accession and reinforcing the quality of VET and the competitiveness of the workforce. There is continuity in the ETF's planned

activities in the field of Qualifications, Employment, SBA and Continuing Development of VET teachers and trainers. However, in qualifications, the focus will shift to referencing Kosovo's NQF to the EQF rather than validation of prior learning. In Employment, the priority of supporting the Working Group of the Ministry of Labour and Social Welfare (MLSW) in charge of Monitoring and Evaluation of the Sectorial Strategy and Action Plan (2014-2016) will change to the creation and use of skills intelligence to increase employability.

The ETF intervention strategy has been drawn up on the assumption of continuity in:

- The priority given to the country for EU external assistance;
- The level of political, economic and social stability;
- The high level of commitment in the country among key stakeholder from the national and regional authorities and among civil society to take forward the reform process in line with the national vision and strategy for human capital reform in particular in the selected areas of intervention;
- The country's engagement in and ownership of the ETF Torino Process and the principles of evidence based, participatory, holistic policy making.

Particular assumptions, or conditions for the achievement of impact from ETF interventions where relevant are included under the specific objectives below.

### Employment, employability and fostering skills for economic development

**Rationale:** Linking education and training to labour market needs remains an important challenge for Kosovo. Apart from weak economic demand and low job prospects, many opportunities for development and employment are lost due to poor relevance of skills. Skills weakness and mismatch hinder productivity and growth<sup>i</sup>. The methods used for skill needs identification need to be adapted according to the socio-economic characteristics of the country and the availability of data. Public authorities (education, employment and statistics) and social partners need further support to increase their capacity to combine various methods for anticipating and matching supply and demand. Transition from school or joblessness is also difficult in Kosovo and labour market institutions and most relevant stakeholders (schools, social partners) need to strive for integrated approaches to youth employment and skills development, with proper monitoring and evaluation. Transferring knowledge and practice from upper/central level to local level is a key requirement to allow policies to be implemented swiftly, to reach out to the most vulnerable groups in society, and tailor and improve relevance of education and employment programmes to community needs (citizens, business). Therefore, ETF's intervention in the following years will target equally national and local capacity building in the area of skill needs identification and matching.

**Specific objective 1:** To support the education and labour authorities and social partners to adapt and consistently create skills intelligence and use it in policy making and increasing the effectiveness of policies aimed at facilitating youth transition to work.

The assumption for ETF support until 2020 in this area are:

- There is progress in the implementation of ERP recommendations in the field of HCD, and
- The EU-XK high-level policy dialogue - through sub-committee meeting and EC Progress Reporting- concludes that there is progress in education, employment and social inclusion

**Expected results** of the provision of ETF expertise by 2020 include:

1.1 Initial and continuous VET public providers (MEST and MLSW network) have an embedded tracer tool and national authorities gather, process and share data on the labour market outcomes of vocational school;

1.2 National counterparts are enabled to use an appropriate set of methods to scan and analyse current and future demand of skills within Kosovo specific economic and social context (based on standard instruments for needs assessment and forecast and data management system on skill supply and demand);

1.3 Kosovo stakeholders are advised on the definition and follow up of an integrated action plan for youth employability and skills development (based on sound monitoring and evaluation procedures, in line with EU practice).

## Qualifications

**Rationale:** In recent years, Kosovo has passed legislation, developed a quality assurance system and adopted the learning outcomes approach as a way of developing its qualification system. However, there is still a need to populate the Kosovo's National Qualifications Framework (NQF) with new quality-assured and relevant to the labour market qualifications. The referencing of the Kosovo's NQF to the EQF granted last December was crucial for the country, enabling mobility of people, transparency of procedures and mutual trust on existing qualifications. The development of the validation of non-formal and informal learning arrangements is aiming also at enhancing professional mobility and enabling individuals to increase the visibility of their skills. Kosovo has adopted already the respective legal framework and has started to implement its system for the Recognition of Prior Learning (RPL) in a pilot basis in 3 occupations and 4 training providers. Nevertheless, the up-scaling of such arrangements to the system level is a challenge that should be tackled in the coming years.

On the other hand, as mentioned above, matching skills with labour market needs remain a crucial issue. A key challenge is ensuring the full and active involvement of all relevant stakeholders, in particular social partners, both in defining occupational standards and developing qualifications to facilitate matching, as well as in the validation of non-formal and informal learning and other types of VET provision developments.

**Specific objective 2:** To further develop the Kosovo's NQF.

The assumptions for ETF support until 2020 in this area are:

- the willingness of countries to continue accepting and adapting EQF principles and Advisory Group recommendations, and
- progress in the implementation of the actions corresponding to the defined development stage.

**Expected results** of the provision of ETF expertise by 2020 include:

2.1 A significant number of quality-assured qualifications included in the NQF;

2.2 Referencing of NQF with the EQF accomplished;

2.3 Stronger contribution of the social partners in designing and implementing qualifications;

2.4 Kosovo's validation of informal and non-formal learning arrangements in place at the system level;

2.5 Kosovo has advanced to the following policy stage in terms of qualification system development.

## Governance

**Rationale:** Kosovo faces challenges in developing and implementing VET policy due to the high volatility of policy priorities and overlapping institutions. Kosovo's high dependence on external partners, associated with limited leadership capacity, leads to changing priorities. Therefore, there is a need for effective independent bodies in charge of monitoring the policy commitments of the government to ensure accountability. New bodies and institutions are regularly created to address specific issues, but there is no real monitoring of their performance. While institutions need to be streamlined, it is more important to accommodate political sensitivities, which entails positioning interventions at a technical level to mitigate the risk of reasonable recommendations remaining redundant for political reasons.

These two characteristics of the VET public policy context in Kosovo are hampering a coherent and steady effort towards actual implementation of reforms.

**Specific objective 3 :** To reinforce the role and capacities of relevant bodies for the proper governance of the VET policy through strengthening the participation and ownership of the process by key stakeholders as well as through improving capacity for VET policy monitoring.

Furthermore, the ETF will support Kosovo's statistical office to enhance the quality of evidence used for VET monitoring and to align it with the relevant EU requirements.

The assumption for ETF support until 2020 in this area is that public and private stakeholders cooperate among themselves and with the ETF in an open and inclusive environment for policy dialogue among stakeholders.

**Expected results** of the provision of ETF expertise by 2020 include:

3.1 The inter-ministerial committee and/or relevant bodies are equipped with relevant tools to fulfil their role (clear mandate, working methods and modalities defined and applied, capacity to formulate feedback on the policy implementation and advice/recommendations for the future reinforced).

3.2 Multi-actor and multi-level coordination mechanisms are defined and set up to give a technical frame to the monitoring of the VET policy implementation.

3.3 Kosovo takes part and successfully implements the Torino process round 2019-2020 in a self-assessment mode.

3.4 Kosovo has increased the capacity to generate reliable indicators and data used for VET policy monitoring, including the evidence that allows for EU benchmarking.

Together, the expected results under the three priority areas would support Kosovo:

- to swiftly respond to the ERP's recommendations on securing youth transition to work and improve educational outcomes;
- to synchronize Kosovo policies and practices with the EU New Skills Agenda (e.g. improved visibility of LM outcomes, expanded skills intelligence and career information and better access to skills development opportunities in line with the principles of forthcoming EU Skills Guarantee);

- to make progress on the SBA indicators Skills intelligence and Entrepreneurship.

In addition to the above indicated objectives, **ETF will provide inputs upon requests from the EU Delegation or Headquarters** to:

- Policy dialogue: the EU-Kosovo high-level policy dialogue on progress in education, employment and social inclusion through sub-committee meeting and EC Progress Reporting, the assessment of the Kosovo Economic Reform Programme (ERP)
- EU external assistance project cycle: support for the IPA 2012 project on aligning education with the labour market needs and any follow-up intervention in Kosovo in the field of human capital development interventions.

**In the context of the ETF corporate initiatives**, the ETF will continue involving Kosovo in the **Torino Process**: the system wide policy analysis and monitoring progress exercise implemented by the ETF on a periodic basis. The 2017-2020 period will cover the closure of the 2016 round and the implementation of the fifth round in 2019. The specific modalities for national implementation in 2019 will be agreed according to the 2016 results and the specific development of the monitoring processes in the country.

In the context of the ETF regional initiatives, building on the mapping of provision and demand for **professional development of VET teachers** carried out in 2015, the ETF supports in 2016 and 2017 demonstration projects, which will inform policy development and implementation and can directly support the development of good practice in professional development. Kosovo is also active in the planning for the ETF VET Quality Assurance (QA) Forum, which will support developments related to these weaknesses in the context of closer alignment with the EU Reference Framework for VET QA. Participation will also be promoted in as well in the ETF virtual platforms for work-based learning, continuing professional development of teachers and trainers in VET and digital skills and online learning in VET.

In the period 2017-2020, the ETF will continue to support DG Internal Market, Industry, Entrepreneurship and SMEs (DG Grow) with analysis and reporting on the country's progress on the human capital pillars of the **Small Business Act** for Europe (SBA). The next assessment takes place in 2017 and focuses on entrepreneurial learning, women's entrepreneurship and SME skills. The entrepreneurial learning dimension will be assessed in line with the new Entrepreneurship Competence Framework<sup>1</sup>. Customised support to the country on human capital policy areas will depend on specific requests from the government.

ETF's SBA assessment work will be accompanied by further identification of good practices in training with the objective of supporting countries in implementing the ETF's SBA policy recommendations. More specifically, in 2017 a dedicated good practice call for the pre-accession region will focus on training for SMEs who are trading (or have the potential to trade) with the EU Single Market.

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<sup>1</sup> Joint Research Centre, EntreComp: The Entrepreneurship Competence Framework, JRC Science for Policy Report, European Union, 2016.

## E. 2017 ACTION PLAN

**Specific objective 1:** To support education and labour authorities and social partners to adapt and consistently create and use skills intelligence in policy making and increase effectiveness of policies aimed at facilitating youth transition to work.

The ETF will focus its support in 2017 on two strands: skills intelligence and youth transition to work. Activities in 2017 will include provision of internal and external expertise as well as organization of a capacity-building event. The capacity of national authorities will be strengthened with a view to tracking the post-graduation paths of young people on a regular basis and ensuring proper feedback loops to education and training systems on the actual use and value of skills acquired in the world of work. The ETF will also support the development of an analysis of the most appropriate methods to identify current and future demand in Kosovo's specific economic and social context (based on standard instruments for needs assessment and forecasting and integrated data management system on skill supply and demand).

**Specific objective 2:** To populate and reference the NQF.

In 2017, the ETF's cooperation with Kosovo's authorities on qualification systems will concentrate on advising on the follow-up of the country's EQF referencing report and the further development of its RPL arrangements, facilitating its progress from structured to defined, so that validation of non-formal and informal learning opportunities are available to individuals. Our focus will be to:

- Facilitate the NQA and other actors in following-up the EQF referencing report recommendations from the EQF AG; function: policy advice to working group on referencing report; output: draft report addressing recommendations from the EQF AG.
- Guide further implementation of the RPL arrangements; function: capacity building of both NQA staff and technical experts e.g. trainers and assessors to manage and implement VNFIL system; output: report with recommendations and piloting of chosen qualifications.

**Specific objective 3:** To reinforce the role and capacities of relevant bodies for the proper governance of the VET policy through strengthening the participation and ownership of the process by key stakeholders as well as through improving the capacity for VET policy monitoring.

In 2017 the ETF will focus on the support to relevant institutions for improved monitoring of VET policies, as a follow-up to the support already provided in 2016. Building on the achievements linked to (i) clarifying the expected mandate and role of the inter-ministerial commission and (ii) raising awareness on the need to make institutional arrangements for policy monitoring effective and inclusive, involving social partners and with a coordinated donor support, in 2017 the ETF will support the operationalisation of the defined approach (institutional monitoring chain, coordination mechanisms, reporting tools, consultation and other work processes), through institutional coaching and ad hoc capacity building. The objective is to empower the institutions confirmed as relevant and in charge of monitoring policy progress (inter-ministerial commission, strategic planning and monitoring units in line ministries...) and to gradually involve social partners in the loop.

In 2017 the Torino process will follow up on the results of the 2016 national phase, and in particular will contribute to progress in area 3 (governance), through methodological support to the governance actions to develop a monitoring system, monitoring tools and indicators management, with the overall aim of improving the level of policy analysis and policy development in the country.

## F. 2018 UPDATES

### 1. Short update on key country developments in the field of VET and skills and on EU and donor cooperation

In Kosovo, a parliamentary election was scheduled for mid-2018, however a no-confidence vote triggered an early election on 11 June. A grand coalition of 14 parties came first, though without having the majority of the seats in the parliament. Vetevendosje's second-place result (main 'war wing' coalition and opposition party) is the most surprising outcome of the parliamentary elections. Prime Minister Isa Mustafa took the decision on the dismissal of members of the cabinet who were elected members of the Assembly of Kosovo due to the incompatibility defined by the Constitution. Finally, on 4 September, a disparate group of parties formed a coalition government - opposition leaders and experts question its strength and durability.

Considering the political situation, skills and labour market situation remains challenging. Around one third of young people (15-24) are not in employment, education or training, and first PISA round scores were extremely worrying (around 70% of 15 years-old underachieved in reading, mathematics and science). The VET stream is followed by around 50% of students in upper-secondary education. Around 6000 jobseekers had access to training as an activation measure – representing a sharp increase compared to the previous year's figures. Employment rates increased to 28% in 2016 thanks to a robust growth in male employment. Gender divide is deepening however and remains the largest in Europe. Services dominate the economy (66% of the workforce) and 90% of the female workforce. One in five workers are in 'vulnerable employment' and young people remain particularly at risk though figures are falling (52.4% in 2016).

There are no major developments to report in VET and skills apart from the establishment of the National Employment Agency, now fully operational. Most efforts in 2017 targeted staff reorganisation, division of tasks between the Ministry of Labour and Social Welfare and the Employment Agency - adjustment of working and decision processes, etc. The Sectorial Strategy of the Ministry of Labour (2017– 2021) is drafted and shared with the ETF for consultation. The draft prioritises fighting joblessness and provision of employment opportunities for women and young people. It also foresees an increased access to relevant continuous training programmes and further improved capacities to skills matching,

The **EU Delegation** is currently defining an action plan to support the implementation of KESP 2017-2021. An assessment of institutional capacity of Ministry of Education (first phase 2017) and related Agencies (second phase 2018) will be undertaken. Through the IPA 2018, the EU Delegation is planning a significant intervention in education, approx. €30 (TBC). The ETF is requested to provide thematic input for the VET component covering skills anticipation and matching, qualifications and continuing professional development (CPD) of teachers and trainers.

The EU-funded **ALLED project** (Aligning education with labour market needs) ends in October 2017, with proposals for ALLED II (€3.8 mil + 750.000 co-financing) under evaluation. Concrete collaboration with the ETF is foreseen – as per ALLED I - in activities related to the further development of the Kosovo Qualifications Framework, including the support to implementation.

The Luxembourg Development Cooperation Agency (**Lux Dev**) continues to support the ministry on the process of VET reform and follow up of competence centres in Ferizaj and Prizren. Lux Dev is working on a software for career guidance to be used by VET schools and competence centres. It has confirmed its will to cooperate with the ETF on the tracer study, combining the initiatives in a

unique function within each school and competence centre. Lux Dev has also requested the ETF's thematic input in the framework of future intervention on financing TVET, currently under discussion.

The German Development Agency (GIZ) is implementing the YES project (Youth, Employment and Skills) with a budget of €7.5 million (2017-2020). Within the VET component, the project is mainly addressing i) municipalities for the implementation of the government's strategies for VET, ii) cooperation with the private sector, and iii) key elements of the system reform (core curriculum, VET financing formula). There is close cooperation with the ETF on tracer studies, from the preparation of questionnaires to the selection of schools piloting the initiatives.

## **2. Assessment of the progress towards achievement of ETF mid-term objectives and results with horizon 2020**

### **Specific Objective 1: Employment, employability and fostering skills for economic development**

To support the education and labour authorities and social partners to adapt, and consistently create skills intelligence for policy making, improving policies aimed at facilitating youth transition to work.

The ETF's support for using a tracer study as a regular instrument in education and training is ongoing with no deviations from the original plan. A capacity-building event for initial VET providers (16 schools and centers of competences) was organised in May 2017. This is complemented with provision of expertise for testing the tracer study questionnaire and developing a methodology adapted to the situation on the ground and capabilities. In parallel, the ETF collaborates with the newly functional Employment Agency to complete their approach to measure continuous training outcomes through the tracer study and building the Agency's capacity for generating and using labour market information. The ETF continues its advise national authorities and the EU Delegation, and exchanging with donors on future skills needs, aiming for a more integrated assessment and data management system for skills supply and demand.

On the ETF thematic support to the development of youth employability integrated action plan, comments were provided on the new Ministry of Labour and Social Welfare Sectoral Strategy in the field of employment and social welfare, including aspects of youth employability.

### **Specific Objective 2: Qualifications – To further develop Kosovo's NQF**

The ETF supports the piloting of three qualifications/occupations: welder, hairdresser and electrical installer) in four accredited training providers, both private and public. A training workshop took place in 2017 preparing practitioners for the pilot. Technical support is being provided by one local and one international expert on the execution phase. The final report will include further steps and recommendations on practical tools and adjustments to the legal framework. The interventions foreseen should be closely linked with implementation of Kosovo's Qualifications Framework.

The National Qualifications Authority (NQA) should get further support based on an incremental approach, to move from a pilot to system-level implementation. After the completion of the 2017 pilot, procedures could be taken to a national level in 2018 with the three occupational profiles, a limited number of accredited providers, and the training of respective coordinators, mentors and internal/external assessors. At the same time, a pilot could start in three additional occupations/qualifications based on labour market needs and on the criteria of using learning-

outcome based standards accredited by the National Qualification Authority. This is foreseen in ALLED II, a project to which the ETF has contributed.

**Specific Objective 3: Governance** - To reinforce the role and capacities of relevant bodies for the proper governance of VET policy by strengthening the participation and ownership by key stakeholders and improving capacity in policy monitoring.

The governance intervention in relation to support to the Inter-Ministerial Commission for the Monitoring of Skills Vision 2020 is completed in 2017. Due to political instability, support to the European Commission is on hold unless specific requests to the ETF are made. The professional development of VET teachers is another activity considered complete in 2017.

### **3. 2018 Action Plan**

#### **Specific Objective 1: Employment, employability and fostering skills for economic development**

In 2018, the ETF will continue its support and advise to the Ministry of Education, the Ministry of Labour and the Employment Agency for improving the relevance of skills to labour market as a strategy to ease young people's transition to work through the pilot tracer studies in 16 VET institutions.

#### OPPORTUNITIES:

- The Tracer Study initiative will benefit from enhanced cooperation with the new Employment Agency. The ETF support will seek coverage of tracer study in VET through the inclusion of Vocational Training Centres (VTCs) in provision of expertise and guidance on the establishment and consolidation of practices.
- Synergy with other donors' activities as GIZ (coordinated with the Youth Employment and Skills project, YES) and Lux DEV (to ensure compatibility of career guidance services, and e-platform)
- Torino Process statistics to support the advancement of evidence/information management capacity.

Furthermore, the ETF is contributing expertise for the tripartite social partnership in VET, during the implementation of the EU-funded Employment and Social Affairs Platform (ESAP) in 2017-2019, addressing South East Europe and (SEET) countries.

#### **Specific Objective 2: Qualifications**

In Kosovo, emphasis will be on further VNFIL implementation and support to EU programming and projects. In 2018, our interventions are to:

- Further implement the validation of non-formal and informal learning (VNFIL) system by widening the pilot to further qualifications; function: capacity building; output: report on VNFIL implementation; advice on revising VNFIL legislation. Cooperation with Cedefop conducting an inventory and analysis of SEET progress in developing and implementing VNFIL systems.
- Support to EU projects and services by identifying and formulating actions under IPA II AAP 2018; via inputs to ALLED II (IPA 2017); and providing the EU Delegation with information, guidance and advice to support a National Qualifications Framework (NQF) implementation; function: support to the EU; outputs: recommendations;

## OPPORTUNITIES:

- Developing a package of interventions in cooperation with the Employment Agency for including VNFIL to address high rates of long-term unemployed adults
- Synergy with the project ALLED II (IPA 2017) to widen the scope of the ETF pilot on VNFIL and ensure sustainability of interventions through EU funding programs.
- Complementing with activity on tracer studies to see how results can be used to develop or revise qualifications and VNFIL

### **Specific Objective 3: Governance**

Considering the critical institutional take up in Kosovo, there are no pre-conditions for a sound exercise on governance, possible synergies, however, will be explored with active donors

**Specific Objective 4: EU support** - Support EU external assistance and the EU bilateral policy dialogue, assisting European Commission services and local actors to maximise participation in EU processes

At the request of the EU Delegation, the ETF has drafted a first proposal for the VET component of the new IPA 2018 intervention in education, mostly based on current ETF activities. Further ETF support for the formulation and drafting of the Action Document to be agreed with EU Delegation.

The ETF will continue to provide thematic input to ALLED I and in 2018 to ALLED II by participating in the Steering Committee and by cooperating on NQF activities.

Upon **requests from the European Commission or the EU Delegation**, the ETF will also provide support to the EU – Kosovo bilateral policy dialogue:

- Inputs to European Commission assessment of the national Economic Reform Programme
- Inputs to relevant bilateral sub-committee meetings
- Input to European Commission Progress Reporting

The ETF supports the **participation of Kosovo actors in European platforms and dialogue processes**, including DGVT/ACVT meetings<sup>2</sup>, Education and Training 2020 working groups, and the European Alliance for Apprenticeships (EAfA). Kosovo will also participate in ETF regional actions such as the ETF Forum for Quality Assurance in VET and virtual platforms for work-based learning, continuing professional development of teachers and trainers and digital skills and online learning.

The ETF will continue its support in the area of **evidence based policy analysis and system wide progress monitoring**. All countries will be invited in early 2018 to kick off preparations for the **5<sup>th</sup> Round of the Torino Process**, with the scope of agreeing on terms of implementation by end of 2018. The preparation phase will involve countries primarily through online consultations and capacity building activities involving appointed national coordinators and key working group members. All countries will be invited to join the kick-off meeting, in Q4 of 2018 in Turin. Countries aiming at

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<sup>2</sup> meetings of Directors General for Vocational Training and/or the Advisory Committee for Vocational Training with participants from EU members states and candidate countries

implementing the Torino Process at sub-national level will be followed by specific activities in 2018 in view of preparing regions and cities for the round of analysis.

A **new national data collection exercise** aimed at acquiring more in-depth data, mapping in the area of VET and Skills will be launched in 2018.

In addition, as part of evidence based policy analysis, in 2018, all South East Europe and Turkey (SEET) countries will undergo an **SBA assessment**. This comprises a revised SBA assessment questionnaire elaborated in 2017 with dedicated focus group meetings in all countries addressing three areas: lifelong entrepreneurial learning, women's entrepreneurship and SME skills. Conclusions and recommendations will be published in 2019. Intelligence will be used as inputs to the Economic Reform Programmes.

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<sup>i</sup> A new skills agenda for Europe (COM 2016 381/2)