

TORINO PROCESS REGIONAL OVERVIEW EASTERN PARTNERSHIP AND RUSSIA





EASTERN EUROPE AND RUSSIA

Countries in the region have made progress in the use of evidence and monitoring for tracking VET developments and needs. These will be needed to shape the new wave of policies and strategies, which will start to be implemented from 2020 in most countries.

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REGIONAL CONTEXT AND RESULTS



Eastern Europe has three lower middle-income countries (Armenia, Republic of Moldova, and Ukraine) and four upper middle-income countries (Russia, Azerbaijan, Belarus and Georgia). The recent economic experience of the countries is diverse. Armenia and Georgia experienced economic growth of 3% in 2015; Azerbaijan grew more slowly at 1.1%, while the rest had negative growth in 2015.

The countries have ageing populations, high labour mobility, relatively high employment rates and high educational attainment. Population growth is very weak or negative in all countries except Azerbaijan. Dependency ratios in Belarus, Georgia and Russia are rising, with an increasing proportion of the population under 15 and over 64. Looking at regional migration flows, Russia stands out as a net recipient, absorbing migrants from its neighbours, while Armenia, Belarus, Georgia, Moldova, and Ukraine all experience net emigration.

Throughout the region, with the exception of Georgia, services are the largest sector of the economy both in terms of employment and in contribution to GDP. There are large differences in the size of the agricultural sector across the region. Agriculture accounts for 7.8% of employment in Belarus compared to 50.9% in Georgia, with corresponding differences in labour productivity. In Georgia, the industrial sector accounts for almost 25% GDP but only 10% of employment, while in Azerbaijan, it represents 37% of output, but 14.1% of employment. In Moldova, services generate over 70% of GDP, but only 50% of employment.

The activity rate of the 15+ age group has remained relatively stable since 2013, with the biggest changes in Georgia, where it grew by 1.6%, and Ukraine, where it fell by 2.6%. Looking at employment rates, we see three situations in the region: high (Russia, Azerbaijan and Belarus), medium (Georgia, Armenia and Ukraine) and low (Moldova). Employment rates rose in Georgia, were stable in Armenia, Azerbaijan and Belarus, Azerbaijan, and fell in Ukraine.

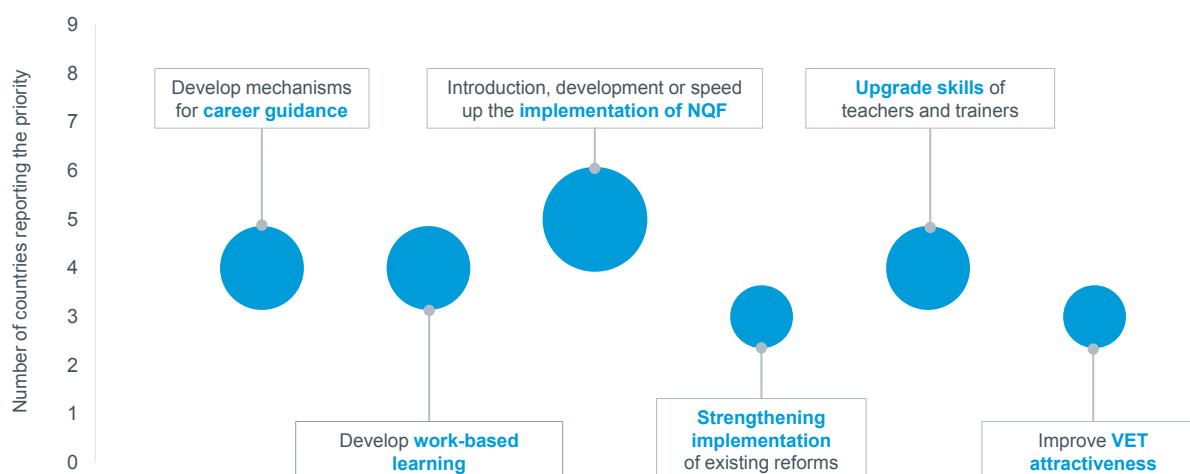
Youth unemployment declined in all countries in the region with the exception of Ukraine, where it grew from 17.4% to 22.4%. Aggregate unemployment varied, rising in Ukraine and Armenia, but falling in Georgia, Moldova, Russia and Azerbaijan. Overall, with the exception of Georgia, trends remained stable.

Long-term unemployment is a challenge. In Moldova and Russia, the long-term unemployed made up one third of the total unemployed, while in Armenia and Azerbaijan they accounted for more than two thirds. With the exception of Armenia, these figures are stable, suggesting that current policy approaches are having little impact.

In Armenia, Moldova, and Georgia, more than a quarter of young people are not in employment, education or training (NEETs).

In all countries, a growing number of people have higher levels of educational attainment. The number of people with lower level educational attainment therefore fell in all countries except Moldova, where it grew slightly.

REGIONAL PRIORITIES



PROGRESS IN VET SYSTEM REFORMS



The size of the VET sector varies considerably across the region, with the main providers of vocational education being secondary schools rather than enterprises, private providers or post secondary institutions. There is a growing demand for vocational education, with the share of students participating in VET increasing in all countries since 2010.

Reforms have targeted mainly secondary-level VET, with less consideration given to post-secondary, higher or continuing vocational training. There has been progress in reforming initial VET, but results are insufficient. The key challenge is to make VET more inclusive, diversified and holistic, and this will demand greater cooperation, involvement of new stakeholders in the policy debate, and action on the ground.

In all countries, labour markets and the supply and demand for skills are affected by technological advances, consolidation and rationalisation in industry and commerce, free trade and competitive forces. There is a continuing need to renew the relationship between education and the labour market in order to translate positive developments in VET into better labour market outcomes.

‘Vision is successfully targeting initial VET in the region, but there is need to see VET in a broader perspective and embedded in the economic and social development agenda of each country’

Across the region, VET is recognized for its contribution to economic development. Since 2012, there has been substantial growth in the range of policy initiatives in VET, and all countries have moved from formulating vision to implementation. Many of the actions implemented have 2020 as their target date. In the run-up to 2020, there is likely to be an increase in new policy development, as many countries assess their achievements and prepare new measures to address emerging or continuing challenges. Countries are looking towards a new wave of vision building, in which visions and the ensuing strategies and actions will need to be better embedded in the broader economic and social context. VET systems in the region are being gradually transformed by policy priorities that target

relevance, flexibility and quality. The 2016 round of the Torino Process shows that countries in the region are making progress in implementation, supported by a growing use of evidence and monitoring tools.

‘External efficiency remains a top priority to be tackled by countries in the region, as many actions are under implementation but policy coordination and cooperation could make implementation more effective. Resilience and innovation will need to be a guiding policy principle for the years to come’

Existing VET systems vary considerably across the region and across sectors in terms of their efficiency in developing the skills required for the world of work. There are two main reasons for this. First, existing VET systems are mainly oriented towards initial education and therefore do not serve the full range of needs of employers, employees and job seekers. Secondly, existing VET systems are still being reformed and have yet to achieve their full potential in terms of responding efficiently to needs and preparing young people for the world of work.

Young people face critical obstacles in their transitions to the labour market. These include the inflation of qualifications, lack of trust on the part of employers in vocational qualifications, a preference for higher levels of educational attainment, the requirement to have work experience, and the mismatch between the supply and demand for skills. The result is large numbers of job seekers, while employers find it difficult to recruit the staff they need.

To respond to these challenges, countries in the region have made progress in the area of key competencies and entrepreneurial learning in VET, suggesting a move from developing skills for specific occupations towards developing key skills for employment more generally. This is an important policy response to the needs of regional labour markets, where people will have to be adaptable and mobile and can expect to work in different jobs in their careers.

Career guidance is now more widespread in the region's school systems enabling students and teachers to make better informed choices.

Data collection initiatives are underway in all countries, particularly on the skills needs of employers. There is considerable data on education and the labour market. However, the focus is on inputs, such as student and teacher numbers, or infrastructure, rather than results and outcomes, such as use of skills or graduate transition to the labour market.

While much data is collected, it could be more widely used to inform policy development and implementation. Through the Eastern Partnership Make-it-Match network, the ETF has supported stakeholder coordination on skills anticipation.

'Stronger action is needed to create pathways to employment and social cohesion, through VET'

In all countries, VET is core to social inclusion, promoting labour market access for disadvantaged groups. While measures are increasingly being taken to facilitate access to VET through greater flexibility (e.g., short courses and modularisation), social support programmes using VET are not systematically integrated into the VET system across the region.

VET for social inclusion is increasingly combined with other assistance services, which are changing in nature or being improved. These include the improved targeting of VET assistance toward specific groups, such as NEETs, to facilitate their engagement or reengagement in the labour force or education.

To maximise the contribution of VET to social inclusion requires a broad range of partnerships between education providers, community services, employers, and government agencies, to enable VET to address diverse needs in a targeted way. Cooperation between NGOs and public authorities to support actions is an important feature of the region. Services provided by civil society organizations are often supported by international donors and complement the work done by public authorities, enhancing the capacity of countries



to support disadvantaged groups. While there are well-established protocols for cooperation, the region lacks overarching policy structures enabling cooperation with civil society to be used as tool for achieving policy objectives.

'Quality is a key priority in the region, however a holistic approach to it embracing all forms of VET and a more diversified delivery mechanism to gather the needs of more beneficiaries, is a need to be addressed'

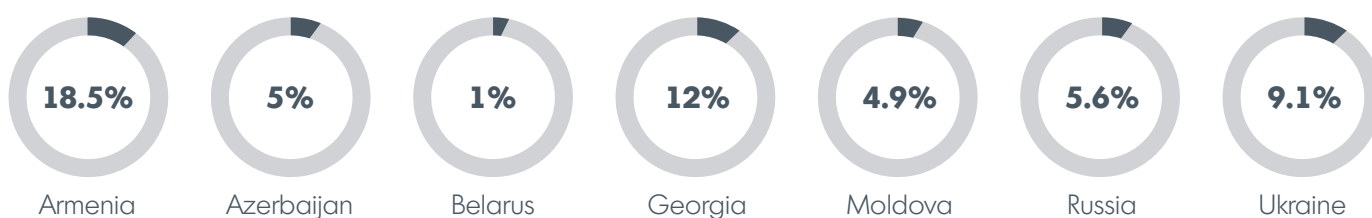
The VET systems of the region are being transformed by priorities that aim to improve relevance, flexibility and quality. Trends in the region towards relevance are growing with occupational standards built on analysis of the skills needs of employers and programmes that seek to develop constructive cooperation with employers. Flexibility is enhanced by developing new methods of delivery based on modularisation and through increasing use of learning outcomes to identify and structure course content. Several countries have developed policies and pilots to enhance work-based learning. These enable providers to tailor training to the specific needs of their locality, students, or clients. This provides greater opportunity for cooperation between



Eastern Europe and Russia

Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine, as well as Russia

There are varying levels of unemployment across the region...



With **rising trends** in **Armenia, Russia** and **Ukraine** and **falling trends** in **Georgia** and **Moldova**.

And in employment sectors
Belarus, Russia and
Ukraine have a smaller
share of agricultural
employment



Vs

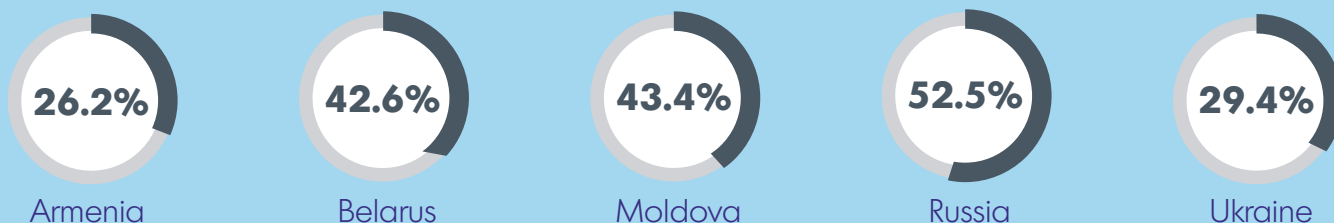
**Armenia,
Georgia,
Azerbaijan
and Moldova**



In almost **all countries**, the
service sector is the **largest**
source of **employment**.



Participation in VET as a percentage of upper secondary students:



There is an **increasing demand for VET** in most countries with **participation growing since 2010**.*

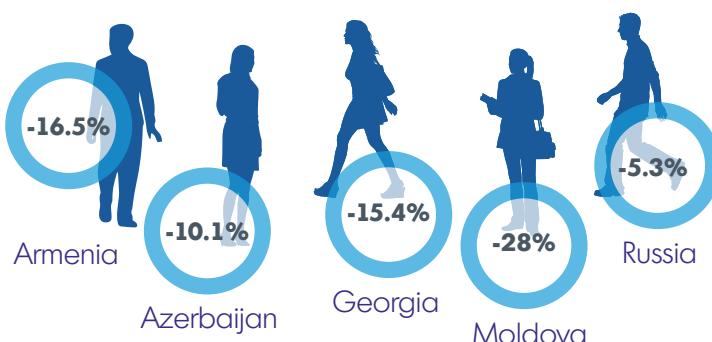
The level of **education in Eastern European** countries is going up...

Increase in share of population with higher education since 2010:

Armenia 25.7%
Azerbaijan 4.8%
Georgia 4.3%
Moldova 8.1%
Russia 14.7%
Ukraine 3.3%*



While **youth unemployment** has fallen:



*increase since 2013

...however, the number of NEETS (young people not in employment, education or training) remains an issue



employers and providers. These developments have great potential to increase the overall VET provision throughout the region, particularly for small businesses and enterprises in the area of work based learning. Quality is a major theme across the region, but holistic system wide approaches to it are still emerging.

Quality assurance is a key pillar of reform in all countries, with improvements in both input and output measures, such as better teacher training, new curricula, or new assessment arrangements based on learning outcomes. Quality assurance reform is slower in countries where links between VET systems and the labour market are less strong.

All countries are moving forward with their national qualifications frameworks, but links between VET and higher education would be enhanced by faster progress in this area, such as pathways that offer access to post-secondary higher level VET.

‘Stakeholder involvement in policy design and implementation is growing at regional, sectoral and local levels, but the region can become more effective in learning from the many innovative initiatives which can open opportunities for supporting delivery and results achievement’

Governance is changing across the region as governments seek to adjust their systems to better support policy implementation. This will be a key aspect of future reforms, including such developments

as new VET agencies, decentralisation and sector skills councils. Reflecting the diversity of administrative and economic structures, there is diversity of governance arrangements with different approaches taken and no common trends. Some countries tend towards decentralisation, but in all countries there are examples of top down and bottom up initiatives, and local level actions are growing in importance, especially when it comes to finding solutions for local labour market demand and skills matching.

Partnership is a key trend in the region. Public private partnerships are widely discussed and many cases exist, but there is significant scope to make them an integral feature of systems.

In all countries, funding is a challenge and is expected to continue to be one in the medium term. There is a clear need for innovation in this area, e.g. by developing broader networks of private and civil society providers as well as public-private partnerships.

Countries in the region are implementing a number of innovative initiatives, which if followed up, can release untapped potential and advance national goals and policies. These include the use of informal coordination mechanisms as a vehicle for improved social dialogue. These new forms of cooperation support closer communication, partnership and networking between the world of education and the world of work, involving educational institutions, local authorities, individuals and employers at different levels of governance and shifting the focus of attention to action.



EXAMPLES OF GOOD PRACTICE

Entrepreneurship learning in Ukraine

With the introduction of the New Ukrainian School concept, all secondary school graduates must develop ten key competences. These are in line with the European Key Competencies Framework. The following skills are seen as indispensable: reading, oral and written expression, critical thinking, ability to express opinions logically, ability to manage one's emotions constructively, initiative, creativity, problem solving, risk assessment and decision-making, and teamwork.

Sector committees in Moldova

Sector committees are consultative bodies made up of representatives of social partners. Sector committees aim to develop, for their respective business sectors, a modern, competent labour force responsive to the changing labour market demands. Sectoral Committees are in charge of reviewing existing occupational standards and developing new ones.

Quality assurance in Georgia

Quality assurance is done through internal (self-assessment) and external (authorisation and accreditation) mechanisms. VET colleges are responsible for the quality of theoretical and practical training, and required to meet the minimal authorisation standards as regards materials, equipment, staffing and curricula. The quality assurance framework was developed in 2010 inspired by EU practices, in particular the EQARF. The introduction of the quality assurance framework has been an important step forward in the modernisation of Georgia's VET system.

VET networks in Belarus

Belarus has taken action to improve the teaching and learning environment in VET schools, for example, optimizing the national network of VET schools by determining the right number of educational institutions and distribution of specialisms, establishing resource centres as well as setting up scientific, training and production clusters for continuing vocational training. In some cases education and training provision has been re-organised by merging colleges and lyceums with higher education institutions and by transferring job related training and career guidance centres from secondary schools to VET and specialised secondary institutions.

Targeting in-demand occupations in Russia

The Russian Government is improving the quality of VET by setting targets for supplying skills for 'in-demand' occupations. By 2020, 50% of VET providers must offer training in the top 50 in-demand occupations requiring secondary level VET. By the same date, 70% of VET school directors, teachers and trainers should have undergone professional development on training in the top 50 occupations

Career information in Azerbaijan

Students and graduates of higher education institutions are informed regularly by electronic means of the qualifications required by the labour market. Computer terminals with up-to-date information on vacancies have been installed in employment centres and leading educational institutions to promote the labour market integration of students and graduates.

Career guidance in Armenia

Career guidance is increasingly important in Armenia, with a network of career guidance services developed since 2013 in 22 VET colleges in cooperation with the Methodological Centre for Professional Orientation under the auspices of the Ministry of Labour and Social Affairs. In 2016, the Centre updated its strategic implementation plan for the period 2016-2020, focusing on classroom materials, occupational information and professional support to establishing websites for career consultants and liaison and marketing.



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

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