

RUSSIA

ETF COUNTRY PLAN 2007

1. Socioeconomic background

The Russian economy continues to grow at a rapid pace, and high energy prices have generated the substantial revenues necessary to enable the government to stabilise the fiscal situation and implement much-needed socioeconomic reforms. Unemployment has continued to fall and investments in education and human resources in general are increasing. Diversification of the economy and stimulation of growth outside the fuel and energy sectors require effective government interventions, but also a new skilled labour force.

The country faces an ongoing demographic decline in years to come that will affect in particular the education system, but also the labour market. Poverty and inequality are still major issues. Structural reforms are taking place – in health, education, housing, social areas and public administration – and the government has set an ambitious target to cut poverty by half by 2007. Russia has implemented several education reforms since the beginning of 1990s. However, major restructuring and efficient use of overcapacity across the education system remain challenges for the coming years. Improving access to and raising the quality of education, developing continuing vocational education, and making the education sector more investment-attractive are current government priorities. The active participation of social partners and the public in education and training requires appropriate legal provisions and the development of incentives to make it institutional and operational.

The future of Russia depends on its capacity to support rapid economic growth at the same time as its valuable human resources are facing a serious demographic dip. The situation calls for increased efficiency and restructuring of the education system to serve lifelong learning needs; redeployment of unemployed people and those at risk of being laid off; development of appropriate labour market and immigration policies; and an increase in the quality and competitiveness of human resources. The ongoing devolvement of the financing and management responsibilities of training institutions from the federal to regional level challenges the overall quality assurance system at all levels of education. integration.

2. Key policy issues and strategies in human resource development

Support to education reforms

The objectives of the National Priority Project on Education are to ensure system changes in the main trends of Russian education development and to contribute effectively to the formation of civil society institutes and up-to-date education management. The main components of the project are:

- the stimulation of higher and secondary education institutions which actively introduce innovative educational programmes;
- the informatisation of education;
- support for the initiative and talented young people;

- greater opportunities for initial vocational education for conscripted military personnel;
- the establishment of a network of national universities and business schools;
- additional compensation to form masters;
- financial incentives for the best teachers.

In October 2006 the federal government expanded the National Priority Project on Education to support innovations in vocational education and training (VET). In future years tens of millions of dollars will be granted to VET schools for upgrading their equipment and facilities, and modernising their training programmes. It will be important to analyse and learn from the experience accumulated in international projects and in the regions in order to ensure that these new investments complement what the regions are already doing, and that the beneficiary institutions have incentives to network with other institutions and share the results of their support with others. Past experience suggests that equipping and supporting individual schools does not represent a sustainable long-term solution to the problems of the VET system. Before moving ahead with this initiative the government needs to develop a long-term vision for the development of the VET sector that takes into account the rapid changes taking place in the workplace as a result of the introduction of more sophisticated technologies and the demands of enterprises for graduates with flexible skills and the capacity to learn fast.

Decentralisation and new financing mechanisms

The federal policy on the decentralisation of VET governance aims to better address the regional and local needs of the economy and the population. It also aims to involve regional administrations in VET development and to activate the participation of employers and professional associations in VET governance. Decentralisation presupposes the transfer of VET schools into regional jurisdiction, with a redistribution of powers between the federal and regional authorities. It also requires new financial mechanisms. As of January 2005 the responsibilities of VET management and financing for most initial vocational education and training (IVET) schools were devolved from federal to regional level. The secondary vocational education and training (SVET) schools are also being gradually transferred to regional jurisdiction. To date, around 92% of IVET schools and an increasing share of SVET schools have been transferred to regional jurisdiction. These have not yet fully taken shape. In spite of the fact that decentralisation as such is a very positive development, the situation of VET schools may worsen substantially, primarily due to the financial constraints resulting from the very different standings of the regions. The transfer of IVET and SVET schools to regional jurisdiction would also require the development of a legal framework that empowered the federal ministry to control the quality of VET after they have passed it to regional jurisdiction. Thus, a model of VET governance must be created that delineates powers and competences, functions and responsibilities of schools and local governments, and of regional and federal authorities.

In preparation for optimisation, the regions within Russia are modernising their VET infrastructures by setting up regional centres for labour market monitoring, regional centres for quality assurance and integrated systems of up-skilling (continuing vocational training). Some have also started to improve vocational guidance and counselling systems. In certain regions (for example, Samara Oblast) stipends and additional benefits have been introduced for students in occupational training for which there is low demand. Some regions have started establishing regional centres for the certification of qualifications using international experience. Without the coordination and guidance of federal authorities such issues as the portability of certificates across regions and the lack of nationally agreed standards may bring the viability of centres into question and thus affect their sustainability.

Regional VET systems are also involved in maximising the regional component of the VET standards to improve the labour market relevance of education and training. To this end various forms of council have been set up, with the participation of social partners. In some regions VET schools are granted certification only if their training profiles address the regional labour market needs and if employers, regional employment service agencies and students give positive feedback about the school.

Alongside the decentralisation and optimisation processes, new financing mechanisms have been devised, including per capita financing of IVET and SVET schools differentiated according to the profile of the training (in terms of its relevance to the economy) and costs of the programme. The

development of per capita financing (often referred to as norm-based financing) has been underway for several years, though no final model has yet been approved. The decentralisation process has also engendered a model of co-shared financing of VET schools under medium-term target programmes from federal and regional budgets. The regional VET authorities have to cope with the different levels of funding available in each region, as well as with different levels of demand for VET services and the need for such resources. As a result, the regional VET authorities have developed their funding models based mostly on the accounting for the cost of inputs, and are therefore input-based funding models. These funding models have a number of inherent weaknesses, such as the absence of links to performance mechanisms.

The management and leadership skills of VET administrators and managers at all levels must be developed further in order to cope with all the challenges of decentralisation. Schools should become more autonomous in an economic sense. This would imply a radical change of existing itemised funding principles. It would also require increased accountability for the results that schools achieve, and therefore the financing of VET schools should be based on outcomes that have been clearly identified and formulated. In order to enhance the overall efficiency of financial schemes it is proposed that new mechanisms be introduced, including target figures, education credits and medium-term programmes. Under these programmes, priority financing will be provided for developing up-to-date teaching and learning infrastructures, such as computer networks, education data bases, e-libraries, teaching and learning materials, systems of quality assessment and a system of certification and accreditation of curricula, as well as software packages in education management and governance.

Qualifications

There is still an absence of updated occupational standards, and the existing classification of labour market occupations has not yet been revised. In practice this means that outdated and obsolete occupational profiles are still the basis of many programmes provided by VET schools. At the same time there is no generally accepted methodology and communication system for anticipating skills demand. VET institutions have no guidelines on which they could base new initiatives, and often follow the most recent trends. One of the outcomes of this process is the so-called 'qualification loop'. New jobs in the labour market requiring different or higher qualifications in new market segments (such as finance) remain vacant because of the lack of school graduates who have the required knowledge and skills. The rigid dependence on awarding diplomas and qualifications on the basis of duration and type of programmes in formal education is paralleled by the absence of mechanisms and instruments to recognise prior learning from non- and informal settings.

In the decentralisation context previously described, there is a danger of regional disparities. The development of a national framework to ensure quality, transparency and comparability at national level becomes even more important.

3. EU and other donor policies and interventions

The EU and Russia reshaped and improved their relations in 2005 by agreeing on Four Common Spaces and adopting a Road Map towards their realisation at the EU–Russia summit of 10 May 2005. The year 2005 thus marked a new phase in EU–Russian relations, in which there is a strategic goal identified through a consensus process.

Russia is currently becoming an international donor and provider of technical assistance to the poorest countries regionally and globally, while continuing to implement an ambitious national poverty reduction programme, focused around the four National Priority Projects, with improved life expectancy and quality of life as two overarching priorities. Hence, donor activities in general are being phased out. The major contributors still remaining in Russia are the World Bank, EU Delphi 1 and 2, Tempus and some bilateral donors such as Finland and the Netherlands.

4. Mid-term perspective ETF intervention strategies contributing to added value in national, EU and donor reform-support policies

As in previous years, the key objectives of the ETF 2007 Work Programme for the Eastern Europe and Caucasus region will focus on increasing the impact of EU investment in HRD in the partner countries, and on building capacity in reviewing, designing and implementing education and training reforms, based on information and analysis. Expertise will be provided to the Commission concerning on-going and planned assistance in the field of education and training, as well as ad hoc expertise in relation to the European Neighbourhood Policy Instrument (ENPI). Although a decrease in demand is expected as a result of the lower priority given to VET in the education Common Space, the ETF will also promote further dissemination of, and access to, information on EU policy developments in the education and training field, which followed the decisions of the EU Council held in Lisbon. With regard to stakeholders' capacities in designing and implementing national VET reform programmes, in order to maintain continuity the focus will be on decentralisation of VET system management and financing. Moreover, there will be follow-up of policy advice initiatives on the issue of national qualification frameworks.

The Russian reform initiatives and experience are of interest and relevance for many other countries in the Commonwealth of Independent States (CIS). The ETF will facilitate the exchange and dissemination of Russian experience and developments through peer learning and joint activities with other countries. The issue of decentralisation is high on the agenda in Ukraine, and some of the ETF products developed in the context of cooperation with Russia could be of relevance for the Ukrainian experience, particularly the manual for enhanced VET school management and the pilot model on VET financing.

The ETF will continue to follow the progress of education and training reforms in Russia through established networks and ongoing country intelligence. The ETF will also continue to build on established networks of relevant partners, including public institutions, social partner organisations, donors and NGOs in Russia, and will seek new ways to relate to its environment in the country in line with its evolving mandate (new Council Regulation expected to come into force in 2008) and functions (more focus on policy and system development in the broader field of HRD) by means of the ENPI Networks project.

The ETF will explore with the Russian government its level of interest and commitment to carrying out a policy review on the impact and pros and cons of the ongoing reform initiatives. The exercise could also be carried out in cooperation with other international agencies and could include benchmarking against European and international developments with a view to enabling capacity building and policy learning among the Russian education community.

5. Work programme 2007: objectives and indicators

ETF Mid-term country objectives for Russia: To support the development of tools for the development of VET in Russia, in particular in relation to decentralisation and a national qualifications framework.

PROJECT NUMBER	PROJECT TITLE	SPECIFIC COUNTRY OBJECTIVE	EXPECTED OUTCOMES	ACHIEVEMENT INDICATORS	SOURCES OF VERIFICATION	(YEARLY) OUTPUTS	PROJECT DURATION
ENPI07-01	Facility to respond to EC requests	To provide policy analysis to enhance the role of education and training issues in the design and implementation of EU policies in the region	Information provided to relevant EC services on the state of implementation of VET reform	Requests from EC services for ETF expert input	ETF quarterly reports and Annual Activity Reports	ETF input to EC services, depending on request	2007
ENPI 07-04	Policy learning to support VET reform processes	To build national capacities for the implementation of VET reform, particularly on issues linked to decentralisation	<p>VET school governance training programme disseminated to five regions and presented to national authorities for wider dissemination</p> <p>A 'train the trainers' programme implemented to ensure sustainability of results</p> <p>A pilot model for VET financing has been developed and presented to both regional and national policy makers</p>	<p>Training material (modules, case studies and methodological notes) available</p> <p>Five key trainers trained and at least ten additional trainers trained in each region</p> <p>Pilot model tested</p> <p>Pilot model available for external distribution</p>	<p>Training seminars report</p> <p>ETF quarterly reports and Annual Activity Reports</p> <p>National stakeholders</p> <p>ETF quarterly reports</p> <p>Annual Activity Report</p> <p>Website</p>	<p>A comprehensive training set composed of modules, case studies and methodological notes for trainers available</p> <p>At least 50 trainers trained</p> <p>A pilot model for VET financing tested and available for distribution</p>	2007
ENPI 07-05	National Qualifications Framework	<p>Transforming occupational standards in the tourism sector into a learning outcome-based qualification framework</p> <p>Reviewing pilot tourism sector experiences in the context of drafting an informed national NQF policy paper</p>	<p>Pilot tourism sector qualification framework completed consisting of agreed learning outcome-based qualification profiles, level descriptors, assessment approaches (formal, informal, non-formal learning)</p> <p>National qualification framework policy paper drafted. The paper will review the pilot experience, identify policy issues, report on national consultations and make proposals for further steps</p>	<p>Complete Tourism NQF dossier produced by national working groups and national NQF coordinator</p> <p>NQF Strategy paper produced by national working groups and national NQF coordinator (the state of readiness being dependent on progress in the country)</p>	Project documents, mission and progress reports of ETF and experts	<p>Learning outcomes/qualification profiles</p> <p>Level descriptors</p> <p>Assessment approaches (formal, informal, non-formal learning)</p>	2007–2008

ENPI07-07	Networking	To reinforce regional exchange of experience of sector policy development and implementation	<p>Strengthening of policy formulation and implementation capacities of national stakeholders in overall or specific reform issues</p> <p>Dissemination and networking activities carried out to expose national stakeholders to EU policies and other partner country experiences on education and training sector reform</p>	<p>Selected stakeholders participate in network activities and provide relevant input when requested</p> <p>The new networks are fully working in an integrated manner at national and regional and in coordination with the other ETF networks</p>	<p>ETF quarterly reports</p> <p>Project plan for 2008</p>	Concept note and work plan prepared	2007–2013
-----------	------------	--	--	---	---	-------------------------------------	-----------