



SKILLS DEVELOPMENT AND POVERTY REDUCTION IN KAZAKHSTAN

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SKILLS DEVELOPMENT AND POVERTY REDUCTION IN KAZAKHSTAN

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1. Introduction¹

International experience shows that chances to reduce poverty through enhancing economic growth also need to include measures towards more effective development and utilization of human resources, including supporting public and private initiatives on the local level.

In recent years a number of important initiatives were launched among which the integration of vocational skills development in the Education for All (EFA) national plans of actions. Special emphasis is given to the necessity of training for poverty reduction and to improving the role of formal and non-formal VET to play in this context. It is widely recognized that skills development aimed at improving living conditions will require reforms of the existing VET system. This chapter will analyse the challenges that Kazakhstan is facing in this context.

2. Development of social policy and national debates on poverty reduction

1.1 Basics of the national poverty reduction policy

Poverty in Kazakhstan, as in other NIS countries, is linked to the crisis of industrial production in the 90s, the sharp decline of incomes and the emergence of mass unemployment resulting from the radical economic reforms of that period. The existing system of social protection was unable to effectively respond to these trends.

In 2002, Kazakhstan like many other countries signed up to the Millennium Development Goals (MDG) with a view to reducing poverty. At present Kazakhstan has achieved two out of seven MDGs: achieving universal primary education and equal access to education for boys and girls. Two other goals — decreasing the share of population who have an income lower subsistence level and the share of population who have no access to safe drinking water – are to be achieved by the year 2015.

The Government attaches priority importance to developing the social sector and is working on developing mid-term plans in the field of education, health and social protection. Increasing the living standards of the population and reducing the scale of poverty are the principal targets of its social policy and the main criteria of its efficiency. During the first years of the transition period due to limited financial resources the main activities were aimed at preserving the social security, softening negative consequences of sharp decline of living conditions, and the protection of disadvantaged groups of the population.

The economic growth which started in the middle of 90s has made it possible to implement an active social policy. Under the new conditions reform of the system of social protection focused on legislation to regulate labour relations, active measures to support employment, transition to an accumulative pension system and provision of targeted state support. Two state programmes (for the period of 2000-2002 and 2003-2005) were adopted to reduce the scale of poverty. These will be described later.

Today, this stage of the reform has been completed and a model of social protection appropriate for a market economy has been developed. Over the past 5 years absolute poverty (measured by the number of people living below subsistence level) in Kazakhstan decreased by 2.9 times – from 34.5% to 9.8% in 2005. This is the result of increased employment, implementation of social programmes and provision of targeted state assistance².

¹ This chapter is based on a report produced for ETF in 2005 by a team coordinated by Shaizada Tasbulatova – Director, Association “Education for all in Kazakhstan” and Valentina Belosludtseva – expert, Association “Education for all in Kazakhstan”. The team consisted of Tamara Duisenova – then vice-minister, Ministry of Labour and Social protection; Gulnara Tokseitova – deputy director, Department of social normatives and rehabilitation of invalids, Ministry of Labour and Social protection; Menzhamal Alseitova – Head of the Department of content of primary vocational education, Ministry of education and science; and Anastasia Kurasova – deputy director, Department of coordination of employment and social programmes, Almaty.

² Interview with Minister of Labour and Social Protection G. Karagusova, Kazinform, 2005.

1.2 Cooperation of the Government with international organizations and NGOs

Various organisations are involved in shaping the modern social policy. The principal directions of the poverty reduction policy are formed based on recommendations and support of international organisations, such as the United Nations Development Programme (UNDP), International Labour Organisation (ILO) and multilateral donor agencies like the Asian development Bank (ADB) and World Bank (WB). An important role is also played by non-governmental organisations (NGOs).

During the last five years UNDP has supported the implementation of over 10 projects and analytical reports linked to reducing poverty in Kazakhstan. The main areas of cooperation between UNDP, ADB and WB, on the one hand, and government agencies, on the other, has focused on developing new approaches to collecting statistical data in the field of social protection, poverty monitoring, reforming the wage system, micro-financing, elaboration of principles of social insurance, creating institutional mechanisms and strategic documents, preparing studies on gender and ecological aspects of poverty, and the role of local authorities and NGOs. However, there is no mention at all of the role that education can play in increasing the living standards of poor people although individual measures and proposals towards training /retraining of the unemployed are included in both programmes of poverty reduction ³.

It has become evident that under the conditions of developing democratic society and a market economy, the preservation of the old “monopoly” role of the state in shaping social policy is becoming impossible. The UNDP for example clearly states that “involvement of all groups of the population to developing the social policy is becoming a necessity also due to the fact that public resources, targeted at present first of all towards implementation of economic reforms, are clearly not enough for carrying out real social policy”⁴.

Non-governmental organizations are progressively becoming the most consistent spokespersons of interests of individual social groups, including the disadvantaged and vulnerable groups of population. Thanks to them there is more attention to include their interests in relevant laws and normative acts. Involvement of NGOs in developing social policy takes place at different levels of interaction with state authorities and in a variety of forms. More in particular they tend to focus attention on :

- Targeting social assistance (identification of target groups among socially vulnerable groups of population and work with them in close contact).
- Developing a sense of citizenship among the population (discussion and analysis of existing legislation in the field of human rights and freedoms, youth organizations, environment protection, implementation of innovative training programmes, etc.).
- Providing moral support by bringing together people who have common problems (local community development, psychological and professional adaptation, ensuring employability/self-employment of unemployed, business development, etc.).⁵

The activity of the Confederation of non-governmental organizations of Kazakhstan (CNGOK) is a good example of effective participation of NGOs in solving poverty reduction problems. The 300 NGOs that are members of the CNGOK are involved in developing and implementing a variety of social programmes. They have developed considerable experience in protecting the interests of people, including socially disadvantaged groups of population. The CNGOK has become a recognised partner of the Government, the Parliament, Trade Unions and the numerous international donor agencies operating in the country.

As a result, poverty reduction issues and related discussions are not only a matter of concern for the state and other institutions at the national level but are also widely covered in mass media, reflecting views of the government, and of civic society and individuals who have a stake in protecting rights and

³ Analytical Report “Poverty in Kazakhstan: causes and cures”. Almaty, 2004. This report was developed and published to support the achievement of the Millennium Development Goals. The report was presented to representatives of the Parliament, Government, NGOs and the academic community as well as to international organizations during events in Astana and Almaty and was widely discussed.

⁴ UNDP, Solving poverty problems. Almaty, 2004, p. 38

⁵ O.c., p. 19

interests of the poor. Ministries and authorities involved have their own web-sites. This issue was also a subject for discussion at the Civic Forum of 2003 and 2004.

One of the recent key discussions in the country is about the employment of foreign labour. Implementing new technologies and opening new production facilities has proven difficult because of the lack of specialists who are familiar with international norms and standards, have a good command of foreign languages, and possess work experience in foreign countries or in international companies. As a result the number of foreign workers and specialists working in the country has grown. In employing foreign workers, an employer has to follow the conditions for training, retraining and up-grading skills that are valid for Kazakh workers, while preserving the existing and creating new job places for Kazakh citizens. However, not always these conditions are fulfilled and sometimes this causes conflicts between workers and employers. The discussion of this problem has led to proposals to intensify the policy on substituting foreign specialists with Kazakh staff. To achieve this it is recommended to increase the opportunities for and quality of training and retraining.

As is clear from the foregoing, issues of employment and professional training are considered first of all in the context of increasing the competitiveness of the country's economy and implementing related state programmes (such as the Strategy for innovative-industrial development, development of the oil and gas sector, the house construction industry). They are mainly driven by the lack of well trained and qualified workers and specialists. The discussions on legislation on these issues, however, have obviously also an impact on the content of social policy, including poverty reduction programmes.

1.3 Poverty reduction programmes

Despite a growing contribution of NGOs, the state remains the principal actor in the field of poverty reduction and several initiatives have been taken since the late 1990s. December 1999 saw the adoption of the Presidential Decree on the first Poverty Reduction and Unemployment Programme in Kazakhstan. It covered the period from 2001-2002. Its main objective was to address the issues of job creation and targeted social aid to the poor. In January 2001 the Poverty Reduction Department (Standard of Living Department) was established with the task to develop a draft second Programme for the period 2003-2005, with UNDP and ADB technical and financial support. The Government has also created an Interdepartmental Commission for Poverty Reduction headed by the Deputy Prime-Minister, responsible for monitoring of Poverty Reduction programmes and for the development of the Poverty Reduction Programme for the next period.

The first Poverty Reduction programme certainly achieved some results. The share of the population with an income per capita below the subsistence wage has decreased from 31.8% at the launch of the programme to 28.4% in 2001. Unemployment decreased as well, from 12.8% in 2000 to 10.4 % in 2001. But by 2002 the level of poverty has remained quite significant (more than 10% earned incomes below the poverty line). In fact, many important economic and social factors affecting the growing poverty largely still existed:

- Mismatch between demand and supply on the labour market and high unemployment.
- Low salaries, pensions and benefits (more than one fourth of the population had an income below the subsistence wage; almost 12% had an income less than the food basket cost; almost half of those with an income under the subsistence wage lived in households comprising 5 and more people).
- Poor network of secondary and vocational schools in rural areas (over 30,000 of students have to travel a distance of 30 to 40 km to get to school; about 6,000 lived in rented apartments or with relatives).
- Parasitical attitudes of some population groups combined with low awareness of the employment possibilities.
- Insufficient coverage of the most vulnerable people by the state targeted social assistance.
- Many people are unprepared for entrepreneurship and active job search in the transition period.
- Large concentration of the poor in remote rural areas and small depressed towns.

- High levels of school non-attendance registered by the Ministry of Interior, in most cases linked to the unfavourable school environment or bad financial situation of families.⁶

Based on the lessons learnt, and following the recommendations of international organisations and suggestions of the NGOs, a second Poverty Reduction Programme 2003-2005 has been developed. This programme, taking into account the complex nature and causes of poverty, has focused poverty reduction policies on economic growth; increasing employment and reducing unemployment; targeted social assistance; better access to secondary education, primary health care, housing, transport infrastructure and public utilities, including potable water; efficient administration of budget programmes; more efficient public administration, involvement of civic society in the decision-making process, and improved access to information for the poor.

As a result of the progressive economic growth (for the last five years annual GDP growth has been around 9 %) and the results of the two Poverty Reduction Programmes, by 2005 the number of people with an income below the poverty line has decreased from 10.2 % in 2002 to 3.9 % on 1 January 2005. There was also a reduction of unemployment combined with growth of the employed population. For 2004, the level of unemployment stood at 8.4 %. In April-June 2005 it had already decreased to 8 %. During 2004 the employment offices provided vocational training, re-training and professional development to more than 27,000 unemployed (up from 26,400 in 2003). The biggest number of trained and re-trained unemployed was to be found in the Karaganda oblast – 4,900 and Almaty oblast – 3,900.⁷

Despite the improved economic growth since 1999, poverty is still a serious issue for Kazakhstan. The labour market remains unbalanced. As of 1 January 2004, on average, one vacancy was claimed by 10 unemployed and in rural areas 55 in a rural area.⁸ The issues of illegal and foreign workers remain unsolved while every third unemployed person is in the age of 15-39. Moreover, out of 127,000 people, officially registered with the unemployed placement service, almost 50% appear not having a profession or are low-qualified.⁹

The next phase of poverty and unemployment reduction was introduced the Employment Scheme 2005-2007. This programme focused on securing productive employment and increasing incomes of the main part of the population. In addition, another programme was launched, the Programme for further intensification of social reforms up to 2007. The latter focuses on the creation of conditions to implement a new model of social security, appropriate for a market environment. In the transition period social protection by the state was mainly aimed at the socially vulnerable population, but there is now a need to further intensify social reforms through the establishment of a sustainable and socially fair tripartite system of social provision with responsibilities distributed between the state, employers and employees. The new system should be based on basic social allowances, guaranteed by the state, mandatory social insurance, and voluntary savings which in the future will turn into social transfers. Economic growth and the improved situation of the state budget have also enabled to expanding the social security system.

The Poverty Reduction Programme 2003-2005 provides a detailed portrait of poverty in Kazakhstan, including a list and description of the most socially vulnerable groups of population. These are above all children living in poor families; families having many children (concentrated in southern and western regions, mainly, in rural areas); long term unemployed people; young people who do not study and work (those in the age of 15-19 make the biggest share of workable population (24%) but and 12% of them are unemployed); elderly people, living on their own and who cannot afford increased fees for public utilities, healthcare and other necessary expenses; handicapped people; marginal groups, such as homeless, ex prisoners and refugees.

The nature of today's poverty is mainly determined by unemployment and by low incomes of those employed, especially in rural area and small towns. Families with many children and incomplete families suffer most of all. Unemployment is caused by the fact that people do not have the qualifications and attitudes required on the labour market, by the reduced number of jobs - also in functioning enterprises - and by insufficient possibilities for self-employment.

⁶ Poverty Reduction Programme in the Republic of Kazakhstan 2003-2005.

⁷ Web-site of the Ministry of Labour and Social Protection.

⁸ Information on implementation of the Poverty Reduction Programme for 2003. UNDP data in Kazakhstan.

⁹ Speech of the Prime-Minister of the Republic of Kazakhstan D.Akhmetov at the Second Assembly of workers of Kazakhstan. 27/08/04.

Poor people used to receive financial aid and targeted social assistance. Through improved registration such passive methods of state support are increasingly being replaced by more active approaches aimed at combining assistance and self-help. While financial aid to disabled people continues the focus for the able-bodied moves towards assisting them in finding employment, training, and improving their position on the labour market. In addition, new forms of assistance such as housing and child allowances are being introduced based on improved methodologies for the calculation of household incomes. Changes in the employment legislation will include the creation of social jobs, quota for employment of handicapped people, employment guarantees for legal migrants, and the protection of rights and interests of citizens, temporarily employed abroad in the framework of intergovernmental agreements. Finally, a new law on "Social protection of handicapped persons in the Republic of Kazakhstan" defines the terms and nature of educational services to be provided to the handicapped. For the first time it sets entrance quota to secondary and higher vocational institutions and provides for privileged scholarships. It also foresees for compensation of expenses incurred by handicapped children who study at home.

Training and re-training of unemployed has from the start been included in the plans of the poverty reduction programmes. The first programme (2000-2002) included the expansion of professional services for the unemployed, setting up regional databases on vacancies and training supply, improving the selection of unemployed to be retrained, and improving training of unemployed for SMEs, entrepreneurship and private farming. The 2003-2005 Poverty Reduction programme paid priority attention to vocational training and re-training of the unemployed and even devoted a special chapter to these issues. It suggested to:

- Improve the labour market position of the unemployed through relevant vocational training.
- Develop a forecasting, monitoring and state regulation mechanism of training of workers and specialists in line with the labour market requirements.
- Expand the network of vocational schools and lyceums and to better it to train unemployed and specialists in high demand.
- Improve organization and financing of vocational training and professional development of the unemployed.

However, as many observers have noted, these issues have not been addressed in reality mainly due to lack of appropriate legislation and sufficient financing.¹⁰ Vocational training and re-training of young people and adults from socially vulnerable groups in fact is the weakest element in the Poverty Reduction Programmes. There are no targeted training and retraining programmes for the different vulnerable groups; the level of training/re-training of unemployed is still very low; some of those retrained are not interested or motivated to look for a job at all; there is no career-guidance and consultation system and the ability to use information on labour market needs is underdeveloped; funds and duration of training are limited; and the professional level of many NGO staff and people working in social institutions is still low.

To summarise, despite the fact that the general situation in the country is characterised by reduction of poverty and improvement of the living standards, the number of less-privileged with an income under the poverty line remains considerable. Those living in rural areas and small towns are in the worst position. The Government gives much importance to the employment, training/re-training, and adaptation of the able-bodied part of the poor to the market needs. However, many plans from the Poverty Reduction Programmes are not implemented, mainly because of the insufficient normative-legal basis and lack of funding.

Most unemployed training/re-training programmes are traditional (oriented at the development of professional knowledge and skills only), inefficient, not connected to guidance and counselling and there is no information about the impact of this on their employment situation. There are no real opportunities for training and re-training of the poor employed (who would like to be trained but cannot afford high tuition fees). There is a lack of coordination and cooperation at the regional and local level between employment and social offices, vocational education and training institutions and NGOs to properly cater for the training needs of vulnerable groups.

¹⁰ Round table discussions were organised in Almaty, Karaganda and Taraz. These were attended by representatives of vocational schools/lyceums, colleges, NGOs, heads and specialists of city and regional Akim's offices, Employment Centres and social programmes (about 80 people in total).

2. The national debate about the role of education as an instrument for poverty reduction

Role of education as defined in strategic programmes

It is obvious that people who have been well trained and are able to continuously improve their training, contribute to the development of the economy with their knowledge and skills and, thus, enhance the development of living standards in the country. This has also been acknowledged by the President of Kazakhstan in his address to the People of Kazakhstan:

“We will not be able to develop the innovation economics without modern system of education and modern managers, thinking at large, in a new way. We need to take adequate steps aimed at the development of technical and vocational education at all levels... First of all, we need to develop technical trades, which we lack badly and which is why we have to attract foreign labour”.¹¹

These issues have been addressed through a number of strategic governmental programmes and are being discussed in the national mass media and during numerous conferences and meetings.

The Strategic Plan of Development of the Republic of Kazakhstan to 2010, for example, defines extended access of the population to quality vocational education of all levels as one of the priorities of social-economic development. The Plan suggests developing quality assurance and sustainable vocational education (enhancing the vertical cohesion of various VET elements), more efficient financing of vocational education and the development of social partnership between educational institutions and the private sector. The Strategy of Industrial-innovation Development defines the educational sector as one of the major “hot spots”, securing sustainable development of the country. It also argues that education in Kazakhstan should become a dynamically developing system and needs to adequately react to processes of globalization and informatisation. The Concept of Educational Development in the Republic of Kazakhstan to 2015 (2004) defines education as one of the most significant factors of public development of the country. It especially emphasizes the need to improve the system of education, improve its quality and mobility opportunities to be in line with the needs of development of economics and community.

The State Programme of Educational Development in the Republic of Kazakhstan to 2010, which was developed to implement the Concept, plans to ensure among others:

- Implementation of the principle of “life-long education for all”.
- Quality, competitive education aimed at learning outcomes.
- Accessibility and succession of all levels of education.
- Advance development of education compared to other social spheres and branches of economics.
- Positive public opinion of the priority of educational field as a prerequisite of social-economic progress in all fields of social development.
- Development of a professional-competent personality, competitive specialist able to independently and creatively address professional tasks, realize personal and social significance of professional activity, and to be responsible for its results.
- Social partnership in vocational training.
- Activation of scientific and innovation activity in the field of education.

According to all these documents, improving the educational system in Kazakhstan is aimed, mainly, at contributing to social-economic progress through training of qualified staff. None of these documents however refers in any way to directly address poverty issues. As was noted earlier it is

¹¹ Kazakhstan on the way of accelerated economic, social and political modernisation, Almaty, 2005

assumed that the implementation of an efficient social policy depends, first of all, of economic growth which itself is in many respects achieved by qualified staff, for which therefore an efficient system of formal and non-formal education and training is needed.

2.2 National debates on education development

In the last years issues of education development were being discussed at many international and national conferences involving large numbers of people. Some of the most important events were the Third Assembly of educators and scientists (2004), the adoption of the new Concept of education and relevant State programme of education development to 2010 (2004), the development and publication of the national report on human development “Education for all: major goal of the new millennium” (2004), and the activities (forums, seminars, round-tables, focus groups) that were organised in the framework of the “Education for All” Global movement (from 2000 to present days)¹².

The Assembly was attended by over 900 people, representing various structures of formal and non-formal education, NGOs, scientific institutions and employers (including 750 delegates from oblasts, regions and cities of the country). The participants emphasised the increased significance of education for the economic and social development of the country. In a final resolution, the main achievements to date were summarised as follows:

- There is a sustainable activity carried out in the Republic to ensure accessibility of educational services for all layers of population
- The economic development enabled a more than 2-fold increase of allocations for education and science.
- An independent external assessment of students’ academic achievements has been introduced and state monitoring of the quality of education at all levels is being implemented.
- Steps, ensuring training of new kinds of professional staff have been undertaken.
- Science is integrated with industry and education, and resources are concentrated on priority directions of scientific-technical development of the country.

The resolution identified the following outstanding key issues:

- Low quality of students’ knowledge and skills.
- Insufficient orientation of secondary education at preparation of graduates for a competent, responsible and creative involvement in public life.
- Low demand for school graduates on the labour market.
- Increased disproportion in staff training by branches of economics and levels of education.
- Insufficient budget financing of the system of vocational education and training, broken links of the vocational schools with industry, obsolete handbooks in schools.
- Teaching of the state language.
- Addressing of pre-school training and tutoring issues.

Almost the same issues were discussed in the mass media in the process of development and adoption of the new Concept and State Programme of education development to 2010¹³. These discussions indicate an increased awareness among educational professionals that education and training not only have academic functions but also economic and social ones and that therefore some radical changes are needed to adapt the existing education to the new conditions in the country, including improving its quality and accessibility in view of peoples employability opportunities.

¹² A brief review of discussions is presented in the following paragraph.

¹³ See for example A. Donskih. Scales for the 12-year education. “Kazakhstanskaya Pravda” newspaper of 14.04.2004, and A.Akchurin. Professional worker is a bulwark of production. “Kazakhstanskaya Pravda” newspaper of 31.01.2004.

The Human Development Report “Education for All: major goal of the new millennium”¹⁴ demonstrates, based on a review of statistical data, that a higher level of education reduces the risk of becoming unemployed. As Table 1 shows, higher education reduces considerably their share among the unemployed compared to their share among the employed population. In contrast, secondary general education only does not provide any advantages at the labour market: the share of the unemployed having secondary education is much higher than the share of the employed with such education. We can also trace the effect of the level of education of the head of a household on the possibility to fall under the poverty line (Table 2).

According to the Ministry of Education and Science, in the last three years the employment rate of graduates of vocational schools has been over 60%, of college graduates – over 50% and of graduates of secondary general schools – less than 40%.

Table 1 Structure of workable, employed and unemployed population by level of education in 2002 (percentage)

Level of education	Workable	Employed	Unemployed
Higher	17.0	17.7	9.8
Incomplete higher	2.4	2.4	2.4
secondary vocational	27.9	28.1	25.8
primary vocational	12.5	12.5	12.3
secondary	32.3	31.3	41.9
Basic	5.4	5.3	6.2
Primary	2.5	2.6	1.6

Source: Labour market in the Republic of Kazakhstan. Statistical reference book edited by K. Abдиеv – Almaty, 2003 – 448 pages – pp.39-40

Table 2. Distribution of households by the level of education of heads of households in 2002 (%)

	Without secondary education	With secondary education	With higher education
Men			
All households	16.3	68.6	15.1
Households with low income	16.6	77.4	6.0
Women			
All households	23.9	57.5	18.6
Households with low income	29.8	62.3	7.9

Source: Standard of living of the population. Statistical reference book edited by Y. Shokamanov – Almaty, 2003 – 356 pages – pp.120-121

It is evident, that nowadays the perspectives of uneducated and low qualified persons are rather uncertain and doubtful. However, in an overall situation of uncertain labour markets and employment this is not only a matter of lacking technical knowledge and skills. Increasingly, it is being understood that quality education and training also needs to pay attention to other competences, such as in particular those that enable people to cope with this uncertainty: information processing, communication in foreign languages, readiness for change, tolerance, ability to learn. Presently, the

¹⁴ The authors of this report also contributed to the Human Development Report, prepared with UNDP support

issue of development and integration of key skills into the programmes of formal and non-formal education is discussed in the framework of a number of projects, including the activities to achieve the Goals of Education for All (EFA).

2.3 National VET reform discussions

There is no lack today of official statements concerning the need to reform the vocational education and training system. This is quite remarkable as only a few years ago this issue did not appear on the policy agendas of even those responsible for the education and training system. Apparently, at that time, the depression that entered the system of vocational education and training in the 1990s and the lack of financial resources to do anything about it, was not conducive to any discussions on this issue. The situation has dramatically changed and modernisation and reform of vocational education and training has now become one of the most widely and frequently discussed issues at national and institutional levels. Since 2004, starting from the annual Addresses of the President to the people of Kazakhstan (2004, 2005), to speeches and reports of the Prime-Minister, and of heads of ministries and departments of education, the search and definition of a wider and more efficient role of VET in the solution of issues of supply of quality staff to economic development has become one of the top priorities.

However, today's discussions are mainly held in one direction, that is "top – down", when the structures in charge suggest some steps and specialists and heads of VET organisations discuss and clarify some aspects after which the documents get approved. As we have already noted earlier, the issue of poverty reduction through education are only considered in terms of extended access to quality vocational education of all levels.

As was the case with poverty reduction, also in the process of reforming of vocational education and choice of further development priorities, an important role is played by international donor organisations, involved both through pilot projects and attempts to reform the system as a whole.

Also many NGOs are active and there is a blooming sector of private education and training providers, especially in higher education.¹⁵ Most donors and NGOs focus on modernising of programmes and the development of knowledge and skills of students. But only a few NGOs are concerned with issues related to the orientation of education at skills development for poverty reduction. Involvement of employers and employees organisations is on a strictly voluntary basis, depends solely on initiatives of school and company directors and does not receive any support from the state.

The main obstacles to ensure a high quality of vocational education and training are similar to those in other former Soviet Union countries and do not need to be repeated here in detail. These result from many years of underinvestment leading to obsolescence of contents, materials and infrastructures. They also result from centralised state control and weak links between general and vocational education. The systemic changes brought about by the transition from a state to a market based economy also saw the disappearance of the institution of the "basic enterprises" which traditionally financed construction, provision of equipment, instruments, materials and practical training to VET institutions. The new legislation does not always adequately meet requirements of social-economic transformations in the country nor is the public budget sufficient to catch up with needed investments. Associations of employers, trade unions and other social partners are insufficiently involved in the solution of key VET issues.

On the other hand, the previous VET system also had some positive aspects. It provided access to VET to wide layers of the population. Vocational schools were present in every region, specialised technical schools – in every oblast, enrolment plans were sufficient to cover everyone who wanted to obtain a formal qualification. A high level of practical training of workers and specialists was secured through cooperation with enterprises.

State attention to the VET system has mainly focused on three priority directions: development of educational standards, informatisation, and social aid for students. It should be noted that traditionally vocational schools and lyceums are mainly attended by children from less-privileged families who cannot afford fees and other costs of secondary general and higher education. It has also been important to develop the relevant normative-legal basis and managerial resources for these priorities.

¹⁵ The Association of educational institutions, established in 1995 (later it served as a basis for the Association of primary and secondary vocational education organizations of Kazakhstan), unites about 70% of all non-state higher learning institutions.

One of the reform outcomes so far is the development and adoption of national vocational education standards, based on model curricula with the indication of invariant and variant parts. These are based on a classical scientific theoretical approach, with theoretical subjects described in standardised contents, and largely controlled by input standards (number of hours in typical curricula, contents of information transmitted) and characteristics of the process of education (including the students' load), whereas learning outcome control is limited to defining the minimum acceptable levels of knowledge.

The system remains much centralised. In the process of VET reform there has not been established a new model of decentralized management. While legislation does foresee a certain amount of decentralisation of management functions this has not been implemented in the practice of regional and local administration. The unchanged local management structure has created a critical deficit of managerial resources to fulfil fundamentally new tasks. There are not enough specialists of primary and secondary vocational education in oblast administrations which both hinders and often makes it impossible to efficiently fulfil management functions, transferred to the oblast and regional levels¹⁶.

The State Programme of education development 2005-2010 provides over 1 billion Tenge to strengthen the technical infrastructure of vocational schools and lyceums. In 2005, a National Assessment and Qualification Centre was established to independently assess students. Training of technical and servicing staff will be oriented at the development of tourism, oil-&-gas sector, mechanical engineering, food and textile industries, transport-logistical services, and metallurgy and construction materials. For that purpose the Ministry of Education and Science recommended to conclude government contracts for the training provision of relevant occupations and trades at the regional level, to open new basic vocational schools for construction, service sector and, agriculture to be financed from the local budget and target transfers. The Ministry of Education and Science is considering the issue of gradual establishment of interregional vocational centres to train and re-train technical and servicing staff in some key branches of economy: in 2006 – in oil & gas sector in Atyrau oblast, in 2007 – fuel-energy sector in Pavlodar oblast, in 2008 – in processing (food and textile) sector in South-Kazakhstan oblast. Each centre will train 700 students.

As for the system of *non-formal vocational training* (training, re-training and professional development of workers and specialists), its role at the background of reduced sectoral and on-site training in the 90s has significantly increased. Presently, non-formal vocational training is of a multi-layer character. Its nucleus is made of specialized institutions of supplementary vocational education (Training Employment Centres – TEC, commercial educational institutions, specialized schools, courses, etc.). The second layer of the system comprises institutions of sectoral and in-company training (sectoral training centres, study centres, professional development courses, etc.). The third layer comprises learning institutions of primary and secondary vocational education, many of which in the last years also started rendering services in supplementary education. This VET circle, though being “a periphery”, includes individual and private forms of educational activity (tutoring, home training, apprenticeship, etc.).

Last year, as we have already noted, the major object of debates in the educational field was a draft Programme of Education Development to 2010 proposing the transition to a 12-year compulsory secondary education. The document was actively discussed in scientific, pedagogical, management circles and by the community. The participants of discussions had quite different opinions: about a half of specialists and parents voted for the 11-year education. Their main arguments included assumptions of additional expenses for the 12th year which is a large problem for families with a low income. The opponents said that such concerns are not reasonable. For upon graduation from school students will be able to continue their education in technical and vocational education programmes.

To summarise, paradigms of the Kazakhstan education in the 90s and in the last five years have a quite different significance and contents. At the end of the last century the main challenge of educational institutions was to survive for the sake of preservation of the system, presently the needs of economic and social development of the country pose new challenges, including a radical revision of its role and place in securing social-economic progress.

Although in the political documents and public debates the system of education starts to be regarded as one of the main resources and instruments for the solution of social issues, in the practical activities of many general and vocational schools still obsolete views of vocational education and

¹⁶ Leker K.A., Decentralisation of primary vocational education and training. In Staff training in France: practices to be used in Kazakhstan. Almaty, 2003

training prevail. Many directors and teachers still believe in “education for the sake of education”. Many practitioners still do not clearly understand what and how to teach their students for them to either successfully enter the labour market or to continue their education.

Reforms concern all levels of vocational education and their results are quite ambiguous. Along with really positive changes (increased budget financing of VET, decentralized management, diversified sources of financing, development of private sector at all VET levels, different types of learning institutions able to flexibly react to the labour market and population needs), the situation in other areas does not show any remarkable changes to the better. The relation between the level of income and access to education is becoming more evident; the low quality of education remains largely unchanged; obsolete curricula and teaching methods are not modernised, and instability and a lack of potential of managerial staff at national and local levels persists.

The issue of skills development “for poverty reduction”, in this very wording, has not been specified in strategic documents but is rather implied through the requirement to increase access to quality education of all levels and ensure training of competitive workers and specialists. The same goes for the contents of existing curricula of general and vocational education: they presuppose the development of various intellectual and practical skills, which are only indirectly aimed at the development of additional competences that are needed for employment and a prosperous life.

Skills enhancing poverty reduction activities are mainly developed and introduced by NGOs in the framework of international projects. But because of limited resources, results of their work often do not become widely known and are not widely applied in policy making or practice.

3. Real life experiences related to skills development: achievements, obstacles, conditions required

3.1 The views of training providers and trainees from Almaty, Karaganda, and Taraz

Further indications for a possible contribution of skills development for poverty reduction has come from a survey and interviews among training providers and trainees¹⁷.

Directors of vocational schools tend not to pay too much attention to whether their students come from poor families or not. Accordingly, there is also not much differentiation in teaching contents and approach. One explanation for this situation could be that, as noted earlier, students from vocational schools in general are anyway children from poor or not-well-to do families. Nevertheless, there is not much evidence that their social and economic background and position has any impact on training that is offered to them. Directors are generally concerned though that their students, besides learning technical skills and competences should also be introduced to such issues as basics of market economics, business communication ethics, ways to survive in different conditions, modern legislation (Laws on employment, labour relations, consumers’ rights and obligations, etc.) and motivation of successful professional activity and life in general.

These directors also clearly saw the need to develop and implement regional and local targeted programmes combined with more attention to career-guidance activities, more government support to finance such activities, the introduction of scholarships to motivate and steer students into certain occupations, flexibility in curricula, and making it possible to better take into account both labour market and trainees’ needs, and a better integration of theory and practice.

As for the non-formal Training Centres (that offer supplementary vocational education) questioned, it should be noted that we have only included Centres that have won contracts from the Employment service to retrain unemployed people. In case they also provide training to other categories of people of different social status and age, these Centres do not differentiate the contents and approaches of curricula based on their students’ financial position because they are paid tuition fees. Given the increased competition of educational services (especially in the cities), tuition fees in popular

¹⁷ Questioning involved 20 organizations in Almaty, Karaganda and Taraz, training unemployed and employed youth and adults (including 12 vocational schools and 8 training centres) and 70 people, trained in some of these organisations.

occupations (worker trades, service trades, IT courses, etc.) are slowly also becoming affordable for less-privileged people.

Training Centres also stressed the need for local and regional targeted and differentiated programmes. They did not differ in this respect from the directors of vocational schools. However, clearly, they saw a bigger need for shorter programmes that would provide for qualifications that allow students to start independent types of work, such as hairdresser, cook, seamstress, or that would in a short period prepare for jobs that are available in a region (for example, mining trades in Karaganda and farming skills in Zhambyl oblast).

The interviews with trainees from these centres do not give much indication about the connection between skills development and poverty reduction. This is partly because of the composition of the group. Most respondents were women with higher and secondary education in the age of 18 - 45 (74%) who were unemployed or looking for another job with higher salary. When asked about the role of professional knowledge and skills in poverty and unemployment reduction, many trainees did not know what to answer. Those who did so referred to the close links between a good vocational qualification, employment and salary. Most gave more importance to technical skills and knowledge but also recognised the need for key competences and broader knowledge.

3.2 The experience from the Community Learning Centres (CLCs)

Between 2002-2005 the Association Education for All in Kazakhstan with the support of the UNESCO implemented two projects directly aimed to train skills for better adaptation to the new economic and social environment: Development of Community Learning Centres (CLC) and Development of Social Skills through Non-Formal Education.

The project target groups are persons not having access, due to various reasons, to proper education such as pre-school age children, children not attending schools, unemployed persons, single women and those having many children, unemployed youth, Oralmans (ethnic Kazakhs returning from abroad), disabled and elderly people. Apart from these groups, the CLCs also provide services to employed people, farmers, heads of farms, students of local general and vocational schools, who want to increase their skills in PC literacy and business. The heads and trainers of the Centres have received training from the Association.

The analysis of the CLC activities over a period of 3 years shows that despite the uneven and specific pace of the development, all Centres have been able to establish themselves among public organisations promoting local community interests (first of all, education needs).

- Local authorities have been keen to establish and develop a CLC and to provide real political and financial support to them (particularly from the Domestic Policy Departments and Centres of Employment and Social Programmes).
- All Centres clearly and reasonably specified their target groups among the local communities focusing on the poor, unemployed and vulnerable persons of various age, gender and ethnic background. The scope of activities of the Centres is expanding and they attract more and more interest from the population.
- The Centres developed and are implementing several training courses covering cultural, healthcare and environment programmes subject to the interests of the local community's target groups. In total, more than 4,000 people have been trained.
- The most popular programmes are PC literacy, business development, various trades (sewing, cheese production, design of farmlands, gardening and farming), healthy lifestyle and crafting.
- Most of the CLCs have established and are further developing partnership relations at the local level with local authorities, education institutions, social and public organisations, business structures and companies, and NGOs. Some CLCs managed to attract community activists, including trainers, on a voluntary basis.

But the Centres are also facing a number of problems:

- Insufficient project implementation funding and, therefore, lack of guarantees of sustainable independent functioning.

- Establishment and development of co-ordination, co-operation and information exchange networks are not well-targeted, limited and unstable due to the lack of experience and underestimation of the importance for strengthening the role of the Centre.
- Overall Centre management, including analysis of the target group and trainee requirements, clear and targeted mission specification, strategic planning, as well as coherent monitoring and evaluation of the activity results is sometimes poor and needs improvement.
- Not all Centres offer information services relevant for the community members at the time convenient for them and meeting their needs. Activities to develop cohesion and community organisation are limited.
- Not all the Centres have sufficient and sound training services and some of the programmes are not attractive enough for local people.

3.3. Skills development in the context of Education for All, Lifelong Learning and within the framework of other projects

Kazakhstan is a party to all the basic international documents on education, human and children rights. These are the Universal Human Rights Declarations, Dakar Action Framework (DAF), the Convention on Children Rights, Bologna and Lisbon Conventions and other documents. The national modernisation and reforms in this area are carried subject to the above documents.

To meet the objectives of the Education for All (EFA) enshrined in the DAF, in 2002, the National EFA Action Plan was developed in co-operation with all the concerned ministries, agencies and civil society representatives and the Committee on its implementation and monitoring was established. Objective 3 of the EFA – equal and fair access of the youth and adults to the respective programmes of training and acquiring social skills, and objective 6 – increasing education quality and good performance of all trainees - are particular important for the country. With support of UNESCO and UNICEF, Kazakhstan became the first country in the region to host the Central Asian Forum on education to promote partnership, technical co-operation and mobilisation of resources to implement the EA objectives. It is also a leading country in co-ordinating the activities of the Task Group (TG) on Developing social skills. The group includes representatives of the Ministry of Education and Science, education institutions, Kazakh Education Academy and NGOs. The TG activities are based on regular meetings, round tables, seminars, researches and producing the reports and recommendations.

One of the key discussion subjects for the enlarged meetings is the conceptual issue – the meaning and structure of “social skills”. The concept of skills as «basic, key, essential, business, social and life» is fairly new for a transition country. Though this issue is often tackled in international research, the specific experience to match a number of mainly theoretical approaches available in Kazakhstan is virtually unavailable. During the meetings, the TG members and invited education specialists have the opportunity to study the experience of schools, colleges and NGOs to develop some skills both in the international project framework and in that of specific training programmes. This work lays foundations for introducing changes in the contents of school curricula in particular in terms of enabling “any person to study and work according to her/his needs, adapt to changes, be healthy and be active in the economic and public life”.

Discussions about key skills and competences have also been held at other events in the country. They all pointed at the need for further clarification, especially in terms of making good use of international experience for changing curricula and teaching methods in a lifelong learning perspective. This will also imply a review of teacher roles and responsibilities. What is clear from these discussions is a growing awareness that students also need additional competences apart from traditional theoretical knowledge and technical skills. This is true for all students but perhaps most of all for children from vulnerable or disadvantaged groups as they are even in greater need to be able to use their own resources to escape from poverty. These discussions have not yet come to definite conclusions nor have they so far had any serious impact on existing vocational education and training programmes.

4. Conclusions and recommendations

Since the last five years the share of the poor among the Kazakh population has decreased almost 2-fold and overall incomes have increased. Employment is growing, the number of unemployed reduced, and self-employment is increasing at high rates. The results achieved are unambiguously positive but the reality also shows that about one out of six citizens in 2004 earned less than the subsistence wage.

It is obvious that it is impossible to overcome poverty through economic growth only. Despite the overall improved economic situation and growing incomes of the population, there remain significant poverty-related issues in the country, and to reduce these we need an overall but differentiated approach. The experience of many other countries in the last years shows that one of the efficient steps has been to improve access of the poor to educational services, above all to vocational education.

Against that background, our review shows that the role of VET as a major instrument for solving social problems is undervalued in Kazakhstan. It does not appear as a specific objective in the reform of the education system. In the majority of the strategic and political documents the reform of vocational education and training is approached in the context of training qualified staff for developing the economy and increasing the quality of education in general. The underestimation of the contribution of vocational education and training for skills development is especially visible at the institutional level: the measures implemented by the majority of VET institutions within the framework of reforms are mainly aimed at enhancing the quality of training, strengthening social partnership, updating curricula and training methodologies, i.e. at improving the technical skills and knowledge of VET graduates. However, their competences to stay employed in an uncertain labour market, function as members of a team, to make independent decisions, develop perspectives for their own career development, and identify personal learning needs are not addressed, neither in the training curricula nor delivered through the training approaches. This is especially problematic as the main target groups of VET institutions are, as has been mentioned above, young people from socially vulnerable groups of population. These, even more than others, are in need of developing such key competences. Although these issues are discussed at many conferences awareness among practitioners in schools is still low and capacities to introduce them in the operations of vocational schools are severely limited.

On the other hand, many good practice examples for training of children and adults to develop life skills for a market environment can be found in NGO activities. Institutions of formal vocational education are not sufficiently familiar with this. Some kind of integration of NGO experiences in their education and training programmes would enhance their ability to respond better to the needs of the poor, and not only those trained at these schools and lyceums, but also those not yet reached by vocational schools at the local level.

The results of our review lead us to identify a number of actions that need to be undertaken in order to strengthen the role that vocational education and training, as provided by state vocational schools, donor supported NGOs and the private sector, can play for further reducing poverty. These address various stakeholders at different levels.

National policymakers:

- Acknowledge and improve understanding of urgency and possibility of poverty reduction through improving access for vulnerable groups to vocational education and training programmes.
- Initiate changes into the acting normative-legal documents, oriented at the specifics of training (re-training) of socially vulnerable groups.
- Continue the debate on key competences and securing that results are translated into curricula and teaching approaches.
- Provide more financial and information support to non formal training institutions that provide programmes for vulnerable groups.
- Train teachers and trainers to enable them to include issues of poverty reduction in their programmes and ways of teaching.

- Disseminate information about and experience with poverty reduction focused skills development programmes among children and adults of poor families.
- Improve further cooperation between Community Learning Centres, local administration and VET institutions.
- Facilitate implementation of pilot projects at local community level to develop additional experience with improving skills development for poverty reduction.

Local authorities:

- Improve capacities of local administration staff to deal with social and poverty issues.
- Provide political and, whenever possible, financial support to local training centres that provide vocational training/retraining programmes for poor people.
- Make available information on local labour market needs, activities of local training institutions and the programmes provided by them to all local training providers.
- Initiate public debates with involvement of the local community, schools and NGOs on rethinking the role of VET institutions under the new socio-economic conditions.
- Improve the conditions for training, rehabilitation and employment of disabled people.

Management and staff of organisations for formal and non-formal vocational education and training:

- Improve cooperation between public and private VET learning institutions, and with international and national NGOs.
- Improve contacts and information exchange with employment agencies, social partners, and others active in the local employment system.
- Improve the practice parts of vocational education and training, its links with the civil community and the employment sector; pay more attention to health issues and development of income generation skills.
- Develop and provide teaching and learning materials for short-term courses in response to local demand.
- Develop a computer based information system on skills development for poverty reduction for teachers and students.
- Improve active involvement of students in different types of independent and practice learning.
- Develop an entrepreneurial culture based on experience from other pilot vocational schools/colleges.
- Introduce alternative teaching and training approaches that are more consistent with the objective of developing key competences (team training, specific trade training, small group training, projects method, etc.).
- Organise career development and guidance services in cooperation with employers and local authorities.

National and international NGOs:

- Expand the range of educational services while preserving the focus on less-privileged, socially vulnerable layers of population.
- Regularly assess local community needs and adapt accordingly the programmes addressed to educate and train the poor.
- Establish and strengthen networks, partnerships and information exchange with VET institutions, other relevant organisations at the local, national and international levels.

- Develop joint projects on skills development for poverty reduction.
- Ensure the quality of trainers so that they are able to work with young people and adults.
- Summarise and disseminate the experience of non-formal education to improve employability, self-employment, development of small business aimed at income generation.
- Promote integration of such programmes in the system of formal education.

International organisations and donor agencies:

- Prepare and disseminate information on the experience of other countries in solving poverty reduction problems through education and training.
- Facilitate background studies and analyses of the situation in different regions.
- Assist in developing flexible and poverty reduction sensitive training programmes.
- Assist in developing “process consultancy” packages to enable local practitioners to better address the needs of trainees from among socially vulnerable groups of population.

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