



COUNTRY INFORMATION NOTE ON TURKMENISTAN 2010

SUMMARY

ETF has re-established a working relationship with Turkmenistan in 2007 after a number of years of inactivity. ETF will gradually be involved in the education and VET sectors in the country, and activities will focus on supporting the government of Turkmenistan in the identification of priorities in the area of VET, capacity building of national stakeholders as well as increased opportunities for regional and international peer learning activities in education and training.

ETF will support the EU external cooperation strategy by strengthening Turkmenistan education stakeholders' involvement in international dialogue on education reforms and experiences, and by actively supporting the preparation and implementation of EC interventions in the area of education and VET. The ETF will furthermore promote the involvement of Turkmenistan under the Central Asia Education Initiative.

1. Socio-economic background

Turkmenistan has gained independence from the Soviet Union in 1991, and following the same path of other Central Asian countries faced a transition period of economic turbulence before moving to a positive trend in economic growth toward the end of the 90's. 2007 has been a year of major importance for the country, as the new president Berdymukhamedov has been elected following the death of president Niyazov in December 2006. The new political leadership has called for major reforms in the country, especially in the social sector focusing on improving education and health services in the country. The economic growth registered a 10% increase in 2007¹, led by the export of gas and oil, followed by non-hydrocarbon products and cotton.

In 2008 the country embarked in an initial macroeconomic reform program with the vision of modernizing the economic structure and reaching economic growth and development. An important initiative is the unification of the exchange rate system in accordance with international standards starting from 2009. While being an important component of the macroeconomic reform of the country, the currency reform could have a negative impact on inflation, hence influencing food and commodities prices and having a negative impact on the population. The centralized economic management and high subsidies measures keep the country in a stable economic environment; however the centralized system doesn't provide space for the development of the private sector which could contribute to a more widespread growth and development of the country.

¹ Government estimates suggest 27% growth rate for 2007, however IMF and other international institutions suggest a more realistic data of 7-10% growth in 2007.

Growing at a rate of 1% per year, the population of the country has reached 6.9 million people in 2007²; however official data are yet to be confirmed by a population census which has been conducted in 2009. 47% of the population lives in urban areas while the majority of Turkmen people live in rural areas. With a low population density of 10 people per sq km Turkmenistan has unique features in terms of distribution of population due to the large desert area covering 80% of total land. 31% of the population is below 14 years of age and only 5% is above 65³.

Data on the labour force is limited, with little information on distribution for sectors of employment. From 1998 data⁴ the importance of the agriculture sector can be noted, followed by services and industry. Nowadays it would be interesting to know more about the change from a mainly agriculture society to the growing importance of industry and services linked to successful economic performance, however reports⁵ highlight the limited increase in proportion of labour by industry sector, while on the other side stressing the limited productivity of the agriculture sector as compared to the employment generated.

In 2006 the labour force participation rate was 71%, and females represented 47% of labour force with a participation of 65%. The Employment to population ratio was 59%. So far there is no official data on unemployment in the country. It is however important to mention that Turkmenistan registered both migration outflow to Russia for working opportunities and inflow of technicians and middle level management especially to work in areas where skills are not available at country level, such as oil and gas and construction sectors.

The last poverty data currently available dates from 1998; and registers 29.9% of population living below the national poverty line⁶. Turkmenistan has the lowest incidence of poverty in the region, which is also due to the centralized economy, free provision and subsidies on public goods such as water and energy and essential commodities. The lack of data leaves uncertainties on the real poverty figures in the country, as well as on differences between rural and urban areas. The low level of openness of the country on issues related to human rights, civil society participation and social sector improvement are areas of international debate that have an impact on the macroeconomic framework of the country, partially limiting its potential growth and relevance in the regional economy.

Key policy issues and strategies in the Human Capital Development Sector in the country

Turkmenistan has been the only country in Central Asia where the international community has so far had little involvement in the debate on reforming the education system since the independence. The education system has been guided in the years after independence by the inheritance from the Soviet Union era, and by the guidelines of President Niyazov collected in the "State Programme for Implementation of a New Education Policy" adopted in 1993 under which new subjects were introduced under the overall umbrella of teaching national history and values following President Niyazov's *Ruhnama* textbook. Reforms of the education system were also introduced reducing the general education to 9 years followed by a higher education system which could only be accessed after at least two years of work experience. VET was initially left out of the overall education system, and in 1997 basic vocational learning was introduced in general education. The provision of vocational training was left to line ministers, however without a general policy framework on VET within the education system and no initiatives on adult learning and life long training. Regular public funding of initial VET was stopped and the VET schools had to generate income on the market.

Poor infrastructure, lack of teaching and learning materials, lack of textbooks, poor funding as well as absence of teaching training opportunities have been reported to be major areas of concerns in the country up to 2006⁷.

² Asian Development Outlook 2008, Asian Development Bank

³ World Bank development indicators 2007

⁴ ETF National Observatory Report

⁵ Asian Development Outlook 2008, ETF 2006 and others

⁶ World Bank development indicators 2007

⁷ UNESCO 2006 Background paper prepared for the Education for All Global Monitoring Report 2006

UNDP reports⁸ that Turkmenistan is the lowest performing country in Central Asia in terms of education achievements and has been the most problematic country in the region in terms of deterioration of education. Between 1989 and 2000, for example, enrolment in vocational and technical secondary education has dropped by one fifth, bringing Turkmenistan much below the average of the region. The same negative performance is registered in higher education, where in 2002 Turkmenistan had only 2.6% enrolment rate as compared, for example, to 38% in Kazakhstan. The reform introduced in 1993 has also had the negative impact of leading to the non-recognition of higher education titles at the international level. Until 2007 the government has implemented a restrictive policy on opportunities to study abroad limiting scholarships and student exchange programs.

In 2007 the new president Berdymukhamedov called for new investments and policy changes in the area of human capital, and especially focused its attention on health and education. Reforms in the education system were quickly introduced bringing general education to 10 years and abolishing the 2 years compulsory work experience for access to higher education. Higher education has also been extended from 3 to 5 years. According to the government, a new curriculum for general education has been adopted, new textbooks have been introduced and in-service teacher training revamped. No international organization has assisted the government in this effort, and details of the reform are yet to be shared with the international community, as well as specific information and data on the status of the education system. While the government shows commitment to invest in modernizing the education system and increasing the quality of education at all levels, there is still limited access to data and information, which are the basis for a need analysis and a design of a reform program.

The limited data on employment and unemployment, rural and urban area differences and poverty in the country also contribute to limiting donors' interventions in the social sector and hence slow down the positive commitment of the government looking to build a human capital system which could sustain the economic growth of the country.

The government has stressed the need to invest in VET and to train technicians in various fields, but also provide knowledge opportunities for high level skills in the field of health, finance, economics and engineering. The gradually increasing openness of the country, together with the macroeconomic reforms that are being introduced by the government of Berdymukhamedov, will bring changes in the country which will need to be supported by a concrete and forward looking reform program in the areas of human capital development. The next few years will be challenging for the government of Turkmenistan laying the basis for the future of the country, which has to face and quickly respond to needs of a society needing to catch up both with the growth of the country in terms of economic success, and with the need to improve the quality of human capital and widen opportunities for all.

2. EU and other donor interventions in the country

The last decade has seen little involvement of external assistance in the country, especially in the education sector limiting not only financial support to the sector but, most important, exposure of the country to international dialogue and debate on education. With the new government elected in 2007 the country has re-established relationships with donors working in the education sector and initial consultations have been conducted at the end of 2007 and beginning of 2008. The EC has immediately responded to the call for assistance in the sector by designing two projects. The first under DCI AP 2007 is focused on the whole education system and aims at providing assistance for the review of current status and to develop a first reform of the sector improving quality of education and governance of the sector. The second project under DCI AP2008 focuses on the VET system and aims at designing a reform program to increase quality of VET and relevance for the needs of the labour market. The AP 2008 project will then test innovations in pilot sectors which have been identified in consultation with the government during the project preparatory activities. These EC projects are the very first intervention of large scale in the country and will be the basis for further assistance in the sector and long term cooperation with the country.

UNICEF is actively working with the ministry of education to provide capacity building opportunities in the area of education financing. Workshops and study visits have taken place

⁸ Human Development Report Central Asia, UNDP 2005

in 2008 and a daily cooperation with the ministry of education is being established. USAID has implemented a project on teacher training in basic schools up to 2007. The project has trained more than 1000 teachers in various regions of the country, as well as parents and school management. The USAID project has operated independently, and institutional partnership as well as dialogue on future initiatives is currently under discussion with the government. The World Bank and Asian Development Bank have not, at the moment, made any commitment to provide assistance for the education sector, but both institutions have conducted regular visits to the country which could lead to involvement in the sector in years to come.

Turkmenistan is actively engaging in bilateral agreements on education opportunities with countries involved in economic agreements with the government, such as the Russian Federation and Turkey.

Bilateral discussions on education are also taking place with some European countries such as Norway which has indicated its interest to finance a cooperation project in VET.

In higher education, the EU has provided continuous support through the Tempus programme and will continue to do so.

ETF has been present in the country with a national observatory up to the end of the '90s but since the closure of the national observatory activities with the country have been limited. A new dialogue has started in 2007 with the preparatory activities of EC interventions in education and the request of the ministry of education for an increased dialogue and participation of the country to ETF activities in the field of VET. The next few years hence will be representing the start up of a renewed cooperation with the country.

The ETF, under the leadership of the European Commission, has worked in 2008 and 2009 to strengthen the relationship with Turkmenistan and invest in capacity building programs in the field of vocational education and training with a view to preparing the country for the upcoming EC interventions in the education sector under AP 2007 and AP 2008. In 2010 ETF will support the EU external cooperation strategy by strengthening Turkmenistan education stakeholders' involvement in international dialogue on education reforms and experiences, and by actively supporting the preparation and implementation of EC interventions in the area of education and training. ETF will furthermore promote the involvement of Turkmenistan under the Central Asia Education Initiative and involve Turkmen partners in other ETF events when appropriate.

The ETF operations have directly supported the efforts of the Turkmen government to modernise its education and training system as initiated by President Berdymuhamedov in 2007. The ETF has organised a series of thematic VET policy seminars in Turkmenistan since September 2008. They have brought together various line ministries, employer organisations, representatives of vocational schools and experts to share and discuss the issues of common interest and concern and how to improve cooperation and coordination of activities across the whole VET system. The ETF has stressed the importance of continuity of participants in order to strengthen the expertise in VET policy issues and knowledge of international practices in addressing similar problems. The ETF in cooperation with the EC aims at convincing the Turkmen government to nominate a permanent national working group to interact as a main consolidated counterpart. Besides its own staff the ETF has invited international speakers to present practical case studies and share their experience with the Turkmen counterparts. This practice shall continue also in 2010. The thematic workshops have received a lot of attention and interest from the various line ministries and the events have been widely publicized in national media. They have kicked off national discussions on the importance of strengthening and widening access to VET in connection to socio-economic development in Turkmenistan.

ETF implementation strategy in 2010

ETF will continue supporting capacity building and policy development in the field of VET by actively engaging Turkmen government officials and other stakeholders in thematic seminars, round table discussions and international conferences which are relevant to prepare the ground for a successful implementation of EC interventions in the field of education and

training and namely the upcoming VET project and support the national VET policy development.

The capacity building actions will cover the strategic themes of ETF as outlined in the mid-term perspective: **1. Vocational education and training system development and provision, 2. Relevance to the labour market and enhanced employability, and 3. Adaptability of enterprises and education-economy partnerships.**

ETF activities in the country will be built on two blocks: the first is the support to the European Commission in the framework of DCI projects and the Central Asia Education Initiative, and the second is the assistance to the government of Turkmenistan in supporting capacity building and policy development in the country.

The successful methodology of work of 2009 will be replicated in 2010 and will focus on the delivery of specific workshops to a targeted group of stakeholders in the country which is actively contributing to the national policy debate about VET.

Moreover, the ETF will involve the country in regional and international peer learning opportunities in the area of VET, contributing to increasing exposure of national stakeholders to international dialogue on education and more in general human capital issues. ETF will actively engage with the government exploring their interest for common analytical work in the frame of the Torino process which is a new ETF initiative and aims to cover all the partner countries for evidence based VET policy development and cross-country analyses. A letter to the Turkmen government to explore their interest on this issue was sent in January 2010. Appropriate expert support and facilitation will be provided by the ETF to develop an analysis and draw up conclusions which can be acceptable and applicable for Turkmenistan for its VET policy development.

Objectives and expected results for 2010

The overall objective of 2010 activities in Turkmenistan will be to contribute to the national reform effort in vocational education and training. The specific objective to be achieved aims at strengthening cooperation between the Turkmen government and the EC in the area of VET and labour market which is based on solid local capacity and vision. This will be achieved through the two expected results described as follows:

1. Awareness of policy makers and local stakeholders raised on VET reform needs and best international practices shared to implement VET reform.

The first building block of ETF work in the country will focus on increasing awareness of policy makers, social partners and government officials on VET issues and needs to modernize the sector. The government has urged to move forward in the effort of reforming the education sector and increase skills availability in the country to support the economic development prospects. The VET subsector has since 1997 been suffering from little coordination and development and it is now required to quickly catch up with the needs of the growing economy of the country. The EC is finalizing the VET project which is expected to start in 2010. However, in order bridge the gap prior to the actual implementation of the project and keep the dialogue and networking alive, the local counterparts will be provided with relevant background information and expertise to launch a sustainable VET sector reform which will be accompanied by the EC financed project.

The implementation approach of this ETF activity will include e.g.:

- The impact of the capacity building activities will be ensured by requesting the Turkmen Government to appoint contact persons in the key ministries to be involved in the EC financed VET reform project which will form **a core national working group**. The appointed members of the working group will be permanent participants in the ETF organised seminars in the country and the priority group to be invited in the ETF events organised outside Turkmenistan. In addition, other line ministries, government agencies and stakeholders will be invited to take part in the thematic seminars depending on the specific topic and relevance to their field of responsibility and expertise. A continuity of

participants in nominations will be stressed as a key factor to ensure the commitment and professional staff development in the key ministries and national agencies.

- the ETF organised **periodic policy seminars will focus on the following topics:**
 - a) **demand and supply analysis** and implications for a systemic VET planning including the methodologies used in analyses, forecasting techniques and interaction between VET and labour market,
 - b) **VET indicators** which can be used to monitor and evaluate the performance of VET system, assess the quality of institutions and how indicators can be used as evidence based feedback mechanism for policy making and planning,
 - c) **VET system organisation in hospitality and construction sectors** (in line with the priority sectors identified for the EC Financed VET project) by familiarizing the Turkmen partners with good international practice of organising learning process and methods at sector and institutional level,
 - d) **modern VET management** and how schools can improve their interaction with local businesses;
- In addition, Turkmen government officials and stakeholders will be regularly invited to participate in ETF organised events abroad as appropriate.

2. Policy discussion is facilitated and leads to country vision development

Data and statistics on VET and labour market in Turkmenistan are scarce due to the limited interaction of the country with the outside world for many years. The ETF has started an analysis of VET and labour market in the country which has served as a basis for the project design and the development of the VET project TOR under the AP 2008. The ETF has prepared a preliminary analysis on labour market and VET in consultation and cooperation with the local experts. The final draft study has been sent to the Turkmen government for their comments and review. The ETF aims to use the results and data of the study for its analytical work including the above mentioned Torino Process.

In the course of 2010 ETF will further refine its analytical work and, together with national stakeholders, use it for discussion and facilitation of policy development. This area of work will cover the following activities:

- Discussion of the draft Torino Process report (including a case study of education and business cooperation) with local stakeholders and focus groups discussion;
- Periodic meetings with policy makers and local stakeholders in the course of the ETF missions in order to have an update on national developments, inform the governments on the progress of ETF country operations and feedback on critical issues sustaining the country's reform efforts in education and training;
- Finalization and publication of paper (or working document) on Torino process. Specific format will be agreed with the national Turkmen authorities through official consultation.
- Participation and active contribution to the national conference on VET which the Turkmen government plans to organise in 2010.

All this work will be organised in connection with the ETF missions which will combine regular meetings with the key ministries engaged in VET issues and the above mentioned VET policy workshops. A maximum of 4-5 missions have been planned for 2010. The ETF operations will be carried out in a close consultation and cooperation with the EC services and whenever appropriate or requested by the EC services joint (or overlapping) missions with Aidco will be envisaged. The logistical support and local context advice of the Europa House will be essential to ensure a smooth and timely implementation of all ETF activities in Turkmenistan.

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5. ETF activities in Turkmenistan in 2010

ETF Interventions in Turkmenistan in 2010						
Title of ETF intervention	Themes & Functions	Expected results	Activities being undertaken	Outputs	Timetable	Duration
Support the EU external policy instrument programming cycle	Theme A Function 1	Relevant advice provided upon request by EC and other National stakeholders and authorities in the human capital development field Relevant recommendations provided in the field of VET and HCD.	Regular contacts and possible face to face meetings with Aidco staff Dialogue with National authorities and stakeholders and input, recommendations when requested Capacity building through thematic seminars and study visits	4 thematic seminars organised 2 groups of Turkmen partners joined the study visits to Europe	March June September November	2010
Torino process	Theme A Function 2 and 3	A documented analysis of VET reform in the country is implemented	Collection of data & information Focus group organisation Validation seminar organisation	1 country report Bilateral meetings with governments 1 workshop on indicators 1 discussion/ validation seminar	March-May: Country report draft June: Validation seminar Sept.: Final country report	2010
Education & business cooperation study	Theme C Function 2 and 3	Cooperation between education & business mapped; Recommendations for future programming initiatives and capacity building measures provided	Collection of data & information together with local expert Focus groups' organisation (June) Validation seminar's organisation and implementation (September)	1 country report 1 focus group 1 discussion/validation seminar	Jan-May: Country report draft June: Focus group discussion in connection with Torino process validation meeting Sept.: Final country report	2010