

EMPLOYMENT AND VET POLICY REFORM IN ALBANIA

THE PROCESS OF
OPTIMISING THE
ALBANIAN VET OFFER



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EXPLAINING THE EMPLOYMENT AND VET POLICY REFORM IN ALBANIA

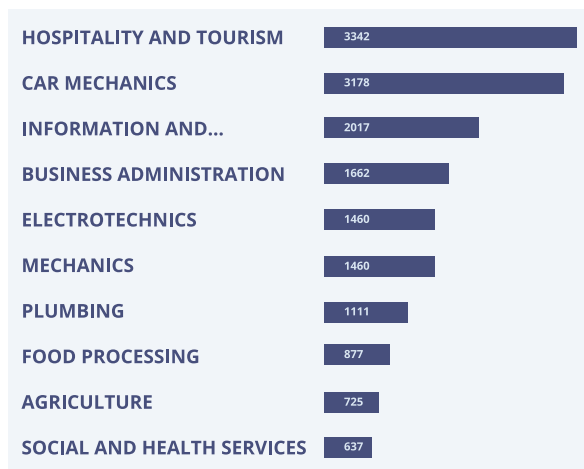
Making the Albanian Vocational Education and Training work for the people and the labour market.

Key facts about VET providers

The Albanian VET system is built on a network of some 45 public institutions that deliver upper secondary initial vocational education (I-VET) programmes, as well as short-term vocational training (C-VET).

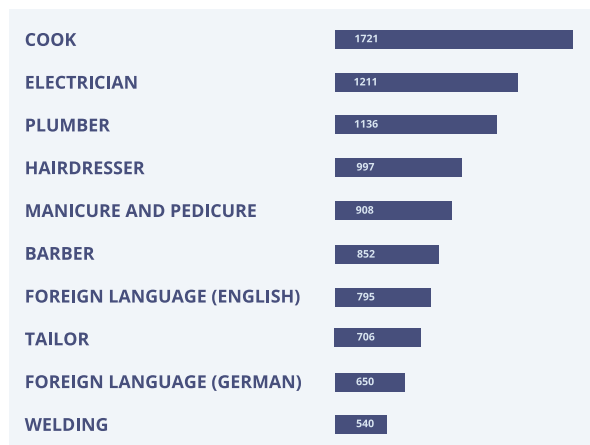
35 secondary vocational schools and 10 adult learning centres (vocational training centres) currently prepare around 18,000 upper secondary VET students (academic year 2019-2020) and 11,000 adults. From the I-VET students, the majority attends schools in the central area of Tirana and Durrës, which makes for 51% of the total number of students. Top 10 trades attended by students are:

10 TOP TRADES BY NUMBER OF STUDENTS ENROLLED 2019 - 2020



During 2019, young adults and adults who attended short term vocational training courses, signed up mainly for the following programmes.

10 TOP VOCATIONAL TRAINING COURSES



The following schools have the largest number of students:

Institution	Nr. of students (2019-2020)
QSH Kamëz	1790
Beqir Çela	1482
Hysen Çela	1377
Karl Gega	1169
Hoteleri Turizëm	1008
Ekonomike Tiranë	938
Ali Myftiu	864
Gjergji Canco	833
Petro Sota	713

Introduction

In order to increase the labour market relevance and to improve the effective and efficiency of delivery of the VET programmes, reorganizing the network and offer of the VET system in Albania has been a long-term engagement and effort of the government and several development projects.

In line with the Europe 2020 Strategic Framework, the Riga Conclusions and the National Employment and Skills Strategy 2014-2020, the Ministry of Finance and Economy, the National Agency for Employment and Skills and the National Agency for Vocational Education and Training and Qualification, in collaboration with several other partners, is preparing the Optimisation Plan of the VET offer. The process has been informed by several studies, among others, "The Baseline Survey of Public VET Providers in Albania" by GIZ and ETF in 2014, the policy paper "The reform of the VET system in Albania. The concept for a fundamental reform" developed by UNDP in 2015, the proposals developed in 2017 by the IPA 2013 Technical Assistance project "Support to employment-oriented Vocational Education and Training" in the working paper "Concept for a Multifunctional Centre" in 2017, the "Review of the Albania's Vocational Education and Training" conducted by UNDP during 2019 and shared with stakeholders in 2020, as well as the most recent study by KfW "Vocational Education and Training in Albania. Phase-II-Study: Assessment of Investments Needs and Options in Albania".

Thus, the Optimisation Plan of the VET offer takes into account all relevant information, findings and recommendations from these studies and it builds on the key achievements and milestones of the system in the last years.

What do we mean by Optimisation of the VET providers network?

The term "optimisation", as an action to make best effective use of resources, in this context, refers to the re-organisation of the VET providers with the aim to improve their individual efficiency and effectiveness and to contribute to increased labour market relevance of the entire VET system for its beneficiaries: the learners and employers. More concretely, the process consists of re-organizing the VET network by transferring and/or merging institutions, programmes and respective human

resources and physical infrastructure. The expected result of this process will be a revised network of institutions that deliver vocational and education training programmes, based on curricula designed to respond the regional labour market needs, reshuffled organizational structures, improved physical infrastructure and appropriate utilisation of teaching capacities.

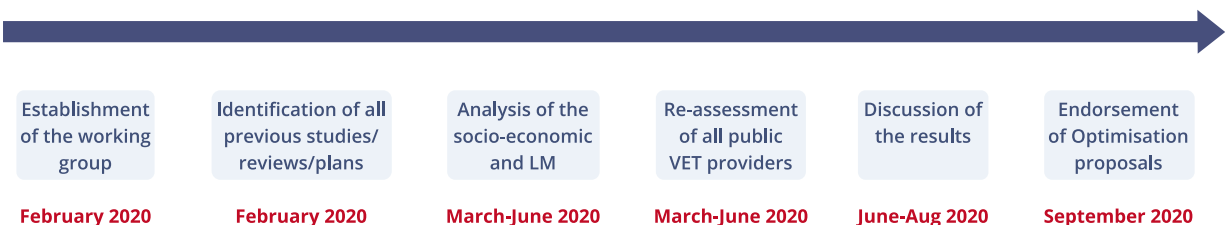
The analysis underlying this process is based on four core criteria:

- the socio-economic development context in each of the four regions of the country;
- the situation in the labour market by sector and occupations;
- performance of VET providers over the years;
- geographic coverage of each VET provider.

Methodological approach and process

Methodologically, the work was based on a thorough desk analysis of all relevant existing administrative data, reports and studies. Each of the optimisation criteria were used to scrutinize statistical and available administrative data, disaggregated by four geographic regions (North, Central, South East and South West) and twelve administrative counties.

In addition, a re-assessment of each VET provider was conducted based on the same ten benchmarking criteria applied in the first Baseline Survey conducted by GIZ and ETF in 2014. According to these benchmarking criteria, VET providers were assessed on their efficiency and effectiveness and were accordingly ranked into a) poor performer b) low performer c) medium performer and d) high performer. The comparison of each provider to the 2014 assessment was especially useful to evaluate each institution's potential for improvement. Another added value for the optimisation process was the analysis of the outreach and geographical coverage by each VET provider. This insight helped the working group include investments in dormitories and transport opportunities in the proposals elaborated.



The Ministry of Finance and Economy, jointly with both executive agencies committed to follow up the optimisation process, despite the difficulties imposed by the earthquake and COVID-19 crisis. These efforts were immediately supported by partner development projects that expressed their readiness to provide inputs and feedback at different intervention levels.

A first meeting, with a wide range of key actors in February 2020, served to identify all relevant studies, analysis and plans for VET development that were elaborated over the last 7 years. During the period of March and June 2020, the MoFE – with the support of the UNDP SD4E Team – conducted the socio-economic and labour market analysis, as well as the (re) assessment of all public VET providers.

From the analysis resulted that the majority of the counties (qarqe) have already consumed their potential to increase employment. Except for the central region, there is a lack of dynamic in the labour market demand for new occupations due to the high share of employment in the public sector.

Vocational education and training may respond up to 54% of the occupations in demand by the market. Currently, there is a positive correlation between the labour market trends and performance of VET providers. In the regions where the labour market shows positive trends, the VET system is responding accordingly. Especially in the Central region, the VET providers are attractive to employers and students alike. Providers in Tirana and Durres operate at their maximal capacity, while in the other regions and counties enrolment and graduation figures show a declining trend. The geographical coverage varies from one region to the other.

Based on these data and a detailed analysis of each VET provider's performance, initial proposals were elaborated. Following this work, the three central institutions (MoFE, NAES, NAVETQ) discussed the results of the analysis and agreed on the proposals for optimisation, which was endorsed by the Minister of Finance and Economy. Based on this agreement, a meeting was called by the Minister of Finance and Economy and the working group is now working on finalizing the implementation plan. The optimisation plan will be further discussed in the Thematic group on Employment and Skills and the Integrated Policy Management Group during September 2020. SD4E will issue various briefs on the optimisation plan once its officially approved by the Ministry of Finance and Economy.

What is the Ministry of Finance and Economy currently doing?

The Ministry of Finance and Economy is currently developing the necessary legal framework to facilitate the

optimisation implementation process. These efforts are well aligned with the processes of establishing a quality assurance framework, including licensing, self-assessment, inspection, monitoring and accreditation.

The National Agency for VET and Qualifications is finalizing the accreditation model for VET providers, including standards, criteria and procedures.

Further, the National Agency for Employment and Skills is working to standardize the data collection from the VET providers and develop a Management Information System that will help improve monitoring.

Coming up next on the technical note series:

On the next technical notes, UNDP will present the main findings, challenges and recommendations of for each quality indicator (1) a coherent regulatory framework (2) clear roles and responsibilities (3) equitable funding arrangements (4) strong labour market relevance (5) standard-based assessment and certification (6) quality mechanism for VET provision and delivery and (7) private sector engagement. The full VET review in English and Albanian language is available online.

Stay tuned!

For more information on the support provided by UNDP to this process, please contact us: eno.ngjela@undp.org

About the UNDP/SD4E technical note series

The Skills Development for Employment Programme (SD4E) is supporting the Government of Albania in the national Vocational Education and Training and Employment Promotion system reform through a comprehensive approach of institutional capacity building on macro/policy level to enable the key actors (MFE, NAES and NAVETQ) to deliver coordinated and demand driven services.

The VET and Employment Promotion System reform is well captured in the National Employment and Skills Strategy and its newly revised Action Plan 2019-2022. To communicate how the reform is progressing, the SD4E programme periodically issues technical notes on particular elements of the reform. These notes give brief description of a specific development or procedure that are currently discussed, provide details on the newly adopted legal framework, or explain work methodologies introduced in the system.