

EMPLOYMENT AND VET POLICY REFORM IN ALBANIA

EMPLOYMENT PROMOTION PROGRAMME'S REFORM

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EMPLOYMENT PROMOTION PROGRAMME'S REFORM

For a well-informed skills development policy reform in Albania

Prepared with the contribution of UNDP experts group and the working group of MFE

Introduction

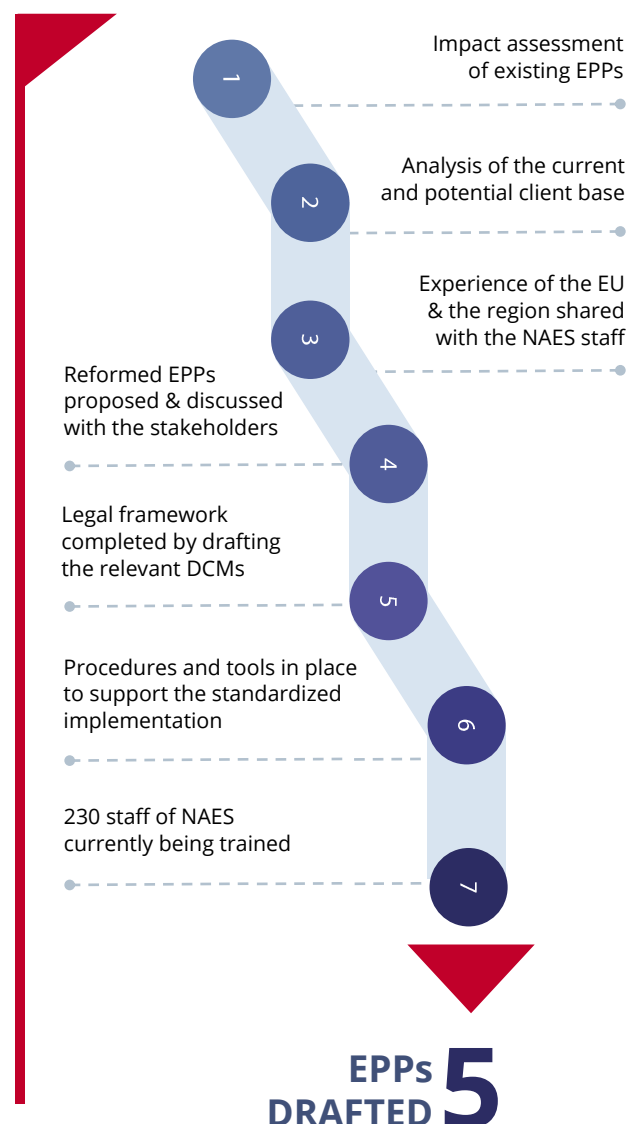
SD4E programme aims to support the National Agency for Employment and Skills (NAES) in optimizing its Employment Promotion Programmes portfolio and provision, as set out in the objectives of the National Employment and Skills Strategy 2019-2022. The NAES aims to develop and deliver a service portfolio that is based on a balanced demand- and supply side-oriented approach, recognizing and fostering the potential of various groups of job seekers through tailored action plans and mediation measures.

Why a reform of the EPPs?

During 2019, the Employment Promotion Programmes were thoroughly evaluated in terms of the degree to which they addressed the needs of the client base of NAES, and the implementation procedures. The main problems of the EPPs identified were the following:



The UNDP – SD4E assistance during the reform process



Key features of the EPP reform



The needs of the jobseekers

The eligible jobseekers shall be all unemployed jobseekers who are registered and active for more than 3 months in the employment office, upon having received the required employment services set out in the effective legislation by the relevant employment specialist.

Matching

The needs and profile of the jobseeker shall match with the requirements for skills of the vacancy provided by the employer.

The profile of the partner employer

A trusted employer expresses its interest to become a partner of EPPs: private sector, civil society, public institutions, new entrepreneurs. The employers shall be entitled to apply in more than one program for a number of jobseekers not exceeding 20% of the current work force, but not more than 21 participants. The employers having less than 5 employees can apply for a maximum of two participants.

1. The Employment Programme

One year employment contract, the needs of the jobseekers are matched with the profile of the employer. The wage is defined by the employer, based on the market salary rates for the particular job. The program subsidizes the following costs:

- Compulsory health and social contributions (employer's contributions), provided for the entire duration of the employment and compensated each month.
- Subsidy to cover the employers expenses on salaries, at the amount of 100% of the minimum salary;

- For 4 months, for all participants to the program, compensated at the fifth and sixth months of the contract and at the 11th and 12th months of the contract;
- For 6 months, for participants that are victims of trafficking, domestic violence or gender-based violence, Roma and Egyptians, compensated at the fourth, fifth, sixth, seventh, eleventh and twelfth months of the contract.
- For 12 months for participants with disabilities, compensated each month.

2. On-the-job Training Programme

The On-the-job Training Program aims to train jobseekers, who do not have any qualification, at the workplace, providing a subsidy for the duration of 4-month period for all types of professions, based on an approved training plan, and supervised by a trainer of the employer. The program subsidizes the following costs:

- Compulsory health and social contributions (employer's contributions), for the entire duration of the training and compensated each month.
- Subsidy to cover the employers salary expenses at the amount of 100% of the minimum salary, compensated each month.
- Compulsory health and social contributions (employer's contributions) for the next eight months, if, after the completion of the on the job training, the employer enters into an employment contract for at least eight months with the employee upon termination of the program.
- The mentor's fee at the amount of ALL 2000 for each participating beneficiary engaged by such employer.

3. Professional internships Programme

The professional internships program aims to ensure a quick transition to the labour market of the recent graduates, in the same or similar area of study of the graduate, for a duration of 6-month period. The program subsidizes the following costs:

- Insurance contributions for occupational accidents;
- Subsidy to cover the employers salary expenses at the amount of 50% of the minimum salary, compensated each month

4. The Self-Employment Programme

Start business programme that provides a financial grant and mentoring for unemployed jobseekers, who have a proven viable and marketable business idea and plan. The business plans selected for funding will:

- Receive a grant of up to 500.000 ALL.
- Benefit from Coaching and mentoring.

5. The Community Employment Programme

The Community Employment Programme (CEP) has a clear focus on workforce training and is designed to place the work experience offered near to the labour market, in line with the local and geographical employment opportunities. CEP training combined with work opportunities, may also provide valuable community services in locations of disadvantage. The CEP targets long-term unemployed (LTU) jobseekers of 25+ yrs that need specialised responses and substantial support structures in order to enter the mainstream labour market, implemented in partnership with the Community and NGO/voluntary organisations and selected public bodies.

- Compulsory health and social contributions (employer's contributions), for the entire duration of the training and compensated each month.
- Subsidy to cover the employers salary expenses at the amount of 50% of the minimum salary, compensated each month;
- The supervisors wage at the amount of 100% of the average wage for 1-14 beneficiaries engaged, paid each month;
- Material costs needed at the workplace at the amount of ALL 10,000 for the entire duration of the contract.
- A training voucher at the amount of ALL 20,000, to improve the technical skills of the participant;

Additional subsidies to cover added vulnerabilities of the jobseekers

Additional subsidies shall be provided to address the additional vulnerabilities for orphans, single parents with children under the age of 6, parents of children with disabilities, victims and potential victims of trafficking, victims of domestic violence or gender-based violence, beneficiaries of economic assistance, as follows:

- Transport cost bonuses shall be covered for all the above categories who live further than 2 km from the job place, at the amount of ALL 1600 per month;
- A bonus of ALL 3000 per month shall be granted to single parents caring for a child under the age of six to attend kindergartens and nurseries;
- An amount up to ALL 200,000 (two hundred thousand) for reasonable accommodation of the job place by the employer for PWDs.

Coming up next on the technical note series:

On the next technical note, UNDP will present the main findings of the Vocational Education and Training System review, focusing on the main findings, challenges and recommendations 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) Systemic collaboration with the private sector. During the second half of 2020, UNDP will continue to produce more detailed technical notes on the findings for each quality indicator. The full report is expected to be widely distributed within July 2020.

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 SD4E programme will issue periodically technical notes on particular elements of the reform. These notes will 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.