

Mid-Term Review

National Employment and Skills Strategy (NESS)

2014 – 2020



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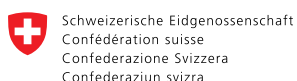
REPUBLIKA E SHQIPËRIË
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Empowered lives.
Resilient nations.

Mid-Term Review of National Employment and Skills Strategy (NESS) 2014 – 2020

NOVEMBER 2018



Swiss Agency for Development
and Cooperation SDC



*Empowered lives.
Resilient nations.*

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List of Acronyms

ADA	Austrian Development Agency
AKSHI	National Agency for Information Society
ALL	Albanian Lek (currency)
ALMP	Active Labour Market Programme
AP	Action Plan
AQF	Albanian Qualification Framework
BA	Bosnia and Herzegovina
CPD	Continuing Professional Development
DCM	Decision of the Council of Ministers
EO	Employment Office
EPP	Employment Promotion Programme
EQF	European Qualification Framework
ETF	European Training Foundation
EU	European Union
EUR	Euro (currency)
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Development Cooperation)
HR	Human Resources
ICT	Information and Communications Technology
ILO	International Labour Organisation
INSTAT	National Institute of Statistics
IPA	Instrument for Pre-Accession Assistance
IPMG	Integrated Policy Management Group
IT	Information Technology
IZHA	Institute for Educational Development
LFS	Labour Force Survey
LLL	Lifelong Learning
LM	Labour Market
LSMS	Living Standards Measurement Survey
MFC	Multi-functional Centre
MIS	Management Information System
MoESY	Ministry of Education, Sport and Youth
MoFE	Ministry of Finance and Economy
MoH	Ministry of Health
MoRD	Ministry of Rural Development
MoSWY	Ministry of Social Welfare and Youth
n.a.	data not available
NAVETQ	National Agency of Vocational Education, Training and Qualifications

NES	National Employment Service
NESS	National Employment and Skills Strategy
NLC	National Labour Council
NSM	New Service Model
OECD	Organisation for Economic Co-operation and Development
PES	Public Employment Services
p.p.	percentage points
PwD	Persons with Disabilities
QA	Quality Assurance
RPL	Recognition of Prior Learning
S4J	Skills for Jobs
SBS	Sector Budget Support
SD4E	Skills Development for Employment
SDC	Swiss Agency for Development and Cooperation
SEE	South East Europe
SILC	Statistics on Income and Living Conditions
SLI	State Labour Inspectorate
SME	Small and Medium Enterprise
SNA	Skills Needs Analysis
SRC	Sector Reform Contract
SSS	State Social Services
ToR	Terms of Reference
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VE	Vocational Education
VET	Vocational Education and Training
VTC	Vocational Training Centre
WB	Western Balkans
WBL	Work-based Learning

Assessment categories, by increasing level of completion:

NS	Not Started
IP	In Progress
HP	Highly Progressed
C	Completed
SC	Successfully Completed

Introduction

The National Employment and Skills Strategy (NESS) 2014–2020 and its related Action Plan were adopted by the Government of Albania in November 2014 by the Decision of the Council of Ministers (DCM) no. 818, dated 26.11.2014. This document serves to orient the reforms and policies undertaken in the area of skills formation and employment, as well as the technical financial assistance, in these development areas. The Strategy is fully aligned with the Europe 2020 Strategy¹ objectives and targets, which aim at promoting smart, sustainable and inclusive growth, as well as with the South Eastern Europe 2020 Strategy—Jobs and Prosperity in a European Perspective.²

The overall goal of NESS 2014–2020 is to *promote quality jobs and skills opportunities for all Albanian women and men throughout their lifecycle*. This would be achieved through policy actions that simultaneously address labour demand, labour supply and social inclusion gaps.

The Albanian Employment and Skills Strategy focuses on four Strategic Priorities, or Objectives, as shown in Figure 1.

Figure 1: Vision and Strategic Priorities of NESS 2014–2020



Within these four priorities, NESS has identified 16 sub-objectives and 52 actions to be implemented, as reported in Table 1.

1. https://ec.europa.eu/info/business-economy-euro/economic-and-fiscal-policy-coordination/eu-economic-governance-monitoring-prevention-correction/european-semester/framework/europe-2020-strategy_en
2. <http://www.rcc.int/files/user/docs/reports/SEE2020-Strategy.pdf>

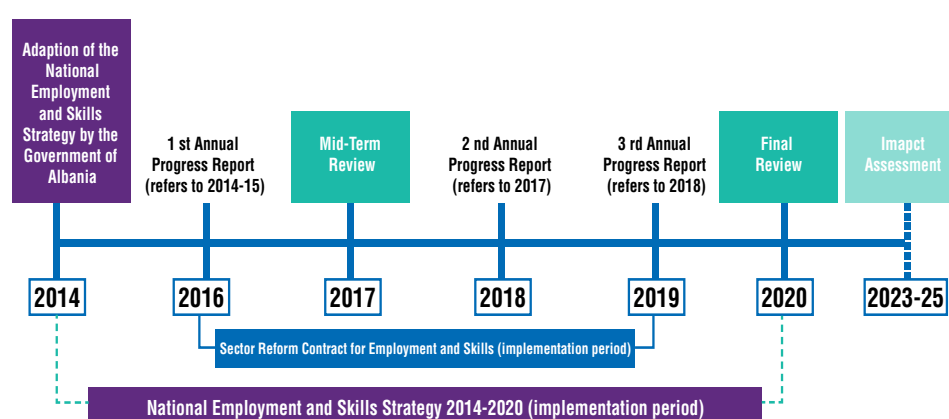
Table 1: Strategic Priorities, Sub-objectives and Actions of NESS 2014–2020

Strategic Priority	Sub-objectives	Actions
Employment services and programmes	4	9
Vocational education and training	5	21
Social inclusion and territorial cohesion	2	7
Governance	5	15
Total	16	52

The broad policies mentioned above are accompanied by a number of reforms aimed at i) ensuring the effectiveness of labour market policies, ii) offering quality skills development opportunities, iii) promoting equality and social inclusion, and iv) strengthening the education, training and labour market governance framework.

The monitoring and evaluation plan of the strategy has envisaged that annual progress reports and an interim evaluation of NESS are carried out to analyse the results achieved, the management of resources and the quality of the implementation (Figure 2). A final evaluation is planned to be carried out at the end of 2020. These two evaluations are intended to assess the success of the measures undertaken, the resources invested and the extent to which the expected outputs have been achieved.

Figure 2: Timeline for Monitoring & Evaluation procedures of NESS 2014–2020



A set of key indicators and respective targets has been identified and set up. These are closely monitored annually as part of the defined monitoring procedures. Data from various sources, including the findings of performance monitoring and impact evaluation of the different programmes, are used for this purpose, among others.

In 2015, the European Union (EU), through concerted dialogue with public institutions and civil society, selected the policy area of National Employment and Skills for receipt of Budget Support of EUR 30 million through a Sector Reform Contract (SRC) signed in November 2016. Employment and skills development policies are included in the Employment and Social Policy Sector, following the Order of the Prime Minister no. 129, dated 21.09.2015, 'On the Establishment of Integrated Policy Management Groups.' The overall objective of the SRC is to contribute to a more inclusive and effective labour market by supporting the employment and skills development policy of the government as defined in NESS 2014–2020. The specific objectives of the SRC for the period 2016–2018 are: (i) Increase labour market participation and provide job opportunities for all; (ii) Improve quality and increase coverage of vocational education and training; and (iii) Improve the quality and effectiveness of labour market institutions and services.

By supporting implementation of NESS 2014–2020, the SRC would contribute to the following expected results:

- Increase in youth employment rate;
- Reduction in the gender gap in employment;
- Increase in labour market participation of vulnerable and marginalised groups;
- Improvement of competences of Vocational Education and Training (VET) teachers and teacher trainers;
- Effectiveness and extension of the VET offer to vulnerable and marginalised groups;
- A better match of the VET offer with employment opportunities;
- Development and implementation of the Albanian Qualification Framework (AQF);
- Modernisation of the employment services;
- Compliance of the institutional framework with international labour standards.

The day-to-day technical and financial monitoring of the implementation of the SRC is a continuous process and was part of the responsibilities of the Ministry of Social Welfare and Youth (MoSWY) until September 2017, and currently of the Ministry of Finance and Economy (MoFE), which, with the support of the Integrated Policy Management Group (IPMG) Secretariat, has established a permanent internal, technical and financial monitoring system for NESS implementation. This system helps in the elaboration of regular progress reports (not less than annual), which help the mid-term monitoring and final reporting under SRC and NESS 2014–2020. Progress in the sector is measured and monitored through a number of indicators of achievement, comprising input, process, output and outcome and impact indicators. Each report provides an accurate

Annual reporting of NESS 2014–2020 implementation fulfils the obligations to evaluate progress of the strategy and the results against SRC performance indicators, and creates the conditions for the budget support to be disbursed

account of the implementation, difficulties encountered, changes introduced, and the degree of achievement of the results (outputs and direct outcomes) as measured by the corresponding SRC indicators, NESS outputs and key targets. Each report is presented in a way that allows monitoring of the means envisaged and employed, and of the budget details for the SRC. A final report, narrative and financial, is expected by the end of the contract period, and will cover the entire SRC implementation.³

For disbursement of the SRC tranches, it was required of the MoFE that it make available the following documents following signature of the Financing Agreement:

- An annual monitoring report and any other related documentation produced in the framework of the monitoring of implementation of NESS 2014–2020 and its action plan.
- An annual monitoring report and any other related documentation produced in the framework of the monitoring of implementation of the Public Finance Management strategy 2014–20 and its action plan.
- A report on progress regarding implementation of a credible stability-oriented macro-economic policy.
- A report on progress regarding implementation of the budget transparency roadmap.

Annual reporting of NESS 2014–2020 implementation fulfils the obligations to evaluate progress of the strategy and the results against SRC performance indicators, and creates the conditions for the budget support to be disbursed. Expected results of the employment and skills strategy are evaluated against a set of indicators, part of the SCR and acknowledged by the Albanian government as targets to be met. Based on the commitment and progress made in reforms in the employment and skills sector the EU decides on disbursement of the budget support.

3. Instrument for Pre-accession Assistance (IPA II) 2014–2020: Albanian Sector Reform Contract for Employment and Skills.

Methodology

The methodological phases followed for preparation of the present mid-term review comprised a kick-off meeting, desk review, interviews with institutional actors and stakeholders, assessment of the strategic areas, sub-objectives, actions and outputs, data collection and processing, and organisation of a vetting workshops, as detailed below.

2.1. Kick-off meeting

A kick-off meeting was organised by UNDP with the experts assigned to the project and the Vice-Minister of Finance and Economy, directors and main staff of the subordinate institutions responsible for employment and skills, including the National Agency of Vocational Education, Training and Qualifications (NAVETQ), National Employment Service (NES), State Labour Inspectorate (SLI), Ministry of Health (MoH) and the National Institute of Statistics (INSTAT). During the meeting the main objective of the mid-term review was presented as part of the effort to assess the state of implementation of the objectives and measures in the Action Plan (AP) over the implementation period 2014–2017. The intention was to use the recommendations to feed into the remaining period of implementation of the strategy, 2018–2020, and enable adjustments or adaptations where needed. Another important function of the review was to inform key stakeholders and development partners of the level of achievement with regard to the actions, outputs and outcomes. The commitment of all institutions involved in implementation of NESS 2014–2020 was given at the meeting and their expectations from the review were in accordance with the Terms of Reference (ToR).

One person from each institution involved was assigned to facilitate communication between the consultants and the respective institutions, collect all the necessary information related to their activity—studies, policy papers, evaluation reports, statistics etc.—and help the consultants arrange their interviews, etc.

2.2. Desk review

The desk review enabled a comprehensive literature review and contributed to the obtaining of (a) a snapshot of the current situation related to the most important

macro-economic aspects that have medium- and long-term impacts upon the human capacity development, labour market and employment, (b) a full understanding of the implementation status of the 52 NESS Actions, as well as the results achieved in terms of the stated objectives and indicators resulting from the yearly monitoring reports, and (c) a good level of understanding of the analysis, findings and recommendations of the various documents such as evaluation reports and policy papers, which have been very useful for assessing the current stage of implementation of the AP and the future challenges for sustainability and efficiency. The main documents used during this phase were:

- NESS 2014–2020: annual monitoring reports for the years 2015, 2016 and 2017.
- A Policy Note prepared by the World Bank working group upon the request of the Government of Albania in order to facilitate an action plan for jobs and growth in the country. Five synthesis notes were prepared by mid-April 2018, in consultation with all relevant ministries and international development partners, as follows: (i) Labour Market Outcomes: What are the challenges facing Albania's labour market today? (ii) How can Albania's labour market institutions be strengthened to facilitate job creation? Policy Options to reform labour market regulation in Albania; (iii) How can Albania strengthen demand for labour? Policy options to upgrade Albania's business environment; (iv) How can Albania equip its citizens today with the right skills for the jobs of tomorrow? (v) Labour Market Monitoring: How will Albania's job creation reform effort be monitored going forward? In addition a note profiling the country's labour market entitled Job Dynamics in Albania has recently been issued. Each note provides a list of recommendations on what to improve in the future. Information, findings and recommendations of these documents were a valuable reference during the assessment of implementation of each of the 52 Actions of the Strategy and a good resource to formulate the future challenges of NESS 2014–2020.
- Evaluation studies carried out with the assistance of various donors, including: (i) Self-assessment of Public Employment Services (PES; Regional Cooperation Council); (ii) Benchmarking of the efficiency of PES in the Western Balkans: a vertical functional review 2013–2016; (iii) Comprehensive employment services agenda in Albania (International Labour Organisation, ILO; United Nations Development Programme, UNDP; Austrian Development Agency, ADA); (iv) Report on performance evaluation of each Employment Office for the period 2013–2016 (World Bank assistance); (v) Evaluation Report—Active labour market policies in Albania (2014–2015); (vi) Evaluation Report—Employment Promotion Programmes in Albania, an assessment of quality in the formulation

and implementation process 2008–2014 (IPA–ILO 2010 Project and RisiAlbania); (vii) Evaluation of the Employment Promotion Programme for Persons with Disabilities (PwD; FShDPAK); and (viii) *Annual Monitoring Report of the Riga Conclusions*.

- Skills Needs Analysis (SNA) carried out in 2014 and 2017 and the related findings and recommendations. SNA provided valuable information on skills gaps and skills dynamics in the labour market. The information covered the whole economy but was also disaggregated by region (Central, North, South-east and South-west), ownership, size and sector. Also, SNA provides information on important dimensions such as gender, PwD, youth, as well as employment of non-Albanian nationals.
- INSTAT data and figures acted as a means of verification of the results achieved through (i) the Labour Force Survey (LFS) produced quarterly by INSTAT, and (ii) local labour market (LM) indicators (quarterly by NES). All objectives included in the LM analysis are revised on an annual basis.

Following the desk review, the consultants were able to provide a clear picture of the situation. One most important finding from this phase was that although the yearly monitoring reports provide a good level of information with regard to each output, the information is fragmented, making it impossible to obtain a complete picture of the progress of each output, action, sub-objective and objective. The need for consolidation of the information for each output from the yearly monitoring reports, identification of information reporting gaps, and filling in the gaps with information from interviews with relevant actors and findings of the various studies and reports was presented and agreed with the senior management of the MoFE. Completion of this aspect of the work would create a solid basis for the assessment in terms of status of progress, relevancy of outputs and actions, and the need for any modifications.

2.3. Interviews with institutional actors and other stakeholders

Two rounds of interviews were held with the main institutions involved in implementation of NESS 2014–2020. These included MoFE, NAVETQ, NES, INSTAT, SLI, MoH, the Tirane and Dures Employment Offices and VET school experts. The meetings and discussions with the representatives focused on the following issues: (a)

collection of additional information on the implementation status of NESS 2014–2020, the results achieved and the difficulties faced; (b) agreement on the assessment of each measure and on the stated challenges for the continuation; and (c) identification of the strengths and risks that accompany implementation of the strategy in the upcoming period. Other stakeholders that were contacted comprise international institutions and donors assisting implementation of the strategy, including the European Training Foundation (ETF), Swiss-funded projects focused on Employment and VET, *Deutsche Gesellschaft für Internationale Zusammenarbeit* (GIZ), experts of the Instrument for Pre-Accession Assistance (IPA) 2013-implemented project, and representatives of the private sector, among others. The meetings and discussions with the representatives focused on the following issues: (a) collection of additional information and opinions based in their concrete experiences regarding the implementation status of NESS 2014–2020 and the results achieved; (b) gaining of a better understand of their role in implementation of the strategy and the sustainability of the results achieved so far; and (c) collection of information on their strategies for assistance in the future and the further roles they can play.

2.4. Assessment of the outputs, 52 actions, 16 sub-objectives and four strategic priorities

Upon the basis of the information collected for each output and the comments on the level of success, quality of the results and the remaining challenges according to the assessment and evaluation reports, as well as interviews with various experts, an assessment comprising five levels was decided upon for the Mid-Term Review, in a departure from the system used in the yearly monitoring, of three levels (not started, in progress, and completed) as reported by the institutions. The five new assessment categories are the following:

Not Started (NS): An action that is reported or assessed as not yet started.

In Progress (IP): An action that has started and is ongoing, but which needs more effort for completion.

Highly Progressed (HP): An action that has been substantially implemented and is assessed as close to full completion when compared with the initial plans.

Completed (C): An action reported as completed, but where an internal or external evaluation is required for it to be considered successful.

Successfully Completed (SC): An action reported as completed, and that is assessed as successful, either by independent evaluation or by evaluation by the management staff of the institution in charge.

The assessment process was completed for each output and then averaged for each action, sub-objective and strategic area.

2.5. Data collection and processing

Close communication was established between the consultants and the specialists in charge of statistics in each institution involved with regard to the main monitoring indicators of the Strategy, as well as for the indicators for each strategic area. During the desk review statistical information on some of the monitoring indicators was identified as either missing or not updated. Also, the assessment of progress in the yearly monitoring reports was realised against the final target, but no projection was made to check whether reaching the 2020 targets would be feasible or not based on the yearly progress.

The information provided in the present report is the most recent and, in cooperation with INSTAT, projections were made for the monitoring indicators 2020, enabling comparison between the projections and the targets for each monitoring indicator. The methodology used for calculating the forecasts comprised the following:

Linear forecast

In a linear forecast, the predicted value is the y-value for a given x-value. The known values are existing x-values (points in time for 2012, 2014–2017) and y-values (for example, gender gap in employment). The new values of forecast variables are predicted by the use of linear regression.

Linear Forecast Equations

The Excel Linear Forecast Function calculates a new y-value using the simple straight-line equation:

$$y = a + bx$$

where,

$$a = \bar{y} - b\bar{x} \quad \text{and} \quad b = \frac{\sum(x - \bar{x})(y - \bar{y})}{\sum(x - \bar{x})^2}$$

and the values of x and y are known. The syntax of the function is FORECAST.LINEAR (x, known_y's, known_x's), where the function arguments are:
 x, a numeric x-value (time) for which we want to forecast a new y-value;
 known_y's, an array of known y-values (for example: gender gap in employment);
 known_x's, an array of known x-values (2012, 2014, 2015, 2016 and 2017).

Exponential forecast

As with a linear forecast, in an exponential forecast, the predicted value is the y-value for a given x-value. The known values are existing x-values (points in time for 2012, 2014–2017) and y-values (for example, gender gap in employment). The new values of forecast variables are predicted by modelling a non-linear trend.

Exponential Forecast Equations

The Excel Exponential Forecast Function calculates a new y-value using an exponential model in time t, where the time series appears as an increasing rate over time:

$$\text{LN}(Y_t) = a + bt + et, \text{ or } Y_t = \exp\{a + bt + et\}$$

If the time series appears to be changing at a decreasing rate over time, a logarithmic model in t can be used: $Y_t = a + b\text{LN}(t) + et$

2.6. Organisation of a vetting workshop

A vetting workshop was organised with the participation of MoFE, NAVETQ, NES, INSTAT, State Social Services (SSS), SLI, MoESY, donors and related international institutions, managers of schools and employment offices, and representatives of businesses, among others. The main purpose of the activity was to present the findings of the report and to start discussions on further actions regarding NESS 2014–2020 and beyond.

Mid-Term Developments

Despite making remarkable progresses in the last decade, Albania, currently ranked 63rd in the World Bank Ease of Doing Business compared to 90th in 2016, still suffers several burdens with regard to business and jobs creation, mainly due to a poor property registration system, land fragmentation and informality.

The substantial reform process undertaken in the country has put at the core the judicial system and the fight against corruption. In parallel with this reform, synergies with fiscal and sectoral policies need to be further strengthened so to create a stable, favourable and safe market for both foreign investors and national small and medium enterprises (SMEs). A relatively high domestic private sector debt, scarce diversity of financial services, and a system almost totally grounded in the banking sector results in difficulties for SMEs to access credit instruments. Consequently, enterprise growth is very limited, hampering the capacity of the economy to reach its full potential.

Albania's labour market indicators have shown continuous improvement in the recent past, with larger than ten percent growth for both women and men employment rates in the past five years, reaching 59.7 percent in the third quarter of 2018 for the age group 15–64 years.⁴ This figure is relatively high compared to the other Western Balkan countries. Nevertheless, the average remains below the European level of 72.2 percent.⁵ In absolute terms, of the more than 2.3 million people of working age in 2017, 1.4 million were active in the labour market (and hence 0.9 million inactive), with 1.2 million employed and 0.19 million unemployed.⁶ In contrast, the percentage of youth (15–29 years) Not in Education, Employment or Training (NEET) is among the highest in the region (29.7% in 2017),⁷ second only to Kosovo, a concerning proportion given the EU average of 13.4 percent⁸ in that same year. Previously, in 2016, while Albania's employment rate among those of age 15 years and older lagged behind regional EU countries, it was ahead of its Western Balkan peers (Figure 3). However, the percentage of youth (15–24 years) NEET was among the highest in the region.

4. INSTAT data, Labour Force Survey.

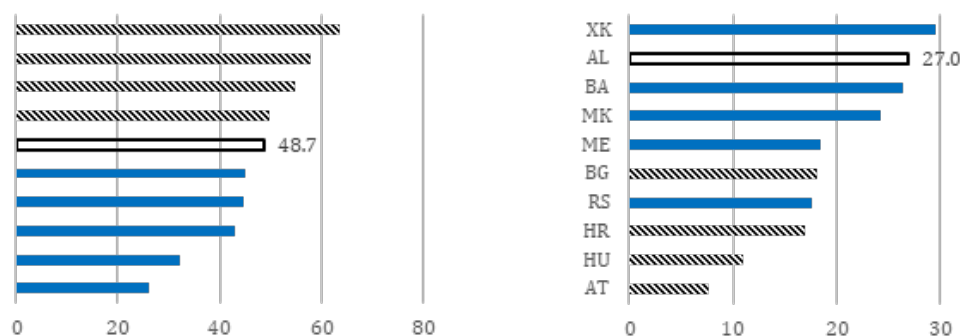
5. Eurostat, data calculated in 2017, over the total population of age 20–64 years.

6. INSTAT, Press Release: Labour Market, 2017.

7. ILO calculation based on INSTAT 2017, Labour Force Survey data.

8. Eurostat.

Figure 3 Employment and NEET rates, 2016



Source: South East Europe (SEE) Jobs Gateway Database 2016 data

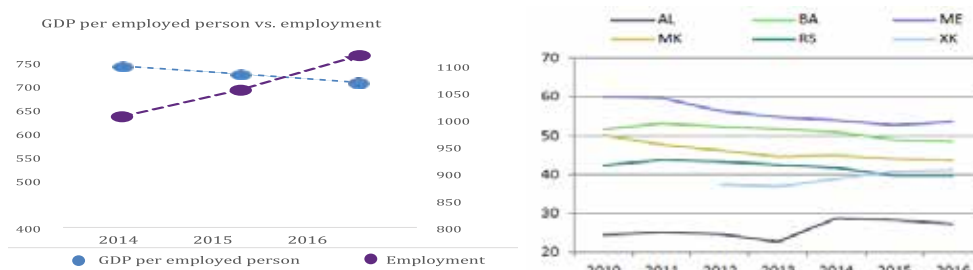
In such an analysis, two factors need to be taken into consideration. First, a considerable share of unemployment in Albania is long term and structural, translating into an unemployment spell for young people who, after completing education, are unable to find a job quickly. Second, labour productivity in Albania is rather low and, with the population ageing at a fast pace, a large number of young people not investing in their future through education nor contributing to generating production is a danger for the economy and its future growth.

The unemployment rate in 2018 was 12.2 percent, marking a constantly decreasing trend since a peak of 18.2 percent in 2014 following the economic and financial crisis. As in most Western Balkan (WB) countries, unemployment in Albania, as mentioned above, is largely long term (more than 12 months for 66% of unemployed people, with an average of 72% in the WB6) and structural (more than half of the unemployed are in that position for more than two years, and one-third for more than four years). The risk of the unemployed being discouraged and falling into inactivity is clear. Women appear to be even more exposed than men, with figures of 68 percent and 65 percent, respectively, for long-term unemployment. In addition, in each age group and level of education, the female employment rate is less than that of males. Among people with secondary education, 44 percent of women work, compared to 65 percent of men, with a gender gap higher for women of childbearing age, and among those approaching retirement, though this falls with higher levels of education. Labour market access peaks at the age of 30 years for men, and 40–44 years for women. Inactivity is also higher among women, mainly due to caretaking

duties within the family, and they tend to retire younger than men, with more than half of the inactive female population at the age of 55–64 years being retired. Employers and the self-employed are more likely to be men, while the proportion of females that are employees is higher than for males. The largest gender difference is registered in agriculture, which employs 34 percent of male and 44 percent of female workers, often in non-wage employment, and in construction, which employs almost only men.

While informal wage and unpaid employment has fallen in recent years and jobs have increased (Figure 4a), most of the new jobs are self-employed. Indeed, Albania has registered lower labour productivity, an alarming signal (Figure 4b; Albania has the lowest wage level in the WB). Most of the occupations demanded require low and medium qualifications. As a result, for every ten new jobs created, only two go to persons with tertiary education, and only one to persons younger than 30 years.

Figure 4: Indicators of low productivity jobs: a, GDP per employed person versus employment; b, Average monthly gross wages (Austria=100, PPP EUR based)



Source: a, estimates based on World Development Indicators, Albania LFS 2014–2016; b, SEE Jobs Gateway, 2017 (World Bank and WIIW9). BA= Bosnia and Herzegovina.

Inclusion of vulnerable people in the labour market presents a challenge, with more than half of the poor inactive, unemployed, nor in education, and people living in remote areas often completely excluded. More than 50 percent of all jobs, and 60 percent of new jobs created between 2013 and 2015, are concentrated in the capital city. However, only 35 percent of the companies are based there. Also, the urban areas of Tirane, Durrës and Vlorë have the largest proportion of both newly established and

The high rate of migration (almost 40% of the resident population) will be problematic in the long term should it continue, especially if the country loses educated and young people (40% of the tertiary educated workforce emigrated to Organisation for Economic Co-operation and Development, OECD, countries in 2010)

closing firms. One encouraging sign is that high net rates of job creation were registered in the peripheral areas of Kukes and Lezhe. The sectors with higher potential for productivity appear to be construction, industry and business services, while most of the new companies opening, but also closing, are tourism businesses.

Under such conditions, it comes as no surprise that the desire to migrate is extremely strong, and constant.¹⁰ The high rate of migration (almost 40% of the resident population; the highest in the region after Bosnia and Herzegovina) will be problematic in the long term should it continue, especially if the country loses educated and young people (40% of the tertiary educated workforce emigrated to Organisation for Economic Co-operation and Development, OECD, countries in 2010). Indeed, more than one in every five highly skilled people migrates abroad, one of the highest levels of brain drain worldwide.¹¹ Moreover, such a well-educated diaspora— comprising many students—is no longer engaged with policies harvesting its potential. Remittances might be able to alleviate poverty in the short term but will negatively affect reservation wages (lowest wage rate at which a worker would be willing to accept a particular type of job), and therefore overall productivity. In addition, no effective instrument is currently in place to involve return migration in the knowledge transfer and know-how of the generation, nor productive financial investments for the diaspora. Nevertheless, and encouragingly, migrants have started to return in the last decade, though the benefits for the economy are still limited, or even non-existent. This calls for targeted interventions that address the scarce transferability of degrees, fiscal and pension rights, drawn-out administrative procedures, and the lack of trade and investment policies at the macro level.

10. Gallup World Poll.

11. Global Education Monitoring Report, UNESCO, 2018, p. 106.

Mid-Term Assessment

4.1. Overall assessment and key findings

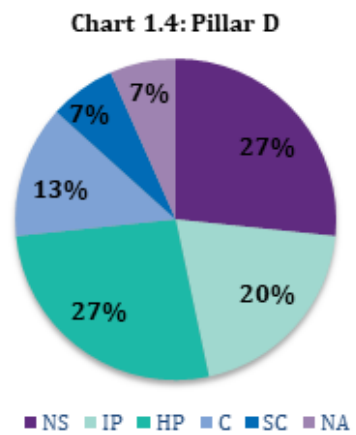
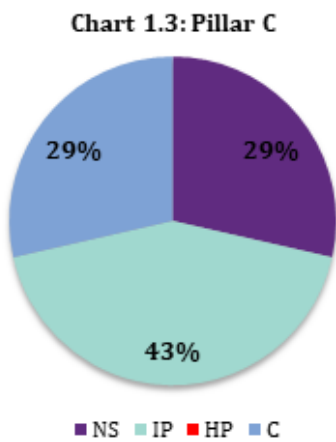
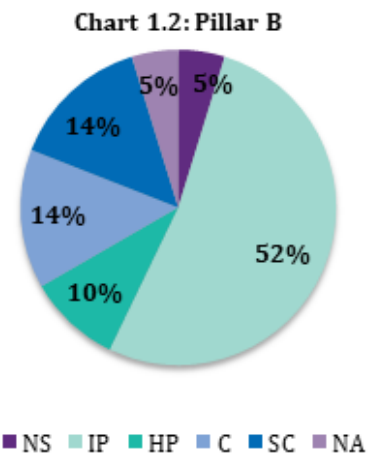
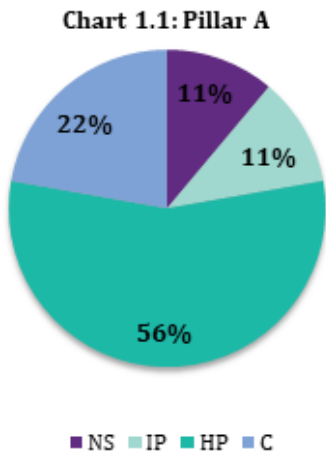
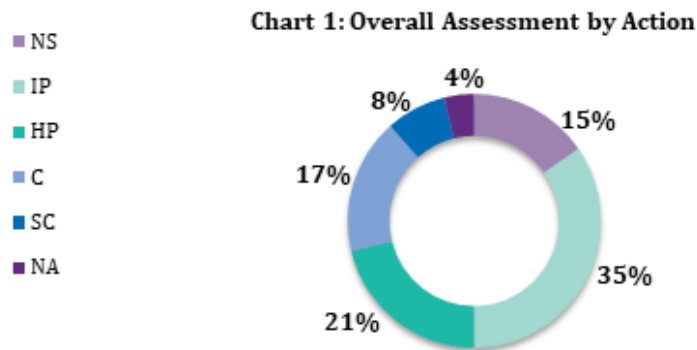
Overall Assessment

4.1.1. Assessment of the progress of each output and of the actions for each of the four strategic priorities provides a very detailed and clear overview of the mid-term status of NESS 2014–2020 three years after the start of its implementation. The overall assessment of progress is presented in Group Charts 1 for the actions and Group Charts 2 for the outputs. In addition, information on progress with the indicators for monitoring the strategy over the period 2014–2017 is presented alongside projections for the year 2020 based on the data time series and the targets (Table 2) set in the NESS 2014–2020 document.

4.1.2. A total of 52 actions have been assessed with regard to four strategic priorities. Strategic Priority B, on Vocational Education and Training, has the highest number of actions (21), followed by Strategic Priority D, on Governance and Quality Assurance (15). Two out of the 52 actions are scored as *Not Assessed*: the one on the ‘creation of an employment and skills development fund’ and the other on the ‘development of learning materials’ for transition to work skills. On average, half of the actions are either scored as *Highly Progressed* or *Completed*, or *Successfully Completed*, with the other half scored as either *Not Started* or *In Progress*. The scoring varies widely across the strategic priorities. Specifically, progress of the actions under Pillar A is very good, with on average 78 percent of the actions *Highly Progressed* or *Completed*, followed by those under Pillar D with an average of 47 percent assessed either as *Highly Progressed* or *Completed*, and under Pillar B where 38 percent of the actions are *Highly Progressed*, *Completed* or *Successfully Completed*. The worst performing pillar is Pillar C, with an average of 72 percent of actions either *Not Started* or *In Progress*.

4.1.3. Nearly all of the monitoring indicators of NESS 2014–2020 have progressed positively when compared to the baseline, including those disaggregated by gender. Nevertheless, progress with a few indicators have yet to reach 2020 targets. The largest gap between the projection and target is noted for figures for youth unemployment, employment of females, gender gap, proportion of pupils attending vocational education (VE) and of female students in VE. There are also indicators for which sustainable national tracer systems are necessary to measure progress, such as the employment rate of VET graduates (a monitoring indicator verified by LFS) and the share of employment programme beneficiaries employed after participation.

Group Charts 1. Overall and detailed assessment of actions



The fact that NES has started to produce tracer studies is a positive development for monitoring of these indicators. Also, the funds invested in the Employment Promotion Programme (EPP) and VET have increased significantly during the lifetime of NESS implementation. Despite the gap between the allocated funds and the current needs that continues to be large, increased allocations have impacted positively both employment services and VET.

4.1.4. Although Albania still lags far behind the EU average (Table 3), its progress is notable for each of the indicators in line with the EU targets in education and training, particularly those referring to education abandonment, attainment, achievements and employability. Lifelong Learning (LLL)¹² is the only indicator for which there is regression compared to the data for 2010.

4.1.5. A total of 251 outputs of NESS 2014–2020 have been assessed. Strategic Priorities B and A have the largest number of outputs, with 83 and 80 outputs, respectively, followed by Strategic Priorities D and C, with 56 and 36, respectively. The overall assessment indicates that activities for 22 percent of the outputs have *Not Started*. The proportion of outputs that have *Not Started* is high particularly in Strategic Priorities C and D, followed by B and A. One-third (33%) of all outputs are assessed as *In Progress*, and 35 percent as *Highly Progressed, Completed or Successfully Completed*. The best performing priority with regard to progress of outputs is Pillar A, with 49 percent *Highly Progressed, Completed or Successfully Completed*, followed, after a gap, by Pillars B and D (31% and 30%, respectively) and, the worst performing, Priority C. The possibility to push ahead with implementation of the outputs is higher for Pillar B, with 41 percent of its outputs assessed as *In Progress*.

12. INSTAT has recently published the first results of an adult education survey on lifelong learning. The methodology of this survey differs from that of LFS, and was used for the data reported in Table 3 of the present report. Based on AES results for 2017, the LLL is reported as 1.8 for formal education.

Group Charts 2: Overall and detailed assessment by outputs

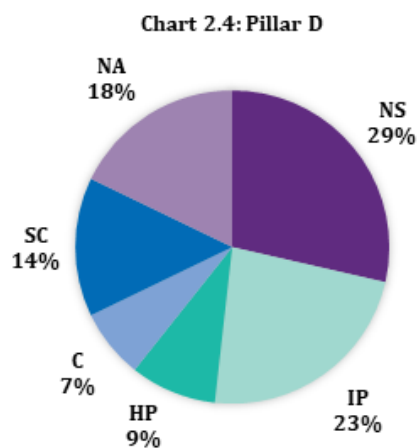
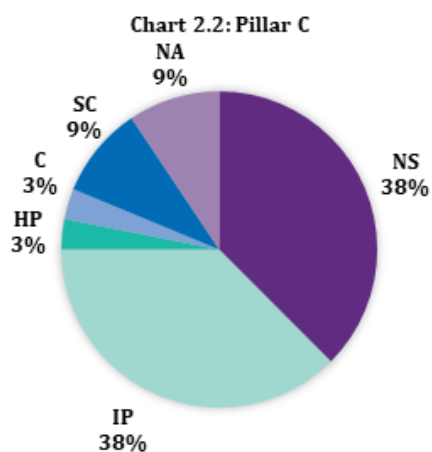
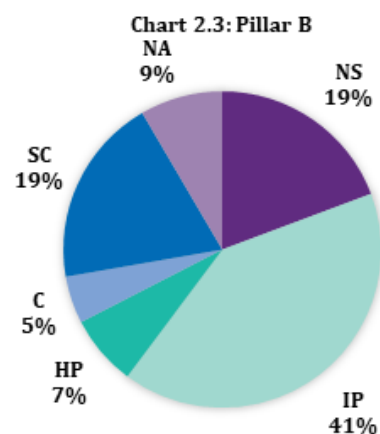
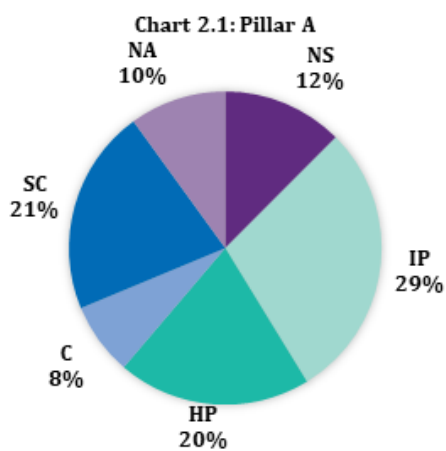
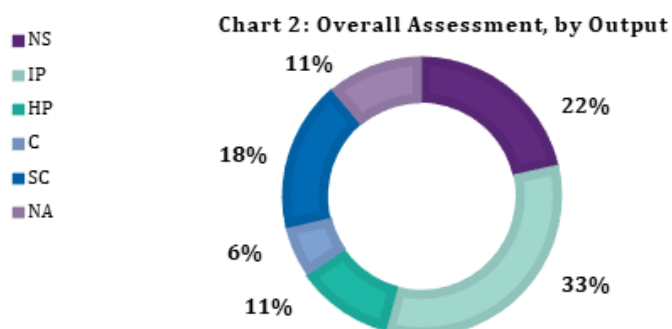


Table 2: Targets of the Employment and Skills Strategy 2014–2020 (percentage, unless stated otherwise)

Indicator	Means of verification	Baseline LFS 2012 reprocessed data (r)	2014	2015	2016	2017	2020 Projection	2020 Targets
Recommended indicators from World Bank M&E capacity development for the Western Balkans and Turkey								
Youth (15–24 years) NEET	LFS	31.3	35.7	33.6	29.8	28.4	25.7	20.0
Registered unemployed benefiting from EPPs	NES	<1	34.7	22.1	25	-8.1		10.0
Incidence of long-term unemployment	LFS	total, 75.1	total, 63.3	total, 67.3	total, 67.9	total, 67.4	total, 63.1	total, 60.0
		females, 76.6	females, 66.8	females, 67.7	females, 70.3	females, 70.0	females, 65.8	females, 61.0
		males, 74.3	males, 61.4	males, 67.0	males, 66.4	males, 65.7	males, 61.3	males, 59.0
SEE13 2020 and other related indicators								
Employment : population ratio	LFS	35.0	32	34.5	38.7	41.9	49.0	50.0
Labour force participation rate	LFS	31.3	44.1	46.2	49.2	51.0	56.0	45.0
Unemployment rate	LFS	26.6	35.3	33.2	29.9	24.0	16.5	15.0
Youth (15–24 years) unemployment rate, by sex	LFS	total, 40.3	total, 51.3	total, 48.9	total, 41.9	total, 35.8	total, 34.7	total, 30.0
		females, 33.8	females, 45.4	females, 49.3	females, 39.6	females, 31.7	females, 33.5	25.0
		males, 43.6	males, 54	males, 48.7	males, 43.2	males, 37.9	males, 35.2	35.0
Youth (15–29 years) unemployment rate, by sex	LFS	total, 40.3	total, 32.5	total, 33.2	total, 28.9	total, 25.9	n.a.	n.a.14
		females, 33.8	females, 27.4	females, 34.7	females, 27.8	females, 24		
		males, 43.6	males, 35.6	males, 32.3	males, 29.7	males, 27		
Work force, by main economic sector	LFS	agriculture, 48.2	agriculture, 42.7	agriculture, 41.4	agriculture, 40.2	agriculture, 38.2	agriculture, 34.9	agriculture, 50.0
		industry, 16.0	industry, 17.5	industry, 18.6	industry, 19.3	industry, 19.4	industry, 22.7	industry, 18.0
		services, 33.0	services, 39.4	services, 39.8	services, 40.4	services, 42.4	services, 46.8	services, 32.0
		others, 2.7	others, 0.4	others, 0.3	others, 0.0	others, 0.0	others, 0.0	others, 0.0
EU Benchmarking indicators								
Employment rate of VE graduates	LFS	15.7	14.8	14.0	13.4	13.7	15.6	40.0

13. South East Europe.

14. In NESS, youth data and indicators have been calculated and foreseen for the target group of age 15–24 years.

Share of individuals (25–64 years) participating in LLL	LFS	1.1	1.3	1.0	1.1	0.9	1.6	4.0
Related to the Government Programme								
Gender gap in employment	LFS	16.4 p.p.	15.2	15.4	13.4	15	12.9	10 p.p.
Share of working poor and low-wage workers	LSMS15	59.0	n.a.	n.a.	n.a.	55.0	44.5	50.0
Share of employment programme beneficiaries employed after participation	NES	43.0	n.a.	n.a.	n.a.	n.a.	insufficient data (at least two years)	55.0
Share of social assistance beneficiaries referred to Active Labour Market Programmes (ALMPs)	NES	1.4	7.5	6.0	10.0	5.6	11.6	10.0
Registered unemployed benefiting from basic employment services	NES	36.0	39.2	42.4	n.a.	n.a.	58.1	60.0
Share of GDP invested in ALMPs	National accounts	0.016	0.006	0.0019	0.031	0.033	0.0481	0.032
Share of female and male students attending VET	Education statistics	14.2	18.0	19.5	19.5	19.8	24.6	25.0
Share of female students in VET programmes	Education statistics	20.0	22.1	20.7	20.3	20.2	20	30.0
Public investment in VET (ALL)	National accounts	134,765,591 ALL (100)	188,262,012 ALL(100)+40	213,317,780 ALL(100)+58	215,633,967 ALL(100)+60	229,910,415 ALL(100)+70	262,936,751 ALL	(100)+30
Share of female and male agricultural family workers under social, health and pension insurance	LSMS	overall, 11.6 females, 5.5 males, 12.8	n.a.	n.a.	n.a.	n.a.	insufficient data (at least two years)	overall, 30.0 females, 35.0 males, 25.0

15. Living Standards Measurement Survey.

From 2014 to 2016, VET was promoted intensively as a certain pathway to ensure integration into the labour market. Many activities were organised to increase the visibility of the sector throughout its reform efforts.

4.1.6. Eleven percent of all outputs are scored as *Not Assessed*. Although those outputs are across all four strategic priorities, more than one-third fall under Strategic Pillar D. The main reasons given for these outputs not being assessed are: (i) unclear status, (ii) not relevant to the sub-objective, (iii) over-ambitious or unrealistic, (iv) exceeding the functional responsibilities of the responsible institution, (v) not a priority, or (vi) repetitive within the Action Plan. For each such output a clear reason is provided and detailed in the sections below. However, it is important to note that the consultation process for this mid-term assessment revealed that beyond the list of non-assessed outputs, other outputs lacked clarity, thus hampering implementation.

4.1.7. There is a strong correlation between the status of progress of the outputs under different strategic priorities and how high these areas are in the government's agenda. Government Programmes 2013–2017 and 2017–2021 both have placed skills development and employment high on the political agenda. From 2014 to 2016, VET was promoted intensively as a certain pathway to ensure integration into the labour market. Many activities were organised to increase the visibility of the sector throughout its reform efforts. The evidence presented in the annual monitoring reports 2015 and 2016 support the argument that the implementation of the strategy was moving ahead well regarding the activities under Strategic Priority B. Following government consolidation in 2017, a strong focus was placed on employment, employment services and the assistance and opportunities offered to the former beneficiaries of social assistance. Such focus gave a real momentum of development and visibility to the Employment Offices and NES and, as result, to the progress of the outputs under Strategic Priority A, though a slowdown in progress of outputs under Strategic Priority B. Progress of outputs under Pillar C remains problematic. Consultations indicate that the objectives under Pillar C have been guided to a large extent by the need for extending employment services and skills formation in rural areas, but were highly ambitious given the level of knowledge, expertise and resources available for implementation of its activities, and that the outputs under the three other strategic priorities were also very ambitious.

Table 3: EU targets in education and employment¹⁶

Indicator	Albania		European Union		EU Objective
	2010	2016	2010	2016	2020
ELE	31.9	19.6	13.9	10.7	< 10
TAT	11.4	20.9	33.8	39.1	≥ 40
ERT	60.3e	62.1	68.6	71.1	≥ 75
LLL	2.1	1.1	9.1	10.8	≥ 15
PISAR	56.7	50.3	19.7	19.7	< 15
PISAM	67.7	53.3	22.3	22.2	< 15
PISAS	57.3	41.7	17.8	20.6	< 15
ERG	m	m	77.4	78.2	≥ 82

Source: Eurostat, OECD, INSTAT (PISA results refer to 2009 and 2015; e, estimated; m, missing)

Key Findings

4.1.8. The four strategic priorities in NESS 2014–2020 address major employment and VET challenges in the context of the needs of the country’s development towards the EU. They are a synthesis of the knowledge, expertise and experience of the administration focused on employment and skills, as well as the recommendations of international expertise in the sector since the very first years of the transition. The challenges addressed include

- labour market informality
- social inclusion of minority groups, such as Roma and the disabled
- youth and women employment
- modernisation of NES and extension of its services to rural areas
- better targeted EPP as part of a comprehensive package of services to disadvantaged individuals
- increased dialogue with social partners
- sound role of the National Labour Council (NLC) in policy making
- an efficient model of cooperation between NES and the private sector
- support with a package of services for those disqualified from the Social Assistance Scheme
- setting up of a National Social Fund
- optimisation of the VET provider network

16. ELE, Early leavers from education (% age 18–24 years); TAT, Tertiary education attainment (% age 30–34); ERT, Employment rate (% age 15–64); LLL, Participation in training and lifelong learning (% age 25–64); PISAR, Under-achievement (% age 15); Reading: PISAM, Under-achievement (% age 15); Mathematics: PISAS, Under-achievement (% age 15); Science: ERG, Employment rate of recent graduates (% age 20–34, ISCED levels 3–8).

- alignment of vocational education with vocational training
- extension of vocational courses into rural areas
- increase in school autonomy and installation of an open minded management system
- improvement of the coherence of the national qualification system
- introduction of a certification system that includes non-formal and informal learning over the working life
- establishment of quality career guidance underpinned by reliable and updated labour market information
- recognition of prior learning, in particular of qualifications and skills gained in migration.

As such, the strategic document and the action plan remain to a large extent an exhaustive and ambitious programme supporting the overall goal of the Strategy, which is to promote quality jobs and skills opportunities for all Albanian women and men throughout their lifecycle, and is in line with the strategic objectives of advanced economies. Based on this understanding, implementation of NESS 2014–2020 can be considered as a first phase towards a modernised employment and VET system aligned with those in advanced countries.

4.1.9. Implementation of NESS 2014–2020 has been carried out in parallel with that of other very important reforms in Albania. Those most closely related to NESS 2014–2020 include the following:

- The national plan Digital Agenda of Albania 2015–2020 and the Strategy for Public Administration 2015–2020, which aim to advance the linkage of information systems with each other in order to exchange information in real time and simplify the number of documents citizens and businesses are required to produce.
- The Deregulation Reform consisting of three main aspects: reduction in the number of permissions, licences and authorisations, providing public services in a single window and digitalisation.
- The Social Assistance Reform in the framework of the National Social Protection Strategy 2015–2020, approved in 2015, initially piloted in three Albanian regions and then extended nationally. This reform targets the transformation of the economic aid programme into an active reintegration scheme by the creation of employment opportunities through increasing the involvement of social assistance

beneficiaries in the Active Labour Market Programme (ALMP).

- The Higher Education Reform, which emphasises quality assurance in higher education institutions. Post-secondary VET depends not only upon the readiness of VET providers to diversify the provision at the post-secondary level, but also on the education policy of the Ministry of Education regarding the provision of post-secondary programmes in higher education institutions.
- The Strategy for Diaspora and Migration, which is a very important policy document for all the actions regarding returned emigrants or emigration policies.
- The recent territorial reform approved in 2014, which increased the number of municipalities from 36 to 64 and which replaced the ex-communes with administrative units under the municipalities.
- The Strategy for Rural Development.

Most of the actions initiated under the above reforms have facilitated fast implementation of some of the actions foreseen in NESS 2014–2020, such as the Deregulation Reform, and which have impacted the reduction in the documentation requested for several provided services. Meanwhile, the digitalisation agenda has interlinked the information systems of different institutions for data exchange purposes, and other reforms, such as the recent territorial reform, require a new territorial distribution of services that will economise the resources and increase the efficiency of the institutions.

4.1.10. During the three years of implementation of NESS 2014–2020 up to the present, important institutional changes have taken place. The transfer of responsibilities for VET from the Ministry of Education, Sports and Youth (MoESY) to MoSWY emphasised the need for re-design of the institutional arrangements and responsibilities and the necessary clarification of the roles and responsibilities for the management and oversight of the VET sector. In addition, NAVETQ was transferred from MoESY to MoSWY, with extended roles and functions. Then, in September 2017, the whole set of the employment and skills institutional set-up was transferred to MoFE, along with subordinate institutions such as NES, SLI and NAVETQ. While the first institutional change referred to the need of the VET system to be closer to the labour market, the second change was motivated with the need to reduce bureaucracy between institutions with interlinked activity, and to increase their cooperation and efficiency. Any positive effects these institutional changes might bring remain to be seen. However, it can be confirmed that the whole set of previous

responsibilities regarding employment and skills at the policy level are carried out with the fewer human resources available under the umbrella of MoFE (with 1 department—for employment and skills—and with 9 people instead of 23). This change delayed the establishment of the National Agency for Employment and Skills, which should cover the administration of the VET schools and ease the burden for staff at the ministry. Also, the strong traditional focus upon finance in MoFE presents a risk of overshadowing the importance of the sectors of economy and employment and skills.

4.1.11. The implementation of NESS 2014–2020 involves several institutions with roles clearly outlined in the Action Plan, as follows: (i) MoFE, in addition to VET and Employment Sector administration, is responsible for implementing actions regarding entrepreneurship, and facilitating linkages between employment and VET with private businesses; (ii) MoH has responsibilities transferred to it that it previously shared with MoSWY, such as the State Social Services (SSS), minorities (Roma and Egyptians), PwD and other vulnerable groups and gender; (iii) NES, NAVETQ and SLI as subordinate institutions to the MoFE are responsible for certain aspects of employment and VET; and (iv) other line ministries and institutions, such as MoESY, MoRD, INSTAT, Tax Directorate, have certain responsibilities. During the consultations with the institutions directly involved in NESS it was noticed that there was good cooperation among NES, NAVETQ, SLI and the staff in charge at the MoFE, but weak cooperation with MoRD and MoH (regarding marginalised groups).

4.1.12. Three annual Monitoring and Evaluation Reports of NESS 2014–2020 have been produced for the period 2015–2017 with the support of donors. The documents report qualitative and quantitative information and data by action, output and key targets using several complex fiches that are further analysed by pillar. The fiches were filled in by staff of the institutions responsible for implementation of the Action Plan. During consultation sessions with the main institutions, it was noticed that there were cases of lack of clear understanding of some of the monitored outputs, incomplete or irrelevant evidence that normally would have been addressed after each monitoring report. Also, no evidence was found on the use of the findings of the yearly monitoring reports for further adjustment of the actions undertaken in order to increase institutional performance and efficiency. As such, the yearly monitoring reports were mostly used as a reporting instrument rather than as an opportunity for reflection for the upcoming periods.

4.1.13. There has been continuous donor support to employment, VET and social inclusion policies in Albania. This support has contributed substantially to smoothing the financial gap present in this sector as a result of the limited public funds and resources, and has pushed forwards Albania's employment and skills development agenda guided by best practices in advanced economies. With regard to the donors' commitment for the period 2017–2020 some EUR 100 million (or EUR equivalent) will be invested in skills and employment area in the framework of implementation of NESS 2014–2020, equivalent to the total public funding allocated to VET over the same period. The main supporters in the sector are the EU Delegation through various funding mechanisms, followed by the Swiss Development Cooperation (SDC) and GIZ. The NESS 2014–2020 activities most supported are those under Strategic Objectives A and B, and not surprisingly include those with the most progress recorded over last three years. Under Strategic Objective A—Foster decent job opportunities through effective labour market policies—there has been a significant contribution towards the establishment of the New Service Model (NSM) and monitoring and evaluation of the quality of the services offered, direct support to EPP, modernisation of Information Technology (IT) infrastructure systems, cooperation with third parties, improvement of inspection services, design of adequate application procedures for ALMP, and registration and profiling of jobseekers, among others. A smaller presence of donors is noted for implementation of the activities foreseen under Strategic Objective C—Promote social inclusion and territorial cohesion—with the most significant related to Reform of the Social Assistance System supported by the World Bank. The same applies to the activities foreseen under Strategic Objective D—Strengthen the governance of labour market and qualification systems—where the main attention is placed on developing and implementing the AQF, preparatory steps for establishment of the sector skills committees, recognition of prior learning, tracer system for VET graduates and for EPP beneficiaries, modernisation of the legal framework, and approximation with the EU directives. Most donor support is delivered at the VET provider level and to the NES offices at the central and local levels on a pilot basis. There are many good practices at the project and the pilot level, but few efforts been scaled up or institutionalised, or both. The good practices are to a large extent isolated with VET providers or Employment Offices. Commendable efforts have been made to assist the VET and employment institutions with technical assistance regarding preparation of policy papers, draft laws and by-laws, evaluation reports and analysis to support the decision-making processes. With very few exceptions these activities have been exclusively implemented based on donor support.

4.1.14. The present Mid-Term Report analysis indicates that there are a considerable number of actions and outputs on migration, gender, international labour mobility agreements, identification of preferential countries to facilitate employment of Albanians abroad, among others. The evidence reported on these actions in the yearly monitoring reports is very weak and most of the outputs have been assessed as either *Not Started* or just started and in the early stages of implementation. Furthermore, the conclusions from the consultations with the responsible institutions are that the inclusion of most such actions and outputs in the Action Plan was motivated by particular project agendas at the time when NESS was being elaborated, to accommodate the main objectives of those projects, without guaranteeing continuous support for further advancement. Meanwhile, no involvement of specialised institutions and organisations, such as UN Women, gender-based NGOs or IOM, is recorded for the gender and migration related outputs specified in the Action Plan, while the Albanian institutions obviously lack quality expertise in these fields.

4.1.15. NESS 2014–2020 envisages improvement of three main laws for supporting reforms in the sector, namely the VET Law, the Employment Promotion Law and the Law on the Albanian Qualification Framework. The preparation of the draft laws following approval of the Strategy was due primarily to the contribution of the experts of the ministry in charge and its subordinate institutions, independent experts and MoESY, as well as the invaluable support of donors. The VET Law and the Law on AQF have been approved but the package of by-laws to make the laws implementable has been awaiting approval since 2017, while the draft Employment Promotion Law is still in the approval process. As a result, implementation of the actions directly related to the laws are pending and that of the whole package of actions has slowed. Expedited approval of the Employment Promotion Law and its related by-laws would create the grounds to speed up implementation of the Strategy.

4.1.16. Implementation of the Action Plan envisages a 30 percent increase in NES staff, in addition to the staff necessary for assuming the responsibilities for administration of the vocational schools. Also, several other actions are foreseen with regard to human resources (HR) management and capacity building, such as preparation of job descriptions, establishing a performance management system, testing staff competences, holding of training on the NSM and coaching of marginalised groups, among others. Meanwhile, reorganisation of NAVETQ and increasing the number of staff is envisaged in order to respond to the newly transferred roles and

responsibilities. In fact, no staff increase has taken place in any institution relevant to NESS 2014–2020 implementation, there is still a lack of an NES HR development plan, and the NES performance management system is not yet in place. Finally, the ministry staff in charge of employment and VET has been reduced in size and structure after consolidation within MoFE.

4.1.17. In 2015, the EU selected employment and skills as a policy area for receipt of budget support of EUR 30 million¹⁷ through an SRC signed in November 2016 and covering the period 2016–2020. A set of ten indicators was defined and agreed jointly with the Albanian government as targets to be met for disbursement of the support. Progress of the ten indicators (Figure 5) has been monitored within the framework of the internal, technical and financial monitoring system established for implementation of NESS.

Figure 5: Sector Budget Support (SBS) indicators and targets

■ measurable ■ achievable ■ relevant to the NESS

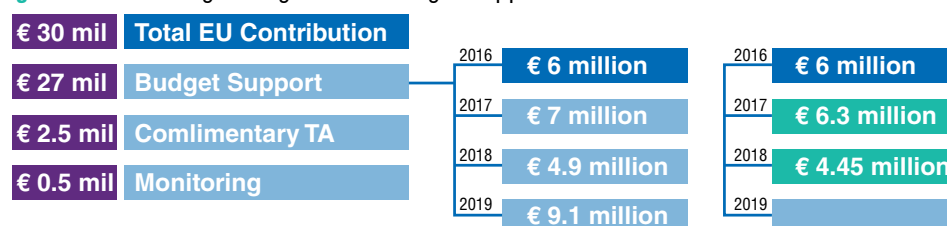
		2014 Baseline	2016 Target	2017 Target	2018 Target
Indicator 1	Youth Employment Rate	28.2%	28.7%	28.95%	29.2%
Indicator 2	Gender gap in employment	14.7%	14.2%	13.7%	13.2%
Indicator 3	Share of unemployed benefiting from EPPs	2.6%	4.0%	4.5%	5.0%
Indicator 4	Share of VET teachers trained	–	6%	90%	70%
Indicator 5	Number of RME enrolled in VET and EPPs	211	Monitoring sys.	First results	+30 each
Indicator 6	Establishment of Multifunctional VET Centers	–	VET Law	3 MFC contract	3 MFC equip.
Indicator 7	VET Graduates' employment rate	–	Trace system	First report	+2%
Indicator 8	No. of qualifications as per AQF	87 existing	AQF Law	Bylaws	+20 courses
Indicator 9	No. of NES offices using New Service Model	10 offices	10 new offices	+10 offices	+6 offices
Indicator 10	Adoption of revised Labour Code	–	Adoption of LC	Bylaws	OHS bylaws

Source: MoFE, 2018

In 2016, nine out of ten targets were achieved, prompting disbursement of EUR 6.3 million out of the EUR 7.0 million planned. The following year, 6.5 out of seven targets were achieved, prompting disbursement of EUR 4.45 million out of EUR 4.9 million in 2018 (Figure 6). In 2018, Albania had to achieve ten targets set for the year, plus an additional three transferred from 2017. It has been noted that the linkage between target achievement and funds disbursement has made the staff in MoFE and its subordinate institutions highly accountable. They are knowledgeable of the difficulties encountered, changes introduced, efforts made and the degree of achievement of results for each SRC indicator, which is less than the case for the other NESS 2014–2020 indicators for which allocation of public funding is made regardless of progress against the indicators.

17. EUR 27 million for budget support and 3 million for complementary technical assistance. The SBS disbursement is paid through a fixed tranche of EUR 6 million and three variable tranches of EUR 7 million each, subject to specific conditions being met for the years 2016, 2017 and 2018.

Figure 6: EU funding through Sector Budget Support



Source: MoFE, 2018

The SRC budget support indicates a total amount of EUR 69.8 million, comprising 25 percent from the government budget, 42.9 percent from the Sector Budget Support and the remaining 32.1 percent from other donors and sources. As reported in Table 4, during this mid-term period the majority of the funds have been dedicated to Strategic Priorities A and B and are reflected in the higher level of results achieved and outputs assessed through comparative analysis across pillars, as analysed in the present Mid-Term Report.

Table 4: Funds allocated to each Strategic Priority

Strategic Priority	SRC funds (EUR)
Total A	11,416,237
A1	463,193
A2	419,879
A3	10,352,179
A4	180,986
Total B	38,341,663
B1	22,053,271
B2	1,339,271
B3	2,461,357
B4	5,465,657
B5	7,022,107
Total C	13,030,115
C1	7,239,286
C2	3,619,643
C3	2,171,186
Total D	7,022,115
D1	2,787,129
D2	2,859,521
D3	723,929
D4	72,393
D5	579,143
Total	69,810,130

Source: MoFE, 2018

With regard to the SRC, there was a considerable increase in the state budget between 2016 and 2017 to support overall implementation of NESS as the most important policy document in place for this budget contract. Generally, financial allocations have been continuous, with any correction done during the annual budget. The two main budget programmes in line with NESS are those of the Labour Market and the VET, with the latter receiving increased resources in recent years. The present Mid-Term Review Report can, in principle, be used for any adjustments to be made to the SRC for SBS Employment and Skills in the upcoming years parallel to other policy documents, initiatives, directions and priorities.

Regarding concerns over the impact of the NESS objectives upon the Albanian economy and internal markets, together with their relevance and sustainability, a systematic and continuous monitoring and reporting in time could further support overall good governance regarding NESS implementation. It can be articulated based upon the results that NESS is beginning to have an impact upon employment and skills and, to a lesser extent, upon social inclusion and territorial cohesion, which is practically in line with the overall country development path and progress.

4.2. Assessment of Specific Objectives, Actions and Outputs

Strategic Objective A: Foster decent job opportunities through effective labour market policies

National Employment and Skills Strategy 2014–2020	2013 Baseline	2014	2015 Actual	2016 Actual	2017 Actual	2020 Target
Total number of unemployed jobseekers	144,427	141,342	145,147	93,889	83,497	
Number of beneficiaries in employment programmes	12,241	16,490	20,140	25,170	23,136	
Percentage that are female	50.1	54.6	53	53.6	52.7	
Percentage that are EPP beneficiaries	5.5	34.7	22.1	25	-8.1	10
Percentage employed after participation in EPP		74		51	63	55
		DCM 48, 66.2				
	DCM 48, 63	DCM 47, 67.2				
By programme (%)	DCM 47, 55.3	DCM 873, 28.0				
	DCM 873, 29.2	DCM 27, 54.2				
		DCM 199, 12.5				
		DCM 248, 28.6				

National Employment and Skills Strategy 2014–2020	2013 Baseline	2014	2015 Actual	2016 Actual	2017 Actual	2020 Target
Women (%)		Total, 64.4				
			DCM 48, 68.8			
			DCM 47, 75.3			
			DCM 873, 31.4			75
			DCM 27, 53.6			
			DCM 199, 10.9			
Two times more investment for the active labour market programmes (ALMP; million ALL)	90	270	450	490	490	
GDP (million ALL)	1,350,053	1,395,305	1,434,307	1,475,251		
ALMP as proportion of GDP (%)	0.006	0.0019	0.031	0.033		0.032

Sector Reform Contract Result Indicators (IPA 2015)	2014	2015	2016	2017	Target 2020
Youth (15–29 years) employment rate (%), Labour Force Survey (Employment Rate, INSTAT)	28.2	29.8	32.4	33.8	
Gender gap (p.p.) in employment, LFS	13.7	14.2	11.9	13.6	10
Percentage of registered unemployed jobseekers benefiting from EPPs, NES	2.6	4.0	4.6	6.3	
Number of Roma and Egyptians who complete training programmes, NES	EPP, 211	EPP, 227	Monitoring system place	EPP, 810	
	VET, 128	VET, 102		VET, 67	Tracing system in place
Number of public employment offices reorganised according to the New Service Model, NES				1	
	10	4	7	Other offices postponed until 2018	

Assessment of the status of completion of outputs for each action

No.	Sub-objective	Status of completion
A1	Modernising the National Employment Service, including headquarters and regional and local offices	HP
A2	Continuous improvement of legal and institutional framework in compliance with ratified international labour standards	HP
A3	Expanding the range and scope of employment services and programmes (active labour market policies)	HP
A4	Improving gender-sensitive monitoring and evaluation of employment measures	HP
Overall status of completion		HP

A1. Modernising the NES, including headquarters, regional and local offices

No.	Sub-objective	Actions	Status of completion
A1	Modernising the NES, including headquarters and regional and local offices	A1.1 Reorganisation of NES offices according to the New Service Model	C
		A1.2 Definition and implementation of an NES staff recruitment and development plan	IP
		A1.3 Modernisation of IT infrastructure and systems in NES	HP
		A1.4 Establishing new cooperation modalities with third parties	C

A1.1. Reorganisation of NES offices according to the New Service Model

Outputs	Status of completion				
	NS	IP	HP	C	SC
Policy paper on New Service Model and action plan adopted in 2014					X
Model operational within 1 'trial office' in Tirana early January 2014					X
36 employment offices re-organised according to the New Service Model by 2016			X		
Specific ToR prepared for 12 offices within 1 year					X
Manual on the type and quality of services to be delivered by each regional and local employment office		X			
Quality of services by each office verified		X			
Gender equality and equal opportunities goals integrated into all models, mechanisms, processes, and materials					X
Targets for female and male Roma, PwD, women in rural areas and disadvantaged categories of women defined and monitored			X		
Gender-sensitive labour mobility and migration considerations are integral part of all relevant models, labour market information systems, mechanisms and processes					X
Campaigns to increase the understanding of the wider public, of public and private organisations as well as of enterprise for the need to improve the recruitment base, and to offer equal pay for equal work		X			
Overall status of completion			3.7 = C		

MAIN DEVELOPMENTS: During the 2014–2017 period, based on a Policy Paper,¹⁸ and a Manual,¹⁹ the New Service Model has been rolled out in 36 employment offices, following an initial trial in the Tirane Regional Employment Office. With donor support,²⁰ the structural organisation of the local and regional employment offices was designed, outlining the task distribution in the three-tier service model, rights

18. The policy paper on the New Service Model was prepared in the framework of IPA Technical Assistance 2010. The Administrative Tripartite Council has approved the document.

19. RisiAlbania, Manual on the type and quality of services to be delivered by each regional and local EO, and Guidelines for implementation of NSM, 2015.

20. RisiAlbania and IPA 2010 technical assistance.

and responsibilities for each specialist in compliance with the information system, and job descriptions for each position in a regional office. Regional offices were assisted to develop their internal operational manual and performance-based work plans. The reconstruction of the employment offices according to the NSM has progressed each year, and is anticipated to reach 31 out of 36 by the end of 2018. Training on the NSM and on EPPs was organised with the participation of the local NES staff and businesses, as well as training on counselling of marginalised groups and on interviewing and counselling the job seekers. The Management Model and Intelligent Job Matching System became operational in 2016 as a key for continuous monitoring of service delivery, albeit with slow progress in implementation. The system was enriched in the last two years with features that capture the work performed by the employment office specialists in fulfilment of the procedures as defined by law. In addition, several evaluations have been carried out with the funds of donors, as well as funds outsourced from the public budget to third parties for assessing the quality of services offered by the employment office (EO). Better targeting of marginalised groups such as PwD, Roma and disadvantaged categories of women have been achieved, through introducing new EPPs as part of the labour market programme. Special focus has been placed on returned migrants, with an information desk for them operational in each regional EO and concrete services provided to them.

ASSESSMENT RESULTS: Reorganisation of NES offices according to the NSM is assessed overall as *Completed*. Despite the fact that half of the outputs under this measure are assessed as *Successfully Completed*, the efficiency of implementation of the NSM in the regional and local EOs is still questionable and the human resources and their capacities are still limited. Reconstruction of the EOs has been largely impeded by the current conditions of these offices rather than by funding, as they are situated either in rented spaces (making it impossible to use public funding for reconstruction) or in inappropriate locations. A reconstructed EO would offer much better standards for the services, particularly as the current offices remain largely inaccessible to vulnerable groups such as PwD. The Territorial Reform implemented in 2014 established 61 municipalities to replace the previous 36, but no reference system for unemployed jobseekers existed that could be extended to the new municipalities and the respective administrative units that have replaced most of the communes. NES is currently working on a modality for its offices to collaborate with municipalities, particularly those where no regional or local offices are in place. A manual for NSM implementation is undergoing improvement for guidelines, organisational charts, staff

job descriptions, performance indicators, monitoring and evaluation, and trainings. Once it is applied in the Tirane office, it will be extended to all local EOs. The ToR for a new information system are prepared and after allocation of the budget work will take place to build a new system that would guarantee better profiling, faster and improved services, a module for generating management reports (currently absent) and inter-linkages with other information systems (taxes, civil registry, insurance, etc.). NES should address the fact that a standard system for quality management is not in place. There is a need for NES to define a unified methodology for performance measurement on an EO basis considering both internal and external factors. Also, client satisfaction surveys are not yet in place, though one is currently being prepared with the support of RisiAlbania. Meanwhile, NES declares that data and indicators are gender disaggregated and gender equality is integrated into all NES activity. The gender gap in labour participation is still high within the market, though registration with NES offices is almost equal for males and females. Much has been done with existing detailed data for the different marginalised groups and overall targets have a gender dimension, though no statistics are processed on rural and urban data, including on gender. Generally, no specific unit or staff is assigned to vulnerable groups in the regional or local EOs. A few experiences²¹ can be mentioned with regard to working either with people with disabilities or with Roma or Egyptian, but as such the situation is far from the target. This makes the donor interventions in capacity building and coaching unsustainable and sporadic. Concentrated efforts should be made to achieve the outputs that have yet barely progressed, such as the preparation of an improved manual on the type and quality of services to be delivered by each EO, verification of the quality of services provided, and information dissemination to the wider public and businesses on improvement of recruitment base. Only 7.4 percent of hiring firms used NES to recruit workers (Albania Skills Toward Employment and Productivity—STEP—employer survey), with more than half of firms using informal channels for recruitment, with, perhaps surprisingly, innovative firms, large firms and foreign-owned firms even more likely to do so (Honorati and Johansson 2018b). There is a need that within 2019 the communication policy of NES, including gender and recruitment is drafted, the promotion campaign regarding ALMP, such as self-employment, is enhanced, the NES web page improved, and the methodology for cooperating with businesses drafted and implemented.

21. In Elbasan, Shkoder and Tirane, existing staff have additional duties with regard to people with disabilities. In addition, for addressing the needs of Roma and Egyptians, there are staff in 4 offices dedicated for this category specifically.

A1.2. Definition and implementation of an NES staff recruitment and development plan

Outputs	Status of completion				
	NS	IP	HP	C	SC
Number of NES staff increased by 30%, including a minimum of 30% qualified women in leading or management positions	X				
Annual rate of vacancy filling reaches 85%		X			
Annual rate of female and male participation in ALMPs reaches 18% in 2014, and 35% by the end of 2020					X
Job descriptions including competence standards adopted for all categories, from managers to staff, at ministry, NES and regional and local levels		X			
Performance management system in place and NES performance to meet female and male clients' needs assessed twice a year		X			
Staff competences tested against the standards and whether they understand the service manuals	X				
Equal pay for equal work pursued at NES, using sex-disaggregated wage statistics					X
Mid-term plan for HR recruitment and development	X				
Staff trained according to NES Development Plan and Annual Training Plan, and capacitated to address gender equality, equal opportunities and diversity, and to engage in coaching for special needs groups		X			
Zero tolerance against discrimination and sexual harassment policy in place and also promoted with third parties	X				
Overall status of completion			2.2 = IP		

MAIN DEVELOPMENTS: The number of NES staff remained unchanged since 2014, in parallel with the considerable decrease in the number of registered unemployed jobseekers.²² There is no defined plan for recruitment, but the project Coaching for Employment and Entrepreneurship (C4EE) is currently preparing an analysis for allocation of staff in proportion to the total number of unemployed jobseekers. Currently, 36 percent of leading positions in NES are occupied by women. NES operates under constrained resources. The caseload (the ratio of unemployed jobseekers to NES counsellors) was 327 in 2016, a relatively high figure compared to a staff to client ratio of 1:150 in the EU and 1:100 according to the International Labour Organisation (ILO) recommendations (Kuddo, 2012). The annual rate of vacancy filling by the EOs was 54 percent in 2017. Low wages is the main reason for refusal of job offers by unemployed jobseekers and a lack of demanded skills is the main reason for refusal by the employers. The rate of participation in EPPs for 2017 was about 36 percent. Jobseekers employed after participating in EPPs represented 63 percent of the total. One-third of those employed after vocational training, and about 40 percent of all registered trainees, are women. There are in place elements for measuring performance, such as evaluation by the Department of Public Administration and by the NES Director but no management system for proper performance evaluation is in

22. The number of unemployed jobseekers is less than half of what it was in 2015: 63,000 compared to 152,000.

place, beyond the performance scorecard²³ currently available at all EOs.

ASSESSMENT RESULTS: The definition and implementation of an NES staff recruitment and development plan is assessed as *In Progress*. Eight out of ten outputs under this measure are either *Not Started* or *In Progress*. There are only two outputs that can be considered as *Successfully Completed*: annual rate of participation in ALMP, and equal pay for equal work pursued in NES using sex-disaggregated wage statistics. NES needs to have a development plan that includes a recruitment and training plan. The transformation of NES into the National Agency for Employment and Skills once the draft Law on Employment and Skills is approved will require at least 33 new staff. A standard performance management system should be in place at all NES levels, including key performance indicators. Meanwhile, a financial evaluation system should be established and a financial stimulus for personnel who meet the objectives should be introduced. Three outputs need to be revised, as follows:

- *Annual rate of vacancy filling reaches 85 percent.* This output is considered as unrealistic. Considering the accumulated increase in the total number of vacancies, this rate is very high. As such, it would be reasonable for MoFE and NES to revise the rate.
- *Annual rate of female and male participation in ALMPs reaches 18 percent in 2014, and 35 percent by the end of 2020.* Currently, the number of women in ALMPs is significantly larger than the number of men. The output is not directly linked with the measure. The following is suggested: *The number employed via ALMPs as a proportion of the total number employed, and the number of participants in training and EPPs compared to the total number of registered jobseekers.*
- *Zero tolerance against discrimination and sexual harassment policy in place and also promoted with third parties.* The output is not considered as directly linked with the activity of NES from the policy point of view. The High Commissioner for Discrimination should provide a policy paper and train all institutions in the subject. Meanwhile, a document should be developed to impose coordination among institutions.

23. A combination of quantitative and a few qualitative indicators.

A1.3. Modernisation of IT infrastructure and systems in NES

Outputs	Status of completion				
	NS	IP	HP	C	SC
New IT software or system used by all NES staff at all levels and upgraded enabling it to categorise different types of clients and services provided for statistics generation purposes			X		
Staff trained in the use of the IT system			X		
IT-based (rather than paper-based) administrative procedures defined and adopted at managerial level			X		
Migration counters within local NES offices equipped with relevant IT to provide quality services (counselling, job matching) on employment in other locations in Albania and abroad					
Sufficient numbers of computers installed in regional and local employment offices			X		
Job vacancy database installed covering the whole of Albania and constantly updated through inputs by employers, NES and jobseekers (and linked with the European Job Mobility Portal (EURES))			X		
The new IT system mutually accessible for MoSWY institutions and other interested and eligible institutions at national and at SEE region levels			X		
Overall status of completion			3 = HP		

MAIN DEVELOPMENTS: The installation of the IT infrastructure and systems in NES was completed in 2016, in all of its main components and in all offices, though the IT system itself is out-dated. The Management and Information System (MIS) developed in 2010 is in use in all twelve Regional Offices and 24 Local Employment Offices. Currently, MIS is under revision in cooperation with the National Agency of Information Technology (AKSHI). Based on DCM no. 191, dated 09.03.2016, the NES information system is part of the National Information Database (tax registers, population register, health insurance system and Economic Aid). The intention is that, in the future, the system be mutually accessible by a number of institutions, including MoFE. The NES information system has two active components: NES intranet, and an online external system (NES webpage). There exist three standardised registers, of jobseekers, employers and vacancies. The elaborated data are published in the annual bulletin at www.shpk.gov.al, and NES staff in headquarters and regional offices are trained in the employment services MIS. The website is operational, regularly updated and accessible to all. The process of improving the Intelligent Job Matching System (RisiAlbania) has introduced changes in the NES Information System in order to profile jobseekers and design an individual plan, has added a drop-down menu in the application forms of registration and interviewing in order to make the process more efficient. There is partial inter-linkage through the intranet. There have been very good developments through the deregulation reform covering all services for citizens

and businesses through the portal e-Albania. A number of documents are provided currently through e-Albania for jobseekers and employers. Soon, NES certifications will be provided online with digital stamps and signatures. Many documents are now standardised for application for 25 different services from NES offices.

ASSESSMENT RESULTS: Modernisation of the IT infrastructure and systems in NES is assessed as *Highly Progressed*. All outputs under this measure are assessed as *Highly Progressed*, though much needs to be done in order to consider them as complete and sustainable. Thus, data monitoring and management need to be enhanced. To date, the current IT system is still not appropriate for statistics generation purposes, no possibility exists to arrange interviews online, and there is a web-based labour information system, but no evidence on how much it is used by students and jobseekers and it does not capture active job seeking behaviour of the registered unemployed. An online platform exists to provide information on vacancies and training courses, but information on vacancies is not shared across districts, limiting the tool's potential to reduce spatial mismatches. The upgraded IT software that will result from the revised MIS will aim at: (i) expanding the database system with additional real-time information through better data collection and system interconnection with other central government systems (such as tax, etc.), (ii) automatic tracking of each jobseeker after employment, vocational training, or promotion programme, and (iii) adding and developing advanced automatic reports in the system, according to management requirements and improving NES communication with third parties (monitoring services offered to employers and NES performance based on agreed performance indicators, and disseminating updated labour market trends).

One output needs to be revised:

- *Migration counters within local NES offices equipped with relevant IT to provide quality services (counselling, job matching) on employment in other locations in Albania and abroad.* This output is considered very ambitious and impossible to be reached regarding the quality of services on employment abroad. Coordination with the Strategy for Diaspora and migration is suggested.

The following measure is suggested:

- *Improve or augment communication and service channels for jobseekers and employers through, e.g., website, mobile app, automatic notifications, call centre, with targeted personalised labour market and job vacancies information.*

A1.4. Establishing new cooperation modalities with third parties

Outputs	Status of completion				
	NS	IP	HP	C	SC
Number of vacancies announced through third parties at NES increased to 20,000 per year					X
One Job Fair organised at national level and four at regional level per year					X
Two new international labour mobility agreements signed with third countries per year					
Cooperation agreements for collecting vacancies and for design and implementation of ALMPs with social partners and businesses established		X			
Cooperation agreements with private agencies and NGOs for implementing ALMPs established		X			
Inspection legislation and programme reviewed to include inspection also of ALMPs					
MoSWY equipped with tools to identify preferential countries for developing bilateral agreements and other inter-state mechanisms facilitating employment of Albanian citizens abroad					
Existing international framework regulating labour mobility of Albanian citizens abroad enhanced through new agreements and other cooperation arrangements, especially in the SEE region					
Overall status of completion				3.5 = C	

MAIN DEVELOPMENTS: Job fairs are becoming an important annual activity for NES to promote employment policies, facilitate job matching and generate employment. Through the NES online system, businesses reported more than 50,000 job offers in 2018 (5.2% more than in 2015), with 81 percent of the vacancies new jobs. In addition to the annual National Employment Fair, one national fair and ten regional fairs were organised in 2018 with the participation of 530 businesses, offering 10,000 vacancies and visited by 12,495 persons. NES has agreed with RisiAlbania to draft a methodology for establishing a partnership with the private sector that will be finished by the end of 2018. Trainings for implementation of the methodology with NES staff is foreseen to be completed within 2019.

ASSESSMENT RESULTS: Establishment of new means of cooperation with third parties is assessed as *Completed*. The assessment refers to four out of eight outputs under this measure. The outputs regarding the increased number of vacancies and organisation of one national fair and four regional fairs are considered as *Successfully Completed*. However, there is a need for NES to develop a strategic plan and activities to improve partnerships with businesses and other social partners and go beyond the organisation of national and regional fairs. The cooperation agreements for collecting information on vacancies and designing and implementing ALMPs with social partners, and those with private agencies for implementing ALMPs are assessed as *In progress*. There is need for a strategy regarding the relationships with employers, and approaches

based upon sector and size should be built for such cooperation. NES lacks a monitoring and evaluation procedure regarding the results of partnerships with institutions (sectoral strategies), local government and social partners, while there is a need to include objectives of the relations with employers in the performance management system. The new draft law on EPP supports the development of cooperation with private agencies and NGOs. However, fast procedures should be followed for approving the by-laws, drafting the procedures and training the staff.

The following remarks are presented for one assessed output and four non-assessed outputs under this measure:

- *Number of vacancies announced through third parties at NES increased to 20,000 per year.* There is a need to revise this output, which is considered very ambitious and unrealistic. The revision should be realised in coordination with the revision of the output regarding the annual rate of fulfilment of the vacancies described under point A1.2.
- *Two new international labour mobility agreements signed with third countries per year.* No direct objectives of the government are noticed in this direction and, as such, no developments are expected. It is suggested this output be removed.
- *Inspection legislation and programme reviewed to include inspection also of ALMPs.* No agreement exists between NES and SLI regarding the inspection of subjects under the ALMP. It is suggested that an agreement be signed regarding reporting of inspection findings for subjects applying ALMPs. It is suggested this output be removed as it is irrelevant.
- *MoSWY equipped with tools to identify preferential countries for developing bilateral agreements and other inter-state mechanisms facilitating employment of Albanian citizens abroad.* It is suggested this output be removed as it is irrelevant.
- *Existing international framework regulating labour mobility of Albanian citizens abroad enhanced through new agreements and other cooperation arrangements, especially in the SEE region.* The output is considered as already broadly covered by the other A.1 outputs and thus it is suggested it is removed.

A2. Continuous improvement of legal and institutional framework in compliance with ratified international labour standards

No.	Sub-objective	Actions	Status of completion
A2	Continuous improvement of legal and institutional framework in compliance with ratified international labour standards	A2.1 Regulation of private employment agencies and strengthening of the cooperation with the public employment services	HP
		A2.2 Expanding recognition and improvement of inspection services to reduce the number of labour law violations, especially the ones related to workers' safety and health at work	IP

A2.1. Regulation of private employment agencies and strengthening of the cooperation with the public employment services

Outputs	Status of completion				
	NS	IP	HP	C	SC
Legislation adopted to ensure ILO convention on private employment agencies					X
Legal aspects and quality ensured through development of a minimum set of standards for recruitment, including abroad, and the labour inspectorate					
Mechanism for quality assurance and service delivery of private employment agencies established					
Local employment partnerships to include also private employment agencies, alongside other partners		X			
Private recruitment agencies report to relevant competent authorities on a regular and transparent basis on the services provided to the female and male population in Albania and abroad		X			
Statistics on the number of female and male Albanian citizens supported with employment abroad available on a regular basis	X				
Overall status of completion			3 = HP		

MAIN DEVELOPMENTS: The ILO convention on Private Employment Policies was ratified through DCM no. 101 23.02.2018 'On establishment and functionality of private employment agencies' and DCM no. 286 date 21.5.2018 'On certain rules for temporary workers employed by temporary employment agencies'. The labour inspectorate is in charge of inspecting private employment agencies in the country. There have been some partnerships regarding employment among private employment agencies, Tirane and Korce municipalities and state social services, but they have been rare and sporadic. Private recruitment agencies are obliged to report on their activity every six months to the ministry in charge of employment issues, while the labour inspectorate conducts periodic inspections to determine compliance of the agency's activity with the relevant legislation, and where it notices a violation,

A competitive grants programme for private training providers that can demonstrate good results and know-how in training programmes and strong linkages with the firms in the private sector should be introduced

it notifies the ministry (DCM no. 101). No evidence is available with regard to citizens supported with employment abroad.

ASSESSMENT RESULTS: Four out of six outputs under this measure are assessed. Specific comments are made for two outputs, which are not assessed. Thus, apart from the output regarding legislation on private employment agencies and assessed as *Successfully Completed*, the other three outputs are assessed as either *Not Started* or *In Progress*. Regarding cooperation with private employment agencies it is necessary that performance-based contracting of private sector providers for selected EPPs for certain vulnerable groups be introduced as a concrete step towards such cooperation. Also, a competitive grants programme for private training providers that can demonstrate good results and know-how in training programmes and strong linkages with the firms in the private sector should be introduced. This could allow government to tap into promising providers (in priority sectors), and at the same time scale up provision of training. Integration of private operators into the national information system and gathering real-time information on vacancies and employment remains a challenge. Completing the regulatory framework for private operations would also facilitate exchange of information and statistical reporting.

The following remarks are made regarding the two non-assessed outputs:

- *Legal aspects and quality ensured through development of a minimum set of standards for recruitment, including abroad, and the labour inspectorate.* The output is considered as unclear and irrelevant. It is suggested this output be removed.
- *Mechanism for quality assurance and service delivery of private employment agencies established.* The output is considered as either irrelevant or unclear for this Action Plan and as such it is suggested it be clarified or removed.

A.2.2. Expanding recognition and improvement of inspection services to reduce the number of labour law violations, especially the ones related to workers' safety and health at work

Outputs	Status of completion				
	NS	IP	HP	C	SC
A modern, professional inspection system in place throughout the country, ensuring implementation of labour legislation and occupational safety and health in line with European and international standards			X		
Committee for Integrity and Corruption Prevention in the State Labour Inspectorate established					
Programme for Integrity and Corruption Prevention in the State Labour Inspectorate adopted		X			
State Labour Inspectorate Training Action Plan adopted		X			
Information-sharing mechanisms established between MoSWY, SLI and other enforcement agencies with a view to improving the coverage of economic units and workers	X				
Existing legislative and procedural framework on labour inspection and enforcement compliant with EU directive on sanctions against employers hiring irregular migrants					X
Labour inspectors knowledgeable on rights and duties of foreigners working in Albania, and capable of identifying (potential) victims of trafficking and referring them to relevant authorities	X				
Mechanisms of protecting labour and human rights of migrants in place				X	
Legislation, including by-laws for inspections amended to ensure that ALMPs can be implemented and (regulated) professions with high health & safety risks inspected		X			
Inspection role strengthened in relation to implementation of the Law on Employment Promotion in terms of PwD and of the Law on Foreigners		X			
Overall status of completion			2.4 = IP		

MAIN DEVELOPMENTS: Law no. 9634, dated 30.10.2006, on Labour Inspections has been revised and the Occupational Safety and Health Policy Document 2016–2020 developed. For implementation of Law no. 10237, dated 18.02.2010, on Occupational Safety and Health, 24 DCMs have been adopted (European directives). The process of transposing the EU directives continues and currently 28 of them have been transposed. Of the total number of 64 directives it is obligatory that 35 are transposed. The Committee for Integrity and Corruption Prevention and the Programme in the State Labour Inspectorate are included in the National Anti-Corruption Action Plan. Progress is followed by the Prime Minister's Office. A matrix on administrative penalties for inspected subjects is in preparation, with information provided on the number of violations and the respective penalties charged by the end of October 2018 planned to be posted online as a transparent platform for instructors and businesses. The SLI inspects the enforcement of the labour Code for all the employees, whether Albanian or foreign, and has a six-monthly training plan. However, no information sharing mechanism exists between SLI and NES. Directive 2009/52 of the CoE, PE, CiE, 'On minimal standards and sanctions against employers

for irregular workers from third countries' is transposed into Law no. 108/2013, 'On Foreigners.' There is no practice evidenced and no capacities built in SLI to identify potential or actual victims of trafficking among foreigners working in Albania. The Law on Foreigners protects the rights of migrants and reporting is required every six, nine and twelve months. A list of professions with high risk is provided in DCM 2002/207, but not in the form of an exhaustive list. The list is out-dated and should be revised. There is a yearly inspection for high risk professions. Recently, it has been decided that a doctor will be available for every 700 employees working in high risk professions. The online matrix will include the subjects with high-risk professions. Strengthening of the role of inspection in relation to implementation of the EPP Law regarding PwD will be implemented once a specific fund for PwD is established.

ASSESSMENT RESULTS: The implementation status of this action is assessed as *In Progress* with six outputs either *Not Started* or *In Progress*, one output assessed as *Highly Progressed* and two, *Successfully Completed*. One output is *Not Assessed*. The SLI should enhance its efforts to speed up the implementation of the foreseen actions. Thus, the work for the transposal of the remaining six obligatory EU directives into the labour legislation must proceed quickly. The effectiveness of the online matrix of inspections and penalties should be verified and corrected accordingly so that it becomes a sustainable instrument, the training plan should be approved at least on a medium-term basis, and it is suggested that a cooperation agreement be signed between NES and SLI for exchange of information. Regarding high risk health & safety professions, the issue of the certification of specialised companies undergoing risk assessment must be addressed.

The following remarks are presented:

- *Committee for Integrity and Corruption Prevention in the State Labour Inspectorate established.* It results that this output is not relevant for the SLI, and no committee will be established. It is suggested to remove the output from the action plan.
- *Existing legislative and procedural framework on labour inspection and enforcement compliant with EU directive on sanctions against employers hiring irregular migrants.* Although the output is assessed as successfully completed because the SLI considered their activity regarding irregular migrants is compliant with EU directives, it is suggested that this output be reformulated based on the Law on Foreigners.

A3. Expanding the range and scope of employment services and programmes (active labour market policies)

No.	Sub-objective	Actions	Status of completion
A3	Expanding the range and scope of employment services and programmes (active labour market policies)	A3.1 Assessment and design of adequate, gender-responsive labour market policies	HP
		A3.2 Registration, profiling and gender-sensitive counselling of jobseekers	IP

A3.1. Assessment and design of adequate, gender-responsive labour market policies

Outputs	Status of completion				
	NS	IP	HP	C	SC
ALMPs improved, diversified and tailored to specific regions and target groups					X
Procedures for application to ALMPs simplified				X	
ALMP implementation at regional level strengthened through cooperation agreements				X	
Improved indicators in terms of inclusion of vulnerable groups in ALMPs on a regional basis			X		
ALMPs adopted by DCMs and implemented across the country in an effective, efficient and gender-equitable manner			X		
Regional and local employment partnerships established (where needs identified and training and employment measures implemented or monitored at respective level)		X			
Training for female and male skilled workers organised together with industry to respond to short-term requests (e.g. Trans Adriatic Pipeline, TAP, project)		X			
Legal basis for provision of ALMPs revised and adopted					X
Equal opportunity policy and action plan developed by NES, adopted and annually updated	X				
Designated NES officials capable of identifying (potential) migrants among their clients and providing tailored services or referrals to other relevant support entities (e.g. on issues of legal status, medical assistance, etc.), or both				X	
Effective, transparent and participative financing system for service delivery designed and in place				X	
Overall status of completion			3.36 = HP		

MAIN DEVELOPMENTS: The evaluation of the ALMPs is carried out annually and has served as a basis for future changes or introducing new and more targeted ALMPs. As a result, the number of ALMPs has been increasing, from five in 2014 to eight in 2018, with discussions ongoing regarding designing better tailored programmes to meet the needs of youth, VE graduates, Roma and Egyptians and other vulnerable groups. A new programme 'On payment for participation in vocational training courses' dedicated to unemployed persons registered in the economic aid scheme has been approved and was implemented for the first time in 2018. Recently, care has been taken to define criteria for prioritising the vulnerable groups that are referred to EPPs from the social schemes. The regional distribution of the ALMPs

funds has improved also and mixed programmes have been helpful in this respect. The regional distribution through allocation of dedicated funds in 2018, in response to the annual targets of the employment offices and the region's needs, has improved, as region-based businesses can access funds as well; the businesses have the possibility to apply for several programmes with one dossier. There are examples of training requests from the private sector and offered jointly either in Vocational Training Centres (VTCs) or the enterprises, or both. NES is revising the methodology for scoring ALMPs that will strengthen the efficacy of the selection of applicants and facilitate the work for further simplifying the applications. Plans exist to combine and condition active and passive measures. Good progress has been made in providing information on the inclusion of vulnerable groups, including women, in ALMPs. Thus, 62 percent of beneficiaries of all EPPs in 2017 are reported to be women. Such indicators on ALMP participants exist for Roma, long-term unemployed, Egyptians, returned migrants, among others. Indicators regarding unemployed persons coming out of the economic aid scheme are available as well. Thus, only ten percent of individuals registered with the social schemes contact the employment offices. Informality is mentioned as one reason for such apparent disinterest in looking for a job: they already have one in the informal market. There has been a commendable increase in the funding for the ALMPs since 2013, but this is still low compared to the needs. Measures are taken by the NES for monitoring of implementation of the programmes by establishing a specific commission, while the IT system makes it possible to check the employment status of ALMP beneficiaries by tracing their tax payments. In all cases, monitoring is not done systematically, though an informatics system is reported to be in place regarding the financial management of the ALMPs.

ASSESSMENT RESULTS: The overall action is assessed as *Highly Progressed*. Six outputs are assessed as *Completed* or *Successfully Completed*, two outputs are assessed as *Highly Progressed*, while three are assessed as either *Not Started* or *In Progress*. The outputs assessed as *Completed* or *Successfully Completed* are those regarding improved and diversified ALMPs materialised through the revised legislation and simplified application procedures, while regionalisation of ALMPs has not yet taken place. Meanwhile, migration counters to provide tailored services for migrants and an effective, transparent and participative financing system for service delivery also are assessed as completed. Further efforts need to be undertaken regarding strengthened NES capacities to analyse and improve ALMPs, improve the monitoring and evaluation of EPPs, improve the evidence and use it for designing

better targeted programmes, prevent the fragmentation of the existing programmes and adopt a better strategic approach towards design and implementation. The work for simplifying the application and implementation procedures of ALMPs, including the use of an online platform, is ongoing within the framework of the deregulation reform undertaken by the government. The entire methodology of ALMPs will be revisited with the aim of improving the efficiency and impact. Online practices should be introduced for application and reporting. Also, reporting requirements by the economic subjects that implement ALMPs will be revisited in order to remove the existing burden. The work for further regionalisation of the ALMPs should continue and the good practices resulting from the various donor programmes—such as that of USAID for identification of PwD, the ESERE Programme with assigned mentors in four regions for Roma and Egyptian unemployed jobseekers, and the Regional Committees for the Fight against Trafficking established in each region—should be institutionalised through introducing a DCM or Ministerial Order on PwD, with an agreement signed between NES and SSS for assisting people who leave the economic aid scheme, and activities carried out in cooperation with education departments in each region. Much remains to be done to improve the set of indicators regarding the inclusion of vulnerable groups in ALMPs that respond to their needs, as well as to employ a standardised profiling approach as used in OECD and EU countries. There is a need to concentrate efforts on the outputs that have not yet started, such as joint trainings with industry to respond to short-term requests, preparation of an NES equal opportunity policy and action plan concentrated in a way to unpack family duties from holding women back from entering the labour force, new policies in providing paid leave to those taking care of sick relatives, and making childcare payments tax deductible for both men and women.

Two suggestions are presented:

- *Legal basis for provision of ALMPs revised and adopted* is considered to be a repetition. The suggestion is to remove this output from the action plan.
- Add as an output *Systematic and flexible approach introduced for evaluation of ALMPs, for NES to have flexibility in planning and introducing new programmes according to the priority target groups (monitoring evaluation and adjustment of programmes)*. CMD should be framework-based leaving more room for NES to define the targets groups and the numbers to be supported.

A3.2. Registration, profiling and gender-sensitive counselling of jobseekers

Outputs	Status of completion				
	NS	IP	HP	C	SC
Registers of unemployed people verified and cleaned to include only unemployed jobseekers					X
Brochures published about employment services offered		X			
Unemployed registers cleaned to contain only active jobseekers					X
National standards on ethical and fair recruitment in Albania and internationally developed and enforced	X				
ISCO–ESCO24 list and the national list of occupations used by job counsellors		X			
NES counsellors trained and capacitated to deliver gender-sensitive counselling that responds to inclusion goals and diversity needs		X			
NES counsellors undertake profiling of jobseekers			X		
NES counsellors undertake gender-sensitive group or individual counselling			X		
Job clubs organised		X			
Designated NES counsellors capable of referring young female and male potential entrepreneurs among their clients to respective helpdesks, business development services and relevant support and training entities		X			
Migration counters in employment offices provide tailored counselling and guidance to all female and male returnee clients in order to facilitate the reintegration process					X
Continuous job counselling provided to immigrants on application methods, documentation, criteria and procedures to be implemented in order to receive work permit and certificate for employment declaration				X	
Overall status of completion			3 = HP		

MAIN DEVELOPMENTS: The modernisation of the regional and local employment offices, as well as the linking of different information systems (national datasets), have improved the identification and registration of unemployed jobseekers. The number of registered unemployed jobseekers has been reduced mainly as a result of consolidated procedures on registering and periodical checking of the unemployed status of those registered. Few brochures are found for promotion of the programmes. Approval of Law no. 146 ‘On Jobseekers’ contributed to cleaning up of the NES registry of active jobseekers, by preventing fictitious flows into and out from the economic aid scheme. An active jobseeker status was reflected in the requirement that jobseekers have to confirm their unemployment status and willingness to find a job every month. In 2016 alone, 25,388 cases were cancelled from the jobseeker register because the individuals did not comply with the legal requirement to confirm their status at the employment centre within the timeline defined by law. More stringent procedures

24. ISCO, International Standard Classification of Occupations; ESCO, European Skills, Competences, Qualifications and Occupations

have made it difficult for people to remain registered as unemployed jobseekers. The number of unemployed jobseekers has declined significantly to 63,000.²⁵ However, there is a need for improved outreach of the NES to those unemployed who do not individually approach social assistance.

The National List of Occupations was approved in 2017. The list of occupations was harmonised up to the three-digit level of ISCO 2008. A description of occupations was prepared, up to the four-digit level, and four levels of competences and a corresponding table between the old and new lists of professions, up to the four-digit level, was prepared. NES has initiated an inter-institution consultation with NAVETQ in order to find coordination and support in preparation of staff training materials and guidelines in linking qualifications, competences and occupations. Support is requested from partner agencies for staff training in implementing the occupation list through the information system of NES to support job match and mediation. The National List of Occupations is incorporated into the IT system in order to be further used by job counsellors. UNDP is working for converting files from old to new. The NES counsellors have been trained to undertake profiling of jobseekers, in general, and of vulnerable groups, in particular. Advanced counselling forms such as job clubs have been organised on a project basis, but no evaluation exists of their effectiveness. The employment programme based on entrepreneurship and self-employment has been successfully implemented under the assistance of the Skills Development for Employment (SD4E)–UNDP programme, which, in December 2016, launched its second edition, which was implemented throughout 2017. Potential applicants were invited to apply through the SD4E programme platform www.aftesi.info/vetepunesimi. More than 1,000 applications were received and reviewed in two organised rounds. Of these, 800 were deemed as complete and subject to further assessment on individual entrepreneurial skills and aptitude. Entrepreneurial ideas fell under the sectors of tourism, technology and innovation, agriculture, handicrafts, fishing, textiles and fashion, e-Commerce, and services. A total of 175 participants were positively evaluated, and became eligible for continuing the process into mentoring and funding. No practices of referring young people to helpdesks, business development services and relevant support and training entities by the counsellors exist. NES reported that each EO provides specialised counselling to returned migrants, who are assisted with application methods and documentation for receipt of a work permit.

25. The number of unemployed jobseekers as per the LFS is around 170,000.

ASSESSMENT RESULTS: The overall completion status of the outputs under this measure is *Highly Progressed*. Good work has been done with regard to the quality of the jobseekers registry in order for it to contain only active jobseekers. Meanwhile, the monitoring reports note that the migration counters in local and regional EOs are functional and immigrants are assisted with application methods, documentation, criteria and procedures for obtaining a work permit and certificate for a declaration for employment. A number of outputs need concentrated efforts in order for their completion status to improve, such as for better information on the employment services offered, the trainings delivered to job counsellors, regarding implementation of the occupation list to support job match and mediation, better capacities in gender-sensitive counselling, and enrichment of the services for potential young male and female entrepreneurs.

The following suggestions on the outputs are presented:

- *Unemployed registers updated to contain only active jobseekers.* This output seems to be repetitive and it is suggested it be removed.
- *National standards on ethical and fair recruitment in Albania and internationally developed and enforced.* The Labour Code foresees and guarantees ethical standards. It is inapplicable under this measure and can be removed.
- *Migration counters in employment offices provide tailored counselling and guidance to all female and male returnee clients in order to facilitate the reintegration process.* Again, this output appears repetitive, and can be removed.

A4. Improving gender-sensitive monitoring and evaluation of employment measures

No.	Sub-objective	Actions	Status of completion
A4	Improving gender-sensitive monitoring and evaluation of employment measures	A4.1 Development of a sustainable and gender-sensitive system for monitoring and evaluation, including implementation of impact evaluation of employment measures on sub-groups of female and male jobseekers	HP

A4.1. Development of a sustainable and gender-sensitive system for monitoring and evaluation, including implementation of impact evaluation of employment measures on sub-groups of female and male jobseekers

Outputs	Status of completion				
	NS	IP	HP	C	SC
Monitoring plan for NES designed and implemented with a proper methodology		X			
Programmes monitored and evaluated according to agreed criteria, results and indicators		X			
New policies redefined or adjusted based on regular monitoring reports			X		
Gender equality and diversity criteria an integral part of all monitoring and evaluation procedures and processes, and the relevant indicators of the National Set of Harmonised Gender Indicators consistently applied			X		
Periodical reports on the achievements of gender-sensitive targets for employment and training prepared			X		
Labour market policies adapted as per the main recommendations of the studies and assessments carried out					X
Overall status of completion			3 = HP		

MAIN DEVELOPMENTS: The process of identifying statistical and monitoring indicators for NESS was completed in 2016 and became part of the information and management system reporting. There is not a separate and enhanced monitoring plan with unified methodology, though monitoring activities are part of the NESS action plan. A system for tracing VET graduates was developed and made operational in 2017. This system will be applied periodically and be employed to generate monitoring reports on the employment of VET school and VTC graduates. A SNA is carried out every two years. Meanwhile, monitoring data are provided on job placement immediately after EPP completion, though no client satisfaction surveys exist to date. Several evaluation reports are carried out with donor support or with outsourced funding. The findings have been used to drop ineffective programmes, reallocate resources to best-performing programmes and launch new programmes, address policy gaps and ensure that there is a balanced range of interventions to respond to different constraints. No separate assessment exists for vulnerable groups. Monitoring indicators reported by NES are gender-disaggregated in order to measure gender equity in EPPs and labour market outcomes. These indicators are part of the statistical reports produced by NES. However, the gender dimension is not commonly applied in the planning phase of the programmes. Based on the monitoring and evaluation reports, EPPs were changed to offer equal employment opportunities to marginalised groups, including Roma and Egyptians, young single mothers, victims of violence, orphans and disabled people. The application procedures and scoring of applicants for eligibility of support were also made easier and more transparent.

ASSESSMENT RESULTS: The overall assessment of the outputs is *Highly Progressed*. Of the six outputs, two are assessed as *In Progress*, three as *Highly Progressed* and one as *Successfully Completed*. Such good progress is partly the result of labour market policies defined according to the recommendations of the various studies and evaluation reports. Nevertheless, preparing and adopting an enhanced monitoring and evaluation plan with a clear set of indicators and proper methodology, and increasing the capacities to implement and use the respective findings and recommendations for further improvements remain a challenge for NES.

Strategic Objective B: Offer quality vocational education and training for youth and adults

National Employment and Skills Strategy 2014–2020	2014	2015	2016	2017	2020 Target
No. of female and male students attending VET programmes	30,458	35,262	35,390	34,710	25% more
Total employed from vocational education graduates		Not provided	Tracing system established	First report based on tracing system produced	40% more
of which female		Not provided	Tracing system established	First report based on tracing system produced	25%
Adults participating in lifelong learning	1.30%	1.00%	1.1%	0.9%	4%
Employment rate among short training course participants	n.a.	n.a.	n.a.	n.a.	
Employed short training courses participants that are females (in share %)	n.a.	n.a.	n.a.	n.a.	
No. of participants in training courses	13,893	17,524	16 890	15,710	
Share of women participants in training courses	46%	48%	47%	53%	
No. of PwD VET students	250	134	80	110	
Increase in annual share of PwD VET students by 1 p.p.	0.8%	-0.4%	-0.3%	0.1%	
Investment in VET–VTC system (million ALL)		170	504.1	1,212.7	
30% increase in investment by 2020			190%	140%	

Sector Reform Contract Result Indicators (IPA 2015)	2014	2015	2016	2017	2020 Target
No. of teachers and instructors trained through the basic didactics training programme in VET, NAVETQ (cumulative)	0	24	42	324	
Proportion of 700 VET teachers and instructors trained through basic didactics training programme in VET, NAVETQ	0%	3.5%	6%	46.3%	
Establishment of VET Multi-functional Centres, MoFE	0	1	-	3	
VET graduates employment rate	-	Not available	Tracing system in place	Tracing system operational	

Assessment of the status of completion of outputs for each action

No.	Sub-objective	Status of completion
B1	Optimising the VET providers network and diversifying offers (including the definition of competences by sector)	IP
B2	Ensuring the quality of VET providers and improving the quality and adequacy of VET inputs (labs and equipment, curricula, teaching materials) and processes	HP
B3	Raising the image of VET and informing on VET providers, qualifications and training offers	IP
B4	Strengthening the linkages between learning and work and facilitating the transition to work	IP
B5	Enhancing recruitment and improving competences of VET teachers and teacher trainers (including pre-service training and continuous professional development), actors in charge of regional management, school and centre directors and managers	C
Overall status of completion		C

B1. Optimising the VET providers network and diversifying offers (including the definition of competences by sector)

No.	Sub-objective	Actions	Status of completion
B1	Optimising the VET providers network and diversifying offers (including the definition of competences by sector)	B1.1 Assessment and reorganisation of the main VET providers at regional level	HP
		B1.2 Maintaining the database and quality assurance of training provision by private VET providers countrywide	IP

B1.1. Assessment and reorganisation of the main VET providers at regional level

Outputs	Status of completion				
	NS	IP	HP	C	SC
National Baseline Survey of public VET providers completed					X
National public network of VET providers rationalised and re-conceptualised according to labour market needs, migration and demographic trends, as well as principles of multi-functionality, equality, diversity and flexibility of VET provision		X			
Detailed plans elaborated jointly with all actors concerned on how to implement the transfer or merging of schools and VTCs into new-networked structures in each region and within each institution		X			
Operational plans implemented		X			
Some VET providers developed into multi-functional centres of competence for certain sectors (in charge of curriculum development and teacher training for the respective sector in Albania) through public-private partnerships					
VET providers knowledgeable about labour migration trends in Albania and there exists interest in the population to obtain skills in demand in main destination countries, especially in the SEE region					
Overall status of completion			2.75 = HP		

MAIN DEVELOPMENTS: Two main documents have been prepared to analyse the vocational schools' network: the Feasibility Study on the establishment of MFCs in Albania and the National Baseline Survey of public VET providers. The preparation of these documents was followed by the establishment of a working group for the Optimisation of public VET providers and establishment of Multi-functional Centres (MFCs), whose functioning is based upon an action plan for optimisation of the public VET providers network.²⁶ The number of VE schools has decreased from 42 to 35, while 19,000 students (a number that has largely remained unchanged) were registered for the 2017–2018 school year. The first established MFC, in Kamez, was supported by GIZ. Efforts to establish multi-functional VET centres followed in Elbasan, Shkoder, Tirane and Fier. Efforts to bring the MFC concept for schools and centres to Vlore are ongoing. Nevertheless, no complete MFC operational model is in place. Very few schools have prepared development plans, and those that exist do so through the transformation efforts for MFCs. The first report based on a tracer system on vocational training graduates has been prepared and shared with NES–NAVETQ and the ministry and is considered crucial to future development of vocational training curricula.

ASSESSMENT RESULTS: Despite the efforts made for successful completion of the diagnosis of the VET providers network in Albania, most outputs are assessed as only *In Progress*. The initial optimisation efforts that closed down some of the poorest performing vocational schools did not go far enough in reforming the network of providers and much less in substantially altering the offer of the existing ones.²⁷ Although the MFC concept is elaborated, in practice—apart from the one in Kamez, established as an MFC by a DCM—no other MFC is operating fully as intended. Analysis²⁸ indicates that there is space for some 17 MFCs to function in Albania, but no decision making has been taken in this respect. For a normal operation of each MFCs further analysis is required prior to institutionalisation, in terms of management structure and financial aspects.

The following remarks are presented regarding two outputs:

- *Some VET providers developed into multi-functional centres of competence for certain sectors (in charge of curriculum development and teacher training for the respective sector in Albania) through public-private partnerships.* 'MFCs of

26. Additionally, there is also the study carried by UNDP–HDPC on the optimisation of the network of public VET providers that prompted the closure of some schools in 2015.

27. The vision was to have a more limited number of providers (MFC, but not only) with an optimal student population size ranging from 1,500 to 2,500 students, allowing for diversification of the offer.

28. The analysis, however, is a mere geographical arrangement of providers, and fails to link the offer of the potential MFCs with the local context, and neither does it assess financial implications of the re-organisation.

competence' is a concept that is not defined in the VET Law and as such might create confusion.²⁹ It is suggested that this output be removed.

- *VET providers knowledgeable about labour migration trends in Albania and there exists interest in the population to obtain skills in demand in main destination countries, especially in the SEE region.* Building analytical skills in the area of migration at the provider level is very difficult, though the ministry, together with national institutions, have capacities in this respect. Also, the government agenda in recent years has been concentrated on the promotion of VET for responding to the needs of the Albanian labour market, rather than on supporting employment outside of the country. In addition, NAVETQ designs the curricula across the country (not the schools), with the AQF aligned to the European Qualification Framework (EQF). Thus, it is suggested to remove this output as it is deemed irrelevant.

B1.2. Maintaining the database and quality assurance of training provision by private VET providers countrywide

Outputs	Status of completion				
	NS	IP	HP	C	SC
System for accrediting VET providers (including private ones) further developed to assure quality of provision		X			
More and more VET providers voluntarily adhere to a self-developed 'quality label' system					
Private training providers have included the qualifications and training offered by them in the database	X				
Overall status of completion		1.5 = IP			

MAIN DEVELOPMENTS: No accreditation system for VET providers is in place. Currently, VET private providers are licensed by the National Business Centre (QKB). A study on such providers was undertaken two years ago. Practically, from a pool of 500 private providers, roughly only one-half are active (precise number is unknown), while some might have relocated with no updated information provided to NES. Some preparatory steps have been taken by NAVETQ regarding accreditation. Thus, the new VET Law (no. 15 adopted on 16.02.2017) specifies the setting up of development units at the VET–VTC level as the institutional structure responsible for internal quality assurance (QA). However, the legal changes are not yet fully in place

29. The VET law is slightly confusing as it stipulates that VET providers can be re-organised through a Ministerial Order, rather than a DCM.

due to delays in approval of the respective by-laws. In 2017, guidelines for internal QA were prepared and discussions³⁰ have taken place on setting up inspection services for VET–VTC providers (the inspection function has been missing from the VET system entirely for the past five years). The self-assessment process for public VET providers will be introduced this academic year and reports will be prepared by all centres and schools following the trainings offered towards this end. A first model of accreditation is planned to be designed, for the long-term qualifications of the schools. This December, the accreditation standards and modalities will be prepared and communication with QAAHE established. A high level of demand for accreditation is articulated by the private providers with the objective of distinguishing themselves in the internal market.³¹ In order to gain a full picture of the offer for education and training, MoFE has established a working group to develop an integrated platform,³² where information on VET–VTC public and private providers is made available and transparent to the public, but no progress is recorded yet.

ASSESSMENT RESULTS: The overall assessment for this measure is *In Progress*. The need to have systematic and transparent QA mechanisms for VTCs and training provisions remains to be addressed, while NAVETQ staff and their capacities ought to be improved in order to face the accreditation challenge ahead. Quality assurance should be oriented towards two levels (national and provider level),³³ as there is a need to assure the quality of the system as a whole and, more specifically, that of VET provisioning.

The following remark is presented regarding one output:

- *More and more VET providers voluntarily adhere to a self-developed ‘quality label’ system.* VET providers share a common set of values and employ similar methods to internally assure the quality of the provision (self-assessment process). As such, the output is considered unrealistic and irrelevant, and it is suggested that it be removed.

30. A decision has been made that the inspection function will be carried out by the institution that will emerge following the merging of *IZHA* and *ISHA*. This is planned to happen in the first quarter of 2019.

31. This is particularly relevant in light of the new Employment Promotion Law that envisages the contracting of training to private providers (a must in the VET system given the shortcomings of public provisioning, and a pressing need to respond rapidly to private sector demands). A system for vetting the providers would be very useful in their selection.

32. The ToR for the new system have been developed, and there is a commitment by Swiss Contact to develop (roll out) and *AKSHI* to host the platform.

33. With regard to the providers a framework for quality has been developed by UNDP; such a framework does not exist for the entire VET system.

B2. Ensuring the quality of VET providers and improving the quality and adequacy of VET inputs (labs and equipment, curricula, teaching materials) and processes

No.	Sub-objective	Actions	Status of completion
B2	Ensuring the quality of VET providers and improving the quality and adequacy of VET inputs (labs and equipment, curricula, teaching materials) and processes	B2.1 Analysis and upgrading of buildings, workshops and equipment available in VET providers, including facilities for girls and women, and required amenities responding to the needs of PwD	IP
		B2.2 Create a National Catalogue of Vocational Qualifications and revision of all VET frame curricula	C
		B2.3 Review of existing and development of new programmes for post-secondary VET provision	IP
		B2.4 Evaluation of existing teaching materials, including their gender equality content and existence of gender stereotypes, as well as adequacy for PwD	SC
		B2.5 Definition and implementation of quality assurance criteria of VET system (at provider level) and changing the internal and external verification of VET curriculum implementation (inspection)	IP

B 2.1. Analysis and upgrading of buildings, workshops and equipment available in VET providers, including facilities for girls and women, and required amenities responding to the needs of PwD

Outputs	Status of completion				
	NS	IP	HP	C	SC
Once the VET providers network and the range of profiles to be offered in each VET institution have been redefined, an in-depth analysis by sector experts into the required infrastructure upgrading is undertaken			X		
Strategic Facilities and Equipment Investment Plan 2015–2020 defined in line with sectoral priorities, new VET provider network plan, national and regional Skills Need Analysis and respective diversification of VET offers, private sector involvement in VET delivery, based on clear criteria—following quality training standards—balanced and agreed at regional level		X			
VET providers equipped according to the investment plan, including safe amenities and facilities for girls and women, and infrastructure and equipment responding to the needs of PwD		X			
Contracts with companies to use their equipment and facilities promoted and established by VET providers based on an analysis of which companies comply with certain standards to offer training places		X			
Overall status of completion			2.25 = IP		

MAIN DEVELOPMENTS: Improving buildings, workshops and existing equipment at VET providers, including facilities for girls and women, as well as amenities responding to the needs of people with disabilities, is pursued continuously by MoFE. Investments in school infrastructure and laboratories, workshops, etc., are supported by the state budget, private sector contributions and donors. The schools Arben Broci and Hamdi Bushati in Shkoder, Kolin Gjoka School in Lezhe, Pavaresia

and Commercial school in Vlore, Antoni Athanas School in Sarande and Isuf Gjata School in Korce are some of the schools that have benefited from such interventions. Funding for VET schools increased by 35 percent over the period 2014–2018. State budget allocations supported the reconstruction and construction of new production bases in vocational schools, as well as the purchase of the necessary equipment. EUR 1.2 million was invested in the improvement of practical teaching workshops in 2017. For the remaining timeframe of the strategy a budget of EUR 19 million is planned to support investment and upgrading of the premises and facilities of VET schools. In 2018, investments took place in nine schools across the country, and the budget for 2019 envisages the reconstruction of an additional eight schools. For 2019, the budget for VET increased by 10.7 percent. However, the investments have been planned following the budget planning process rather than as an enhanced investment plan document for VET. There have been some good initiatives regarding the practice of placing students in companies, with many regularly supported by donors. However, no screening has yet been made of companies complying with certain standards in offering training places.

ASSESSMENT RESULTS: The overall assessment of the outputs under this action is *In Progress*. In parallel with the optimisation process, carrying out an in-depth analysis of the needs for infrastructure investment in the VET sector is important from the aspect of the maintenance of the modern equipment investments made by our international partners, and of the IT infrastructure necessary for support of the advanced information systems in the schools. Generally, the concept of investment should not be limited to physical infrastructure and basic appliances. Alongside initial investments, maintenance ought also be budgeted, as well as periodic investments in digitalisation of VET. This can take place as a direct requirement of the process of accreditation, and can be conceptualised as an institutional development plan of the schools. Meanwhile such a document for the MFCs is essential. The current practice of making investments based only on operational plans should be avoided and an investment strategy ought to be prepared. In order to enhance cooperation with businesses over practical training, there is an urgent need to identify, promote and disseminate successful projects in this regard. Company screening is also essential in order to create the basis for communication with them and for contracting their cooperation. Defining standards in cooperation agreements with companies requires special attention, in addition to the ongoing work for introducing the concept of ensuring the quality of apprenticeships.

B2.2. Create a National Catalogue of Vocational Qualifications and revision of all VET frame curricula

Outputs	Status of completion				
	NS	IP	HP	C	SC
New VET curriculum model (modular system) defined jointly with NAVETQ staff and approved, based on competence standards for each learning area					X
National List of professions revised and National Catalogue of Vocational Qualifications designed and adopted			X		
Sector Councils with the participation of social partners set up and qualifications and competences defined for selected priority sectors (see D2)		X			
NAVETQ actors trained and frame curricula for long and short courses revised, based on job descriptions and qualification descriptions (national qualification or competence standards) and on examples developed by donors					X
Actors in VET institutions trained and frame curricula further developed or adjusted (and revised at regular intervals) in collaboration with experts from the business world					X
Quality assurance criteria for official approval of VET curricula defined					X
Outcome-based framework curriculum for each qualification published online as part of the National Catalogue for Vocational Qualifications				X	
Gender equality and diversity goals integrated into VET design, contents and provision, and gender stereotypes in profiling, curricula, promotion and teaching methodologies eliminated					X
VET providers develop programmes tailored towards preparing specialists in professions in demand in other countries, taking into consideration Albania's strategic advantage and overall government policy towards providing employment of nationals in other countries		X			
Cooperation platforms set up between VET providers and their foreign counterparts on sharing best practices and modern education technologies		X			
Overall status of completion				3.8 = C	

MAIN DEVELOPMENTS: The current curriculum model is modular, its design is an ongoing process and the agency is working continually on the curricula. The National Catalogue of Vocational Qualifications is regulated as part of the new VET Law (no. 15, dated 16.02.2017). NAVETQ has developed all necessary elements of the National Catalogue of Vocational Qualifications including the List of Vocational Qualifications, Titles and Descriptions of Vocational Qualifications, and Frame Curricula. The agency is in the process of translating qualification standards into the frame curricula. It has prepared and deposited at the former MoSWY 17 new frame curricula, of which eight have been made available online to VET providers and students. The frame curricula offer recommendations on how to verify specific learning outcomes of a qualification. NAVETQ, in cooperation with the former MoSWY and INSTAT, in consultations with the business sector, has prepared and approved the National List of Occupations, which was adopted by DCM no. 514, dated 20.09.2017. This classification is a valuable source of information for development or revision of vocational qualifications and qualification descriptions and standards for inclusion in the National Catalogue. Following approval of the

list in September, NAVETQ worked on making it available and user-friendly for the public through an online page hosted at www.akafp.gov.al. SD4E supported NAVETQ in revising the list of occupations to ensure alignment to ISCO 08. Beyond the index of occupational titles, NAVETQ embarked on its development, through addition of descriptions of tasks and duties and other aspects of the jobs that belong to each of the defined groups. Some 272 occupational descriptions linked to the private sector have been elaborated through in-depth interviews and consultations with private sector companies and representative organisations. The amended AQF Law, no. 23/2018, provides for the setting up of sector skills committees, for which a draft DCM has been drafted and is expected to be approved by the end of December. Furthermore, methodology has been designed for selecting a priority economic sector in which the functioning of the sector committee will be piloted. NAVETQ provides a range of guidelines for VET teachers and providers, including assessment methods and tools (tests, projects, control checklists, etc.). VE providers are responsible for the assessment and certification of vocational qualifications at AQF levels 2, 3 and 4. NAVETQ was engaged in the AQF Task Force, whose objective was to facilitate the process of reference of the framework with the EQF. The task force mission and activities were supported by ETF. In 2017, the task force held two round tables and a national conference, where discussions were held on qualifications to be included in AQF and their quality assurance. Training of actors involved in curricula design continued. NAVETQ has strengthened partnership and collaboration with business and social partners in support of VET programme revision and curriculum development. Quality assurance criteria for official approval of VET curricula is in place. The AQF Law stipulates that all qualifications in the AQF shall be quality assured. Pursuant to the VET Law, the Instruction of the Minister, no. 27, dated on 30/07/2018, regulates the VET curriculum formats and procedures, taking into consideration quality criteria for the inclusion of vocational qualifications in AQF. In 2017, 15 vocational qualification descriptions and standards were developed, all accessible online, and of which three represent new profiles. All curricula documents consider the integration of gender equality and diversity goals, among others. Two VET qualifications have been upgraded in line with the AQF. There are several cooperation platforms between VE schools and their counterparts abroad supported by various donors, for example with the support of KulturKontakt Austria, cooperation between Antoni Athanas vocational school in Sarande, Isuf Gjata VE School in Korce and the Tourism School in Krems. Also, with the Support of Skills for Jobs (S4J), four VE schools in Vlore, Lezhe and Shkoder are cooperating with their peers in

Switzerland in order to share good practices for teaching and learning methods and processes, school–business cooperation practices, and career guidance, among others.

ASSESSMENT RESULTS: Overall, the outputs under this action are assessed as *Completed*. However, more needs to be done with certain ones. Thus, it is necessary for the mechanisms of external quality assurance for the National Catalogue for the Vocational Qualifications to be operational and the catalogue embedded in the website to give users a convenient access to the whole content. Unlocking the situation regarding the establishment of sector councils needs the completion of the legal framework, reorganisation and strengthening of NAVETQ and it provided with more funds. Reviewing the entire set of curricula for VET is very important and requires the completion of the legal framework. The new VET law has paved the way for noticeable improvements, though the lack of by-laws remains a challenge for the process of curricula revisions and the National Catalogue on Vocational Qualifications to be completed. The package of by-laws has been drafted and is awaiting approval. In addition, NAVETQ is currently facing a shortage of human resources and the recently drafted DCM on NAVETQ will facilitate the process of optimising the use of existing human and financial resources. Meanwhile, NAVETQ is harmonising the contribution of donors to support in a more structured way the implementation of AQF for VET. Currently all frame curricula are published on the NAVETQ website, but the challenge remains to make the website more user-friendly. This is an ongoing process to better match the labour market demand with the relevant qualifications. Currently, a qualified labour force is seen as a competitive advantage for Albania. In this context, preparing young women and men for the domestic labour market is important while embedding international standards into the qualifications as an integral part of the content is crucial in order for them to compete in the labour market.

The following remark is presented regarding one output:

- *New VET curriculum model (modular system) defined jointly with NAVETQ staff and approved, based on competence standards for each learning area. It is suggested that the output be reformulated as follows: VET qualifications developed through internal and external quality assurance processes and procedures for inclusion in AQF.*

B2.3. Review of existing and development of new programmes for post-secondary VET provision

Outputs	Status of completion				
	NS	IP	HP	C	SC
Qualifications identified reflect sector skill needs		X			
Occupational and qualification standards developed		X			
Curricula for post-secondary VET developed for priority sectors and qualifications and published online as part of the National Catalogue of Vocational Qualifications		X			
Inter-institutional cooperation arrangements between schools and universities in place to deliver post-secondary VET		X			
Teachers and trainers trained in post-secondary VET programmes	X				
Conditions for practice learning in place and enhanced together with the private sector	X				
Cooperation agreements for implementation of post-secondary and secondary VET programmes and other higher non-university studies established between HE institutions, VET providers and the private sector	X				
Overall status of completion		1.57 = IP			

MAIN DEVELOPMENTS: In 2015, 39 post-secondary titles of qualifications were proposed by NAVETQ as those most needed in the market based on analysis of the demand. The agency has drafted four qualifications descriptions and curricula for the post-secondary level. During 2017, no development of post-secondary vocational programmes or frame curricula were reported. A feasibility study and related action plan on expansion of the post-secondary VET system has been completed. Regarding the output ‘Inter-institutional cooperation arrangements between schools and universities in place to deliver post-secondary VET’, only one school, Beqir Cela, is cooperating with a university—Aleksander Moisiu University, Durres—in the area of Information and Communications Technology (ICT). Teacher training in post-secondary VET has been organised for one post-secondary programme for Auto-service Diagnostics, piloted once in Beqir Cela through donor support. So far, no intention is observed among the different actors to engage in offering post-secondary vocational education. On the other hand, given the current capacities of VET teachers and instructors, it is very difficult to envisage them offering post-secondary education unless they can recruit higher-level (university) instructors or teachers.

ASSESSMENT RESULTS: The overall assessment of the outputs is *In Progress*. It is important to note that a parallel process exists with the MoESY and the professional programmes offered by the higher education institutions, providing incentives to boost registration at the post-secondary level also exist. However, no assessment is in place for readiness of VET providers to diversify the provision at this level. The

NAVETQ develops teaching and learning materials based on the needs of teachers for different VET qualifications. The amount of such materials is planned annually and based upon the resources available.

success of the emerging post-secondary VET programme will be determined by whether or not it proves possible for it to build its own brand, instead of regarding itself as second-class higher education. A number of outputs under this action can progress only if post-secondary VET starts to be offered.

B2.4 Evaluation of existing teaching materials, including their gender equality content and existence of gender stereotypes, as well as adequacy for PwD

Outputs	Status of completion				
	NS	IP	HP	C	SC
Teaching and learning materials (rather than textbooks) to accompany new curricula developed (Moodle to be considered for use by economics schools)			X		
Gender-sensitive revision completed					X
Adequacy for PwD assessed and gaps identified					X
Teaching and learning materials published in e-Book formats online in the web portal for the VET System					X
Overall status of completion			4.5 = SC		

MAIN DEVELOPMENTS: Teaching materials have been drafted by field experts in accordance with the criteria set in advance. In 2016, teaching materials (not textbooks) were developed and published in e-Book format on the VET electronic platform for thirteen subjects. From 2014 to 2016, teaching materials were developed for 42 VET courses. Textbooks and teaching materials were revised with regard to gender- and PwD-sensitive language. All teaching materials developed by NAVETQ are published on the agency’s website.

ASSESSMENT RESULTS: The overall assessment of outputs under this action is *Successfully Completed*. NAVETQ develops teaching and learning materials based on the needs of teachers for different VET qualifications. The amount of such materials is planned annually and based upon the resources available. There are still needs to be fulfilled especially in terms of introducing new curricula.

A plan for mentoring and monitoring the progress of implementation of the evaluation process has been prepared Training of ten multipliers to support the training of principals and teachers and instructors in all VET providers has been organised

B2.5 Definition and implementation of quality assurance criteria of VET system (at provider level) and changing the internal and external verification of VET curriculum implementation (inspection)

Outputs	Status of completion				
	NS	IP	HP	C	SC
Accreditation and quality assurance criteria for public and private providers redefined and linked to whether they offer training for employable skills		X			
Public VET providers undertake self-evaluation and implement own development plans			X		
Role and criteria for inspection of public VET provision redefined (national standards)	X				
Multi-annual plan for inspections of VET providers being implemented	X				
Overall status of completion		1.75 = IP			

MAIN DEVELOPMENTS: In 2016, NAVETQ developed a self-assessment manual for public VET providers. The documentation for institutional arrangements was prepared, defining roles and responsibilities, as well as the national standards to implement the inspection of VET providers. NAVETQ has developed, and so far piloted in MFC Elbasan, a Guideline for Self-Assessment of VET providers with the support of SD4E. The self-assessment manual was piloted in the MFCs through support of the IPA project. In 2017, the final draft Guideline as well as a draft Instruction on the VET providers self-assessment process was submitted to MoSWY for approval. The draft instruction of the minister has been revised to accommodate the respective responsibilities and commitments of the quality assurance institutions, has been approved and returned once more by NAVETQ for further changes. The agency will support the application of the self-assessment process by VET providers, once the guidelines are approved. NAVETQ has detailed a work plan jointly with SD4E for implementation of the self-assessment between October 2018 and May 2019 across all the areas of self-assessment. Capacity building has begun on implementation of the self-assessment. Thus, a plan for mentoring and monitoring the progress of implementation of the evaluation process has been prepared Training of ten multipliers to support the training of principals and teachers and instructors in all VET providers

has been organised. Training of 90 management staff and teachers and instructors in all VET providers is completed. The self-assessment process is considered as a first step to proceeding with accreditation of the VET providers. A concept paper on National VET Provider Development has been elaborated. The document has been consulted with key VET actors and the donor community. The corresponding document was submitted to MoFE. A working group has been set up to further develop a plan for the network of VET providers in Albania, taking into consideration the new MFC structure and providing a recommendation to the minister. After adoption of the by-laws, all VET providers and staff responsible for the self-evaluation process will have to be trained. The self-assessment tool that has been developed is used by the MFC in Elbasan, Fier, Tirane and Shkoder. Seven other VET providers (6 schools plus 1 VTC) are in the process of setting up working groups and will start using the tool in March 2018. This tool will help the schools develop a complete snapshot of the current situation and design strategic development plans.

ASSESSMENT RESULTS: The overall assessment of the output is *In Progress*. Following the preparations for the self-assessment, the guidelines still need to be approved for the process to start. Developing the standards and procedures, completing the legal framework and developing a working plan for the accreditation remain challenges. It is foreseen that by May 2019, all VET providers will have compiled and published a self-assessment report. Subsequently, the challenges remaining include making the self-assessment process part of the VET providers' culture and using the results of the self-evaluation process for quality development. Regarding the inspection of the VET providers, the relevant structure required to make such inspections operational as part of the policy is still to be defined.

B3. Raising the image of VET and informing on VET providers, qualifications and training offers

No.	Sub-objective	Actions	Status of completion
B3	Raising the image of VET and informing on VET providers, qualifications and training offers	B3.1 Running publicity and awareness-raising campaigns about importance of and opportunities in VET and LLL for girls, boys, women and men in urban and rural areas	HP
		B3.2 Design of a public interactive, searchable web portal and database on qualifications, curricula and training offers by VET providers	IP
		B3.3 Preparation for the participation of Albanian VET students in national, European and World skills competitions and related media promotion	IP

B3.1. Running publicity and awareness-raising campaigns about importance of and opportunities in VET and LLL for girls, boys, women and men in urban and rural areas

Outputs	Status of completion				
	NS	IP	HP	C	SC
TV spots, talk shows, newspaper articles, posters and banners, leaflets and brochures free from gender stereotypes and transmitting an inclusive message produced and distributed				X	
Information on VET pathways to primary school pupils disseminated				X	
Annual careers and job fairs organised					X
Doors open days of VET providers organised					X
School pupils' taster days in businesses organised				X	
Job insertion and salary levels of graduates from reformed VET analysed			X		
Focused approach on outreach to women and girls in rural and urban areas pursued		X			
Coaching for girls and boys opting for training in non-traditional occupations		X			
Girls uptake of non-traditional courses—particularly in high-potential and high-productive sectors—publicly promoted	X				
Overall status of completion			3.3 = HP		

MAIN DEVELOPMENTS: Promotion and awareness-raising activities have targeted enrolment rates in vocational schools and vocational centres. Several fairs of VET schools and VTCs, a VET school competition on student achievements and open days by each VE school have been organised. Olympiads have been organised by VE schools in cooperation with Megatek, and fairs work and study, TV conversations and a programme, a film on social health care, a social media campaign for VET (TV spot in *FB, YouTube*), a brochure on MFC Kamez, a national VET conference, and an open and information day have also been held. During the Olympiad days, diverse conferences and round tables were held under the slogan 'I choose Vocational Education', with a range of stakeholders, and successful practices, examples of excellence and results achieved in VET presented. Skills competitions in eight occupations were held to showcase and inspire excellence in skills and introduce youth to a variety of skilled careers. Inspiring and educating youth was an integral part of this showcasing. Some 5,000 students exhibited their skills and competences at their respective working islands, and some 10,000 people visited the fair. A TV show *Do you have an idea?* was produced, comprising 15 episodes, in which 20 individuals from vocational schools and training centres presented their ideas, received advice on how to convert them into a business and received financial support to advance those ideas. As a result, the number of students enrolled in the VET system has steadily increased. There is a tracing system in place regarding job insertion at the national level, with a figure of 47 percent uptake for 2017 (February, 2018). Among VET students, 40 percent come from rural areas, and there has

been an increase in the proportion of girls participating in VET given the range of interesting features (such as scholarships provided for girls opting to attend VET in atypical areas of study).

ASSESSMENT RESULTS: The overall assessment of the outputs under this action is *Highly Progressed*. A lot has been done in terms of promotion and dissemination of VET. However, as part of the MoFE, the overall visibility is still low. Although the number of students enrolled in VET has increased, access to VET and its qualifications is not yet universal. For young people living outside the larger urban centres and those with certain handicaps (PwD, but much less those with compounded vulnerabilities) have very few possibilities to enrol in VET. Also, the course profiles on offer usually attract male students. Nonetheless, the introduction of scholarships for VET students from rural areas has significantly increased the number of students from those areas attending secondary VET, by up to 40 percent. Regarding job insertion, new tracing methods need to be explored, through the tax offices, with a required prior consent of the beneficiary in the context of the legal provision on personal data protection.

B3.2. Design of a public interactive, searchable web portal and database on qualifications, curricula and training offers by VET providers

Outputs	Status of completion				
	NS	IP	HP	C	SC
Demand-oriented, interactive, user-friendly database, searchable by region, location, sector, qualifications and VET offers, including links to providers web links for further information made available		X			
Approved curricula and teaching materials available and published online					
Data updated by NAVETQ and VET providers as a matter of publicity (to be used by potential learners, NAVETQ, NES and social partners)		X			
Publicity to ensure use by potential learners, NAVETQ and employment services		X			
Overall status of completion		2 = IP			

MAIN DEVELOPMENTS: Documents including the frame curricula, teaching and learning materials, guidelines and training materials developed by NAVETQ or partner organisations, and approved by MoSWY, are uploaded periodically onto the institutional website: www.akaftp.gov.al. Material and documents are easily accessible to the public. The VET portal was extended to accommodate new information modules about VE schools and VT centres. Through preparation of the National Catalogue of Vocational Qualifications, the National List of Qualifications was, in 2016, updated with a revision and descriptions of 30 professional qualifications. These descriptions

were made available to the VET providers and the general public. A working group is preparing the ToR for a unique VET portal to be managed by MoFE.

ASSESSMENT RESULTS: The outputs under this action are assessed as *In Progress*. The information regarding VET is still fragmented, with part on virtual platforms managed by donors and part in VET institutions. Most of the information is of a national level. Achieving the outputs remains a challenge for the remaining period given the limited human and financial capacities in this regard. It remains important to define which documents are appropriate for which audiences. For example, portals should aim to inform the general audience, while internal documents for sharing can be accommodated elsewhere, as in practice the information provided on the NAVETQ website is by its nature not simple, and serves little to the external audience.

The following remark is made regarding one output:

- *Approved curricula and teaching materials available and published online.*
This is not specified but could be added in the first output under this action. It is suggested that this output is removed.

B3.3. Preparation for the participation of Albanian VET students in national, European and World skills competitions and related media promotion

Outputs	Status of completion				
	NS	IP	HP	C	SC
Albanian female and male VET students participate in national Euro Skills and World Skills competitions		X			
Overall status of completion		2 = IP			

MAIN DEVELOPMENTS: Activities are carried out with regard to the participation of VET students in skills competitions abroad. Several schools and students have participated in regional or international competitions, in most cases with the support of the S4J project. For example, two VET schools—Hotel Tourism School, Tirane, and Antoni Athanas School, Sarande—participated in the Western Balkans Skills Show at Sarajevo in December 2017. The Vocational Skills Olympics 2015 activity was organised in the frame of social responsibility to promote VE in Albania through training and subsequent competitions among students nationwide (in cooperation with Megatek). The participating students had profiles in thermo-hydraulics, construction, electrical engineering, agriculture, wood processing, information and communication, technology

The participating students had profiles in thermo-hydraulics, construction, electrical engineering, agriculture, wood processing, information and communication, technology and painting.

and painting. Some 49 teachers with 270 competitors backed up by 1,500 students from Albania and Kosovo participated in the event. Perhaps information from the other skills fairs can also be included, as all include an element of competition.

ASSESSMENT RESULTS: The output is assessed as *In Progress*. The attempts for participation in national, European and World Skills Competitions is a school-based activity rather than a state initiative. All activities of this kind are supported by the donors. There is no reporting instrument for such initiatives and activities, and thus other activities of this kind might have been arranged, but there is no inventory at the central level, and thus no record of such activities. Additionally, rather than looking at only two or three good practices, it would be useful to start thinking of how to disseminate the information once the students have competed (often very successfully), with the aim of increasing willingness to participate and share experiences.

The remark about the output is as follows:

- Considering that this activity has a single output, it might be worth positioning it as part of another action in the strategy.

B4. Strengthening the linkages between learning and work and facilitating the transition to work

No.	Sub-objective	Actions	Status of completion
B4	Strengthening the linkages between learning and work and facilitating the transition to work	B4.1 Introduction of an already tested model in all VET institutions to organise links between VET institutions and businesses	IP
		B4.2 Establishment of agreements with companies and business associations that meet the criteria for offering training to students	IP
		B4.3 Organisation of elements of a dual system approach, including internships for VET students as part of the curriculum	C
		B4.4 Promotion of entrepreneurial learning and women's entrepreneurship as a key competence	NS
		B4.5 Development of learning materials related to transition to work skills	n.a.

B4.1 Introduction of an already tested model in all VET institutions to organise links between VET institutions and businesses

Outputs	Status of completion				
	NS	IP	HP	C	SC
Teachers in all public VET institutions have the role of the coordinator between the institution and social partners PASO or similar (teachers require relevant technical background for the given occupational areas)		X			
Training to be delivered to the teachers selected for implementing such a model		X			
Overall status of completion		2 = IP			

MAIN DEVELOPMENTS: The newly adopted VET Law makes provisions for the introduction of school–business liaison persons (*PASO*) as part of the School Development Unit, using the *PASO* model successfully piloted through the support of donors. The business liaison function is linked to the development units. Despite the legal provision, no progress has been made to date because of the lack of completion of the legal framework with the necessary by-laws. Some documents have been prepared in order to facilitate the *PASO*'s activity, such as for specifying the role, job description, capacity building for this person, etc. Also, some sporadic trainings have started to be organised with some teachers who could play this role in the framework of the projects of donors.

ASSESSMENT RESULTS: The overall assessment of the outputs under this action is *In Progress*. No further and relevant comments are provided here.

B4.2. Establishment of agreements with companies and business associations that meet the criteria for offering training to students

Outputs	Status of completion				
	NS	IP	HP	C	SC
Agreements with businesses and business associations, chambers signed by the ministry (and in the future by VET providers)		X			
Periodical renewal of agreements (facilitating role by the ministry)		X			
Overall status of completion		2 = IP			

MAIN DEVELOPMENTS: School–business cooperation as a means of practical learning for students is an ongoing process. One finalised study on Work-Based Learning provides information on the current status of such relations. Some schools have succeeded in engaging with local businesses to facilitate delivery of practical

training: e.g. the VET schools Arben Broci and Hamdi Bushati (Shkoder), Kolin Gjoka (Lezhe), Beqir Cela and Hysen Cela (Durrës), Gergji Canco (Tirane) and Pavaresia (Vlore), as well as the Hotel-Tourism school (Tirane). MFC Kamez (GIZ) has institutionalised such cooperation through agreements with various companies and institutions on internships (MoU among GIZ, NAVETQ, MFC Kamez, Business Albania and the Albanian IT Association (AITA) for cooperation and placement of student internships). Some schools have developed long-term practical training in companies by following a personalised practical training plan, developed by an in-company trainer jointly with a school instructor. Such plans are individualised because different companies have different workflows and capacities. The instructor ensures that all learning outcomes required for a certain qualification or certification are achieved by all students, if not through practical training, then company visits, guest lectures, problem-based learning and other learning activities are planned and documented.

ASSESSMENT RESULTS: The overall assessment of the outputs under this action is *In Progress*. The main intention is to screen the companies that meet the criteria of offering training to students. No national criteria, standards or guidelines exist on whether this process has been achieved or not, and no concrete steps taken up to now. The newly adopted law on crafts has created a legal option to establish apprenticeships. More has to be developed and clarified from the legal aspect so that work-based learning is made systematic. Meanwhile, the integration of VET and Employment under MoFE makes, in principle, cooperation with the companies easier. On the other hand, this has to materialise in multiple ways, e.g. through sector committees, or sector specific plans for skills development in support of priority sectors such as business processes outsourcing (BPO) and tourism.

B4.3. Organisation of elements of a dual system approach, including internships for VET students as part of the curriculum

Outputs	Status of completion				
	NS	IP	HP	C	SC
Lessons learnt from past experiences under Swiss contact and GIZ projects analysed					X
Elements of a dual training model implemented, including project and work-based learning in VET institutions, and company internships have become a systematic part of VET curriculum implementation in strong cooperation with private sector			X		
Overall status of completion			4 = C		

MAIN DEVELOPMENTS: Several studies have been undertaken regarding the past experiences of dual learning, including internships in VET schools, such as analysis of Work-based Learning (WBL) in the secondary and post-secondary vocational system and of best practices (the study identified in total six WBL schemes among vocational schools and three WBL schemes among VTCs), a roadmap for implementation of dual vocational education schemes, legal interventions for implementation of a dual VET, a feasibility study of the apprenticeship scheme in the Albanian VE system, among others. Each study has been presented to the stakeholders and discussions held. Different models of WBL have been, or are being, tested in the Albanian VET system, implemented mainly (but not only) through donor projects. These differ from sector to sector. NAVETQ has prepared and distributed informational materials and organised a series of workshops and round-tables with VET schools, businesses, the labour inspectorate and NES to address challenges regarding dual learning and internships. In the context of regional cooperation, the Austrian Economic Chamber, the WB Chamber Investment Forum and the Education Reform Initiative of South Eastern Europe (ERI SEE) started a discussion on the development of a knowledge platform on WBL in SEE countries. The purpose of the meeting was to map already existing instruments for the implementation of different forms of WBL and to set up an online database, making these instruments available to interested parties.

ASSESSMENT RESULTS: The assessment of outputs under this action is *Successfully Completed* for the first output and *Highly Progressed* for the second one. Currently, WBL implementation in Albania remains at a relatively low to moderate level. Implementing an effective work-based learning VET system (dual approach) has been hampered mostly by the lack of instruction for schools on how to implement it rather than by an incomplete legal environment.³⁴ It is also impeded by a lack of awareness and information among students, teachers and the businesses hosting apprentices. A national framework or instructions for WBL are still absent, but they were on the agenda for 2018. Implementing Law no. 70, dated 30.06.2016 'On Craftsmanship' and the VET Law will facilitate the introduction of WBL. By-laws are still to be drafted and adopted. It is important that the successful pilot experiences be promoted, disseminated and implemented nationwide. In addition, closer cooperation with business associations and regular communication with businesses should be established, to create the opportunity to remove some of the obstacles identified from the business side.

34. The by-law in this case is not a legal requirement, but might give schools a greater push.

B4.4. Promotion of entrepreneurial learning and women's entrepreneurship as a key competence

Outputs	Status of completion				
	NS	IP	HP	C	SC
Recommendations from BDI strategy and from EU Small Business Act assessment (OECD–ETF 2013) have informed a joint (MoETE, MoSWY, MoES, MARDWA35) Entrepreneurial Learning strategy		X			
Joint action plan for Entrepreneurial Learning, including the design of curricula, teaching materials, teacher training, part of initial VET and adult training drafted and implemented, both as part of business education and as a compulsory subject for all		X			
Key competencies captured by the EU Small Business Act Istanbul Indicators are reflected in VET training curricula and courses	X				
Tailor-made entrepreneurship programmes specifically targeting girls and women, including in rural areas	X				
Leadership and management skill programmes developed and conducted specifically targeting women and girls	X				
Overall status of completion	1.4 = NS				

MAIN DEVELOPMENTS: The effort to strengthen entrepreneurial learning throughout the VET system took place during 2014–2017 as part of the Albanian government's commitment under the SEE 2020 strategy. Most of the measures deriving from this strategy have been addressed under the assistance of the project 'Implementation of EBRD Small Business Support in Albania' (EU IPA-funded programme), such as hosting a conference on international best practices in agribusiness, support for the tourism sector in Albania, organisation of a business forum with consulting services support to internationalisation of SMEs, among others. The not yet conducted activities include the creation of incubators and clusters. Meanwhile, entrepreneurial learning, and teaching materials such as literature or case studies have been updated. KulturKontakt Austria has undertaken training of teachers and development of teacher support materials for the entrepreneurial learning course, including a tool kit of methods and teaching instruments. A junior achievement initiative is in implementation supported by the Albanian–American Fund and encompasses all schools. NAVETQ developed various curricula including those relevant to the learning modules for enterprises (two separate subjects: basics of entrepreneurship, grade 12 for all profiles except for business administration, and entrepreneurial behaviour, grade 13 on business administration).

ASSESSMENT RESULTS: Half of the outputs are assessed as *Not Started* and the other half as *In progress*. Training of teachers in entrepreneurial learning is still an obstacle for transferring this key competence to students and more needs to be done.

35. Ministry of Agriculture, Rural Development and Water Administration.

B4.5. Development of learning materials related to transition to work skills

Outputs	Status of completion				
	NS	IP	HP	C	SC
Learning materials developed and teachers trained for implementing compulsory Skills for Life subject in secondary education					
In line with national gender policy, promotion of women's and girls' uptake of non-professional courses, particularly in high-potential and high-productive sectors of the Albanian economy					
Overall status of completion					

MAIN DEVELOPMENTS AND ASSESSMENT RESULTS: The two outputs are *Not Assessed*. The following remarks are presented regarding the outputs under this action:

- *Learning materials developed and teachers trained for implementing compulsory Skills for Life subject in secondary education.* Skills for Life is integrated into the general subjects of VET under the responsibility of the Ministry of Education (programmes and textbooks). As such, the suggestion is to revise this output.
- *In line with national gender policy, promotion of women's and girls' uptake of non-professional courses, particularly in high-potential and high-productive sectors of the Albanian economy.* This output is considered as not relevant in the context of NESS. The suggestion is to remove it from the action plan.

B5. Enhancing recruitment and improving competences of VET teachers and teacher trainers (including pre-service training and continuous professional development), actors in charge of regional management, school and centre directors and managers

No.	Sub-objective	Actions	Status of completion
B5	Enhancing recruitment and improving competences of VET teachers and teacher trainers (including pre-service training and continuous professional development), actors in charge of regional management, school and centre directors and managers	B5.1. Definition of a new policy for recruitment and professional development of VET teachers and instructors to ensure quality of teaching and learning	SC
		B5.2 Assessment of competences of VET teachers in VET institutions and carrying out of an analysis of the demand for VET teachers and instructors, nationwide and by profile	SC
		B5.3 Review of the VET teachers preparation model	C
		B5.4 Induction of training for all potential VET teachers that includes obligatory modules on gender equality and social inclusion and diversity issues	IP
		B5.5 Organisation and delivering of massive training for all VET teachers (in-service), including obligatory capacity development on gender equality and social inclusion and diversity issues	NS
		B5.6 Organisation and delivery of training for managers of public VET human resources (regional managers, directors, board members, VET inspectors)	IP

B5.1. Definition of a new policy for recruitment and professional development of VET teachers and instructors to ensure quality of teaching and learning

Outputs	Status of completion				
	NS	IP	HP	C	SC
Approved policy paper regarding competence standards, pre-service training and induction periods, certification, criteria for selection or recruitment, salary levels and continuous professional development of VET teachers and instructors					X
Overall status of completion				5 = SC	

MAIN DEVELOPMENTS: After adoption of the Minister of Education and Sport Order no. 6, dated 24.02.2015, ‘On the general criteria and procedures for recruitment of theoretical and practical teaching personnel in public education institutions and vocational training,’ NAVETQ developed a Road Map to Human Resources Management for public VET providers. Both documents are being used by VET schools for the recruitment and initial training of teachers. The Institute for Educational Development (IZHA) has carried out a national training needs analysis among general subject teachers. However, teachers from VET institutions did not participate due to the lack of clarity about who, at the national level, is responsible for their continuing professional development (CPD). The European Training Foundation is currently supporting a nationwide survey of all teachers and instructors in the VET–VTC regarding their needs for CPD. This study will be used to feed the preparation of a policy document on training needs for VET–VTC teachers and instructors. Various donors are supporting teacher training, through training and mentoring of directors and accountants in financial management (S4J), and continuous professional development of teachers in S4J partner schools. Two teachers are certified as Cisco operating system instructors and 15 others are in the process of being certified (GIZ), eleven teachers in tourism and hospitality have been trained in cooperation with the private sector (Hotel Plaza), pedagogical mentoring and guidance in using technology in the class and preparing learning material has been undertaken for 40 teachers, while 15 teachers are trained through three modules accredited by the National Council for Training Accreditation.

ASSESSMENT RESULTS: The output is assessed as *Successfully Completed*, because the Road Map for HR management in public VET is considered a valuable document to guide the future work. Also, the relevant institutional arrangements are in place to support initial and continuous VET teacher and instructors training.

B5.2. Assessment of competences of VET teachers in VET institutions and carrying out of an analysis of the demand for VET teachers and instructors, nationwide and by profile

Outputs	Status of completion				
	NS	IP	HP	C	SC
Once the regional VET providers network and VET profiles on offer are redefined, a national plan for selection, recruitment and development of VET teachers and instructors or specialists over a 5–10-year perspective approved				X	
Overall status of completion			4 = C		

MAIN DEVELOPMENTS: An assessment of the competences of VET teachers and instructors was carried out in 2015 by NAVETQ. ETF conducted an assessment on CPD of VET teachers and trainers, establishing levels and types of CPD that VET teachers and trainers have received. Another study is currently in implementation for training needs assessment of VET directors and teachers. NAVETQ, with GIZ support, has developed course materials and published a manual in Albanian for the Basic Pedagogy programme for VET teachers and practice instructors. The programme comprises 24 days of intensive training, including teacher demonstration practices. Years 2016 and 2017 saw the full roll-out of the programme. In 2017, NAVETQ, in cooperation with GIZ, S4J and KulturKontakt, managed to train 286 teachers, representing 82 percent of the IPA budget support programme target for 2017. In total, slightly less than half of the entire teaching workforce (including theory and practice teachers) in VET institutions have participated up to now in the basic pedagogy programme. All donor projects, covering about half of the VET schools in Albania, include in-service training of teachers in technical and pedagogical aspects of implementing the pilot programmes.

ASSESSMENT RESULTS: The output can be considered as *Successfully Completed*. The assessment documents exist, and the 24 days of in-service training will cover all the teachers. Preparation of the national action plan on teachers and trainers training should take place but has to be bundled by financial resources needed for implementation of training and other CDP programmes. NAVETQ reports that funding for teacher training remains a constraint and not enough to satisfy needs. The new VET Law assigns to NAVETQ the function to coordinate VET teacher training. A respective draft by-law on NAVETQ has not yet been adopted, i.e. until now no institution is formally in charge. In addition, NAVETQ will require additional human and financial resources to fulfil this function.

Pedagogical training before appointment (pre-service) of VET teachers by the institutional set up of the VET system in Albania is a responsibility of the Faculty of Education, though is not offered

B5.3. Review of the VET teachers preparation model

Outputs	Status of completion				
	NS	IP	HP	C	SC
VET teacher pre-service programme revised					X
Training actions to VET instructors in pedagogical elements delivered					X
Pre-service or service training programme implemented as of 2015		X			
Accreditation mechanism for access to the VET teacher occupation and training actions are in place					
Overall status of completion				3.66 = C	

MAIN DEVELOPMENTS: An overall review of the VET teacher preparation model was part of the two studies on the needs for training and continuing development of VET teachers and instructors implemented in 2015. Pedagogical training before appointment (pre-service) of VET teachers by the institutional set up of the VET system in Albania is a responsibility of the Faculty of Education, though is not offered. NAVETQ prepared in 2016 a 24-day training on the ‘Fundamentals of didactics on VET’. In 2017, with support of GIZ, S4J (Swiss Contact–SDC project) and AI-Tour (KulturKontakt–ADC project), the 24-day training on ‘Fundamentals of didactics on VET’ was delivered for 250 VET teachers and instructors.³⁶ This training will be obligatory in pre-service training for all VET teachers and instructors. Teachers, with support of ETF, have set up professional networks based on online platform for exchange of teaching and preparation materials. Three professional exchange networks were set up in 2017: a professional network of economics teachers, teachers of hospitality and accommodation, and thermo-hydraulics teachers.

ASSESSMENT RESULTS: Two outputs under the action are assessed as *Successfully Completed* and one as *Not Started*. Introduction of comprehensive in-service teacher training, including peer-mentoring programmes and instruments to track teacher effectiveness, possibly through adapting a classroom assessment scoring system or other tailored instruments, remain an important challenge. The teachers portal could be a supporting mechanism for employment.

36. An additional 198 to be trained in 2018.

B5.4. Induction of training for all potential VET teachers that includes obligatory modules on gender equality and social inclusion and diversity issues

Outputs	Status of completion				
	NS	IP	HP	C	SC
Compulsory induction training on gender equality and social inclusion and diversity issues for potential VET teachers implemented		X			
Overall status of completion		2 = IP			

MAIN DEVELOPMENTS: No concrete progress made in this direction. With the support of KulturKontakt a few activities have been realised. These include the publication of a study on female enrolment in dormitories, a national conference, Girls Day in Austria, and a kick-off workshop with teachers and head teachers from an IT school on ideas on how to increase enrolment of girls. Swiss Contact has also organised a series of activities in this direction.

ASSESSMENT RESULTS: The output is assessed as *In Progress*. Since there is only one output under this action the suggestion is to accommodate it appropriately under another action.

B5.5. Organisation and delivering of massive training for all VET teachers (in-service), including obligatory capacity development on gender equality and social inclusion and diversity issues

Outputs	Status of completion				
	NS	IP	HP	C	SC
Training needs identified		X			
Database of trainers (including those trained under different donor projects), by specialist area, for both pre- and in-service training prepared		X			
List of available training modules recorded in a database	X				
Annual plan to organise VET teacher training defined and funds allocated	X				
Networks of teachers in the same occupational field organised (as communities of practice)	X				
Online teacher materials for self-learning adopted	X				
Modules on gender equality and diversity knowledge skills integral part of VET teacher training materials	X				
Overall status of completion		1.28 = NS			

MAIN DEVELOPMENTS: Studies on training needs have been completed and others are in implementation, but no action plan for teacher training yet exists. A list of 20 trainers exists, but no database of trainers. No list of available training modules is recorded and, as currently discussed, this is seen as a responsibility that could be addressed following reorganisation of NAVETQ, even though it lacks human resources. There are a few and sporadic initiatives of bringing together on an activity

basis teachers from the same occupational field, but no operational network exists up to now. In this context, professional platforms, such as the Electronic Platform for Adult Learning in Europe (EPALE), is considered to be utilised, while donor coordination is also needed. No evidence exists regarding online teacher materials for self-learning being adopted or on the integration of gender equality modules as part of teacher training materials. Regarding each output, only sporadic activities could be found supported by projects of donors.

ASSESSMENT RESULTS: All outputs under this action are assessed as either *Not Started* or *In Progress*. No further and relevant comments are provided here.

B5.6. Organisation and delivery of training for managers of public VET human resources (regional managers, directors, board members, VET inspectors)

Outputs	Status of completion				
	NS	IP	HP	C	SC
Training needs identified		X			
Database of accredited (gender) trainers and training modules created and updated		X			
Network of directors of VET institutions exchange information, learn and solve problems		X			
Training actions to managers, directors, board members and other VET human resources delivered, starting from 2015		X			
Overall status of completion			2 = IP		

MAIN DEVELOPMENTS: An assessment study on the training needs of management (directors, deputies and financial staff) of VET providers and a study on the needs for CT of VET teachers and instructors in 20 VE schools and ten VTCs has been completed. Training and capacity strengthening for directors of VET school and training centres continued in 2017 supported by donors. A database of accredited trainers and programmes has been created and is continuously updated by NAVETQ. Some activities have been developed on a project basis for a network of directors of VET institutions to exchange information, learn and solve problems, and on training actions for managers, directors, board members and other VET human resources, but no systematic interventions are yet in place.

ASSESSMENT RESULTS: All the outputs under this action are assessed as *In Progress*. It is suggested that the VET school directors can be subject to and participant in the Directors Academy, the latest initiative of government to support the building of management capacities for education institutions.

Strategic Objective C: Promote social inclusion and territorial cohesion

National Employment and Skills Strategy 2014–2020	2014	2015	2016	2017	2020 Target
Percentage decrease in long-term unemployment: for women to 61%, for men 59%	total, 64.3 female, 70.1 male, 61.0	total, 66.0 female, 66.3 male, 65.8	total, 66.2 female, 68.2 male, 64.8	total, 64.8 female, 67.1 male, 63.3	total, 60.0 female, 61.0 male, 59.0
Youth (15–29 years) unemployment rate (%), Labour Force Survey	total, 32.5 female, 27.4 male, 35.6	total, 33.2 female, 34.7 male, 32.3	total, 28.9 female, 27.8 male, 29.6	total, 29.6 female, 27.6 male, 30.8	total, 27.8 female, 25 male, 35
Reduction in gender wage gap by 4 p.p., Labour Force Survey	13.7 p.p.	14.2 p.p.	11.9 p.p.	13.6 p.p.	10 p.p.
10% of social assistance beneficiaries come from EPPs	306	353	10%	8%	
Total Social assistance beneficiaries referred to EPPs ³⁷	total, 4,252 job-seekers (40 unemployment benefit scheme and 266 social assistance beneficiaries)	total, 5,817 job-seekers (45 unemployment benefit scheme and 308 social assistance beneficiaries)	total, 5,204 job-seekers (89 unemployment benefit scheme and 334 social assistance beneficiaries)	total, 5,264 jobseekers (45 unemployment benefit scheme and 351 social assistance beneficiaries)	
Percentage of social assistance beneficiaries referred to EPPs	7.1	6.0	8.1	7.5	10
Annual number of women and men covered by social and health insurance by 1 p.p.	not provided	not provided	n.a.	n.a.	

Sector Reform Contract Result Indicators (IPA 2015)	2014	2015	2016	2017	2020 Target
Number of Roma and Egyptians participating in employment and training programmes, NES	339	239	Monitoring system in place	880 Tracing system is operational	

37. Raise the share of social assistance beneficiaries referred to EPPs to 10% of total participants in the programmes.

Assessment of the status of completion of outputs for each action

No.	Sub-objective	Status of completion
C1	Extending employment and vocational training services to rural areas	IP
C2	Promoting social entrepreneurship (social economy and third-sector jobs) and women's economic empowerment	IP
C3	Introducing an activation strategy to minimise inactivity and welfare traps	C
Status of completion		IP

C1. Extending employment and vocational training services to rural areas

No.	Sub-objective	Actions	Status of completion
C1	Extending employment and vocational training services to rural areas	C1.1 Establishment of inter-ministerial cooperation to address the situation in rural areas, including the coordination with government initiative and strategies including Strategy for Rural Development	IP
		C1.2 Expansion of employment services to rural areas	NS
		C1.3 Increase of VET offers in rural areas and outreach to excluded, vulnerable women, girls, boys and men in these areas	NS
		C1.4 Training and employment of marginalised and disadvantaged women and men, including Roma and PwD	C

C1.1. Establishment of inter-ministerial cooperation to address the situation in rural areas, including the coordination with government initiative and strategies including Strategy for Rural Development

Outputs	Status of completion				
	NS	IP	HP	C	SC
Inputs to Rural Development Strategy by Ministry of Agriculture and Rural Development provided	X				
Statistical survey methodologies revisited to consider women and men living in rural areas		X			
New system in place for registering female and male unemployed jobseekers from rural areas		X			
Reconsider definition of 'self-employed' in rural areas together with INSTAT, with people (families) who own a piece of land not self-employed (e.g. Macedonia and Romania do cover people in villages)		X			
System for registration of female and male rural workers, payment of a small tax for receiving minimum social protection and employment services in return defined and implemented					
Statistical methodology tracking female and male rural out-migration established					
Areas of significant out-migration from rural areas to urban areas are mapped	X				
Overall status of completion				1.6 = IP	

MAIN DEVELOPMENTS: The Rural Development Strategy 2014–2020³⁸ has been prepared in parallel with NESS 2014–2020. No specific contribution to this strategy is given by the ministry responsible for employment and skills. Regarding data collection and survey methodologies no progress has been made in considering women and men living in rural areas. There is still no clear distinction between urban and rural for statistical purposes. As such, INSTAT in the framework of a long-term project Strong Albanian Local Statistics (SALSTAT) will construct a building or dwelling and population register, with already planned activities related to urban and rural areas for statistical purposes. With regard to rural employment status, the current information system of NES is able to identify registered job seekers from the administrative units (former communes) and process statistics at the municipality level. However, statistics on rural unemployed jobseekers are produced based on ad hoc requests and are not part of periodical reporting. The ILO definition (a standard one and also in line with that of Eurostat) is in use with regard to self-employment in rural areas. No decision has been taken to change the definition, while INSTAT reports that further specifications are in progress in the framework of reconsideration of the definition. Regarding internal movements of the population, INSTAT publishes some publicly open data only at the prefecture level.³⁹ To date, there have been no initiatives to design any map of the areas of significant migration flows from rural to urban areas.

ASSESSMENT RESULTS: The overall assessment of the outputs is *In Progress*. Two out of five assessed outputs are still *Not Started*. Progress in this action requires strong institutional cooperation with the Ministry of Agriculture and Rural Development (in the framework of the future strategy) and INSTAT (particularly regarding the employment figures for rural areas). Also, regarding the statistics on unemployed jobseekers, it can be noted that the new ToR for upgrading the IT system should foresee the production of statistical reports, not only in general, but also for the administrative unit (rural or urban gender based).

There are two outputs assessed as no longer relevant, specifically:

- *System for registration of female and male rural workers, payment of a small tax for receiving minimum social protection and employment services in return defined and implemented.* MoH covers economic aid, payments for PwD, and

38. Ministry of Agriculture, Rural Development and Water Administration.

39. The data source is the Directory of Civil Status Office.

social services, though none are connected to any foreseen contribution⁴⁰ (i.e. forms of unconditional payments)⁴¹ and there is no rural or urban dimension in the whole policymaking process. To date, there exist data on the urban and rural distribution of full economic assistance,⁴² as there is a system in place to process all data reported by the municipalities under the new administrative and territorial configuration. It is concluded that this output does not connect with this sub-objective and, as such, is not relevant and should be removed from the action plan.

- *Statistical methodology tracking female and male rural out-migration established.* The output is considered as irrelevant in the framework of this action plan.

It is also suggested that the opportunity should be considered to establish cooperation with the inter-ministerial governmental programme ‘100 villages’ in order to harmonise employment and VET activities in rural areas. This would be a positive measure to advance the fulfilment of the outputs regarding pillar C of the action plan.

G1.2. Expansion of employment services to rural areas

Outputs	Status of completion				
	NS	IP	HP	C	SC
Territorial coverage of NES office and services mapped out, with focus on areas not covered with a view to ensuring service delivery according to regional differences	X				
NES staff have updated their knowledge on needs of women and men in rural areas and the support including training and other ALMPs to which they could be referred; Action Plan including capacity building of NES staff drafted and implemented	X				
Initiatives to promote registration of unemployed women and men from rural areas developed	X				
Mobile units offer employment services to female and male unemployed jobseekers in rural areas	X				
Overall status of completion				1 = NS	

MAIN DEVELOPMENTS: With the aim of improving the overall territorial coverage of the NES offices and services, ToR for the ‘Study on the structure of the rural economy and employment’ were prepared⁴³ aiming to provide a clearer picture of the labour force and labour demand needs in rural areas and to establish a basis for the

40. In 2014, the WB started to discuss the possibility to impose a flat rate of tax for pension eligibility.

41. There is an obligation for persons eligible for economic aid to show up once a month in the employment offices and when refusing an offered job opportunity three times in succession the person is disqualified from the aid.

42. Prior to the reform, partial economic assistance was given to rural families.

43. With the support of the UNDP–SD4E project.

extension of employment services and VET in rural areas. However, no contracting has been made under these ToR even though there exists a report produced on some international practices. Also, no progress has been made for achieving the outputs under this measure.

ASSESSMENT RESULTS: The work for achieving the outputs under this action is assessed as *Not Started*. An important recommendation is to undertake the preparation of a policy paper that could provide insights into the situation and suggest future actions in order to assess the feasibility of the defined outputs and their relevance under this action plan.

C1.3. Increase of VET offers in rural areas and outreach to excluded, vulnerable women, girls, boys and men in these areas

Outputs	Status of completion				
	NS	IP	HP	C	SC
Public or private training providers to establish satellites or mobile units to offer training courses also in rural areas, tailored to the needs of the rural population, including female and male youths and women of all age groups	X				
Basic, practical skills courses for crafts trades, farming and food processing offered to female and male rural workers		X			
Post-secondary VET to cover agro-food processing technician training, particularly for women	X				
Overall status of completion					1.33 = NS

MAIN DEVELOPMENTS: No mobile unit is offered by public or private providers for training in rural areas⁴⁴ and institutionalisation of these practices is currently unclear. Some discussions are held with donors regarding identification of the soft skills needed by youths in rural areas as a first step to opening a path towards design of the training courses, but no concrete progress has been made. In the framework of the post-secondary VET and the agro-processing sector coverage, a curriculum on the Laboratory Technician has been prepared and published, though the commitment of the schools for its implementation is not yet assessed.

ASSESSMENT RESULTS: Two out of three outputs are assessed as *Not Started*, while one is assessed as *In Progress*. The recommendation provided is that a snapshot of the labour market in rural areas is needed for understanding the situation and the required professions as a guidance for further steps.

44. There are some sporadic practices of NES reaching out to rural areas in the context of the 100 villages initiative and responding to needs identified through VTCs.

C1.4. Training and employment of marginalised and disadvantaged women and men, including Roma and PwD

Outputs	Status of completion				
	NS	IP	HP	C	SC
A new programme on wage subsidies and on-the-job training for people with PwD will be implemented for the first time in 2014					X
Review of the active labour market measures carried out and new measures designed					X
New measures for employment promotion of marginalised and disadvantaged women and men, among which Roma and PwD, extended to rural areas	X				
Overall status of completion				3.67 = C	

MAIN DEVELOPMENTS AND ASSESSMENT: The actions taken for the first two outputs are the same as those reported under Pillar A. As such, both the output regarding the dedicated programme for PwD and revision of the ALMPs are reported as *Successfully Completed*. However, it is necessary to clarify the outputs in terms of their focus just in rural areas and to reformulate those properly.

C2. Promoting social entrepreneurship (social economy and third-sector jobs) and women's economic empowerment

No.	Sub-objective	Actions	Status of completion
C2	Promoting social entrepreneurship (social economy and third-sector jobs) and women's economic empowerment	C2.1 Design and implementation of measures in relation to social entrepreneurship	IP
		C2.2 Creation of conditions for fostering female and male employment in the third sector (social enterprise focus)	IP

C2.1. Design and implementation of measures in relation to social entrepreneurship.

Outputs	Status of completion				
	NS	IP	HP	C	SC
Increase in the number of women and girls benefiting		X			
Tracer study on female and male beneficiaries progressing into employment, start-up, clusters etc., in rural and urban areas	X				
Mentoring programme for women and girls in place and accessible in rural areas		X			
Concept of social enterprise (including model of cooperatives) defined and addressed through proper legislation, in a SEE regional perspective		X			
Comprehensive start-up strategies consisting of one-stop-shop consultancy and professional business idea assessment composed	X				
Modularised training in preparation of a start-up and ongoing consultancy for at least the first year of self-employment assured	X				
Required qualifications ensuing from the Small Business Act for Europe, with Istanbul Indicators integrated into NES modules, and reflected in all training, coaching, counselling and business consultancy measures	X				
Increased access to training and the labour market for women by supporting policies, measures and initiatives that aim at reconciling work and family life (e.g. child care facilities), including in rural areas		X			
Inter-sectoral cooperation between the Policy Advisory Group on Women's Entrepreneurship (Ministry of Economic Development, Trade and Entrepreneurship), NES and the VET system	X				
Overall status of completion				1.4 = NS	

MAIN DEVELOPMENTS: The Law on the Social Enterprise has been approved. This law regulates the concept, organisation and operation of social enterprises in line with an SEE perspective and sets out the conditions and criteria that an entity must fulfil to obtain the status of a social enterprise. The DCMs are approved and another one is in process regarding the financial aspects of social enterprises. A communication campaign is expected to start and in this context a two-year action plan on social entrepreneurship is already approved by Order of the Minister. Since 2015, Albania has become eligible to participate in the European Programme on Employment and Social Innovation (EaSi),⁴⁵ through an agreement ratified by the Albanian Parliament (Law no. 75/2015).⁴⁶ EaSi “is open for application to all public or private bodies, or both, actors and institutions,” and provides a good financial opportunity to advance social entrepreneurship in Albania. UN Women is involved in advancing social entrepreneurship in rural areas for women and girls and some activities are implemented as part of the two-year action plan.

ASSESSMENT RESULTS: All outputs under this action are assessed as either *Not Started* (five) or *In Progress* (4). The following remarks are presented:

- *Increase in the number of women and girls benefiting.* Creating a register of existing active social entrepreneurship is considered a good initial step for progress of this output.
- *Tracer study on female and male beneficiaries progressing into employment, start-up, clusters etc., in rural and urban areas.* This output is considered to be very ambitious according to the current evidence.
- *Comprehensive start-up strategies consisting of an all-inclusive consultancy and professional business idea assessment composed.* The output should be revised because there is no linkage with social entrepreneurship.
- *Modularised training in preparation of a start-up and ongoing consultancy for at least the first year of self-employment assured.* The output should be revised because there is no linkage with social entrepreneurship.

45. This is a financing instrument at the EU level to promote a high level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions.

46. Albania is eligible to apply under the 1st and the 3rd axes of the programme. EaSi is open to applications from all public and private bodies, actors and institutions.

- *Required qualifications ensuing from the Small Business Act for Europe, with Istanbul Indicators integrated into NES modules, and reflected in all training, coaching, counselling and business consultancy measures.* This output exceeds the scope of the activity of the ministry in charge.

C2.2 .Creation of conditions for fostering female and male employment in the third sector (social enterprise focus)

Outputs	Status of completion				
	NS	IP	HP	C	SC
Capacity building of NGOs including improvement of management knowledge and skills, supporting professionalism, training for the establishment and implementation of new business, and 'learning partnership' promoted		X			
Training of local and regional authorities and public institutions in how to work with third-sector organisations delivered		X			
Cooperation between NGOs and the business sector promoted		X			
Overall status of completion			2 = IP		

MAIN DEVELOPMENTS: The two-year action plan on social entrepreneurship communication campaign directly addresses the capacity building of the NGOs, the promotion of the so-called 'learning partnership' and cooperation between NGOs and the private sector, but to date no concrete initiatives and results are evidenced. Additionally, some of the activities foreseen for implementation consist of training of local and regional authorities and public institutions in promoting social enterprises. Generally, these two last outputs are considered to be delivered on a project basis with active donor contributions.

ASSESSMENT RESULTS: All outputs under this action are assessed as *In Progress*. Poor evidence and no clarity exists regarding further developments under this action.

C3. Introducing an activation strategy to minimise inactivity and welfare traps

No.	Sub-objective	Actions	Status of completion
C3	Introducing an activation strategy to minimise inactivity and welfare traps	C3.1 Reform of social assistance system to avoid leakages, target errors, increase coverage of eligible individuals and link welfare with reintegration into the labour market	C

C3.1. Reform of social assistance system to avoid leakages, target errors, increase coverage of eligible individuals and link welfare with reintegration into the labour market

Outputs	Status of completion				
	NS	IP	HP	C	SC
Harmonised delivery of employment and social services to address the needs of individuals facing multiple disadvantages, maximise the interaction between passive and active policies, identify disincentives to labour market participation, and reduce welfare dependency					X
System combining social welfare and active labour market policies (possibly including a community works programme) established to support labour market integration of Ndihma Ekonomike ⁴⁷ recipients					
Monitoring mechanism established that tracks the situation of vulnerable and socially excluded women and men in Albania, including those affected by migration		X			
Overall status of completion				3.5 = C	

MAIN DEVELOPMENTS: With regards to a harmonised delivery of employment and social services, the National Social Protection Strategy 2015–2020 was approved in 2015. This strategy aims at reforming the Social Protection Programme, towards transformation of the economic aid programme into an active re-integration scheme. It would do this by creating employment opportunities through increasing the involvement of social assistance beneficiaries in ALMPs, as well as towards the connection of economic aid with VET schemes of EPPs.⁴⁸ Following a study on social assistance beneficiaries, three pilots⁴⁹ have been implemented for modernisation of social assistance in terms of transparency, efficiency and the use of a dotted formula for a better targeting of poor households. Since January 2018, a reformed scheme for Economic Aid is being implemented across the country, accompanied by required improvements in the legal framework for a nationwide implementation. An electronic infrastructure in all administrative units (municipalities and regional directorates of the State Social Services) has been developed and all users have been trained in its use. In 2016, the NES information system was connected to the information system used by the social protection system (social assistance). Exchange of information has helped employment programmes to target people previously under the social assistance programme.⁵⁰ Previous initiatives on piloting the community works have not proved successful. The Ministry of Health and Social Protection has approved Standardised Reporting Mechanisms on the monitoring of abuse and corruption in the Economic Assistance scheme, through Instruction no. 715, dated 11.10.2018, based

47. Economic assistance.

48. In the frame of a cooperation agreement between SSS and NES, a total of 2,475 people from families in need were employed in 2018, and 427 people from families in need were involved in Vocational Training courses.

49. Durres, Elbasan and Tirane.

50. In 2016, 10% of people supported by ALMPs were taken out of social assistance (*Ndihma Ekonomike*).

on DCM no. 566, dated 29.09.2018 'On the procedures of Economic Assistance and Disability Benefit control'. This monitoring mechanism does not include the current situation of vulnerable groups or those affected by migration and there have been no attempts for future involvement of these elements into the mechanism in place.

ASSESSMENT RESULTS: The output regarding the harmonisation delivery of employment and social services is *Successfully Completed*. Analysis of a follow-up survey to measure impacts will be conducted by end of year 2018. The output regarding the monitoring mechanism is assessed as *In Progress*.

The following remark is presented:

- *System combining social welfare and active labour market policies (possibly including a community works programme) established to support labour market integration of Ndihma Ekonomike recipients.* The output is considered as not relevant, especially in reference to community works. As such it is suggested it be removed.

Strategic Objective D: Strengthen the governance of the labour market and qualification systems

National Employment and Skills Strategy 2014–2020	2014 Baseline	2015	2016	2017	2020 Target
75% of the staff of MoSWY working for Strategy reforms	Not provided	Not provided	n.a.	n.a.	
At least 80% of the targets established by the Action Plan of the Strategy achieved	Not provided	Not provided	n.a.	n.a.	
Establishment of Employment and Training Fund	Law drafted	n.a.	n.a.	No Progress	
Establishment of sound mechanisms for monitoring and evaluation of the labour market and VET outcomes	Ongoing	Completed	Completed	Completed	
Increased involvement of the private sector in the governance and financing of the sector	No progress	No progress	No progress	No Progress	
A modern legal framework aligned with EU standards, including a further developed AQF	-	VET Law drafted	VET Law approved	Completed	
		AQF Law under revision	AQF Law under revision	Completed	
Strengthen social dialogue	National Labour Council (NLC) re-established	NLC met 3 times	NLC met 3 times	No progress	

Sector Reform Contract Result Indicators (IPA 2015)	2014 Baseline	2015	2016	2017	2020 Target
No. of qualifications designed or revised according to AQF, NAVETQ	87	20	30	25	
Adoption of the revised Labour Code and subsidiary legislation		Labour Code amendments adopted	Objective met in 2015	Objective met in 2015	

Assessment of the status of completion of outputs for each action

No.	Sub-objective	Status of completion
D1	Reforming the financing and governance of the labour market and VET systems	NS
D2	Developing and implementing the Albanian Qualification Framework	HP
D3	Improving the quality and gender-sensitivity of labour market information and ensuring its use for more equitable and effective governance, including funding	HP
D4	Modernising the legislative framework for VET (initial VET and adult training)	C
D5	National legislation regulating mobility and labour market governance in line with the country's broader socio-economic development goals and EU Acquis	NS
	Status of completion	HP

D1. Reforming the financing and governance of the labour market and VET systems

No.	Sub-objective	Actions	Status of completion
D1	Reforming the financing and governance of the labour market and VET systems.	D1.1. Creation of an Employment and Skills Development Fund	Not relevant
		D1.2. Creation of autonomous structure(s) for the administration, and the development and oversight of VET (the current NAVETQ)	NS
		D1.3 Strengthening the role of the National Labour Council	HP
		D1.4 Creation of a National Council for VET	NS

D1.1 Creation of an Employment and Skills Development Fund

Outputs	Status of completion				
	NS	IP	HP	C	SC
Employment and Skills Development Fund principles and mechanisms for both the collection of contributions and the disbursement of funds developed in consultation with the private sector and donors					
Legislation for Employment and Skills Development Fund drafted and adopted					
Employment and Skills Development Fund managers and staff recruited and trained					
Employment and Skills Development Fund procedures drafted and made operational					
Annual implementation plans drafted and implemented through specific regulations					
Role of businesses as intermediaries strengthened					
Calls for applications published to fund training and employment measures according to specific criteria					
Contracts with providers signed and managed					
Awareness raising, publicity, monitoring, evaluation and reporting activities implemented					
Overall Status					No longer relevant

MAIN DEVELOPMENTS: The Law ‘On the Fund for Employment and Skills Development’ was drafted during the period 2013–2014 through a long process of consultations. However, its approval is still pending due to certain legal and budgetary constraints. Currently, MoFE reports that the creation of the Employment and Skills Development Fund is no longer valid as a policy instrument. As such, all related outputs under D.1.1 are irrelevant.

ASSESSMENT RESULTS: The outputs under D.1.1 are *Not Assessed* and it is suggested they are removed from the action plan.

D1.2. Creation of autonomous structure(s) for the administration, and the development and oversight of VET

Outputs	Status of completion				
	NS	IP	HP	C	SC
Revised law and related by-laws drafted and adopted		X			
Strong private sector participation ensured in the decision making of the structures and annual development activities	X				
Structure for the administration and development of VET in Albania established and organisational chart and tasks defined	X				
Staff recruited and all staff trained in line with the new tasks and a training needs analysis	X				
Annual plans for VET development approved in line with NESS 2020 Action Plan and progress reporting assured	X				
Overall Status					1.2 = NS

MAIN DEVELOPMENTS: Law no. 15/2017 ‘On Vocational Education and Training in the Republic of Albania’, article no. 9, describes NAVETQ as having new roles and responsibilities in the VET system. The new NAVETQ organisational structure and related operational procedures are not yet approved, but the intention remains to strengthen its function and mission, clarify its legal framework and, particularly, remove overlapping and inter-institutional coordination issues. This law also stipulates that the National Agency for Employment and Skills be established. For this to happen, the new Law on Employment Promotion should be approved.

ASSESSMENT RESULTS: Four out of five outputs are assessed as *Not Started*. No further and important comments are provided here.

D 1.3. Strengthening the role of the National Labour Council

Outputs	Status of completion				
	NS	IP	HP	C	SC
Functional National Labour Council with tripartite representation approved		X			
Legal framework for operationalisation of the National Labour Council in place				X	
Compliance with 30% minimum quota of qualified women in leading, decision-making, or management positions			X		
Overall Status			3 = HP		

MAIN DEVELOPMENTS: The National Labour Council⁵¹ (NLC) is the highest tripartite social dialogue structure at the national level, organised into seven thematic commissions. The NLC gathers periodically for discussing reforms and policy interventions such as Labour Code changes, the curricula development for VET and some job safety issues, Law on Social Enterprises, the policy document on social protection and inclusion, labour market informality, etc. The sub-acts for the functioning the NLC were approved during 2018, including: (1) DCM no. 84, dated 14.2.2018, ‘On some additions and amendments to DCM no. 1039, dated 04.12.2013, ‘On the Functioning of the NLC and appointment of representatives of Council of Ministers to this Council’; (2) DCM no. 129 dated 7.3.2018 ‘On the Determination of Employers and Employers Organisations at the National Labour Council’; and (3) Order of the Minister of Finance and Economy no. 101, dated on 28.03.2018, ‘On the appointment of members and candidates of the National Labour Council, representatives of Employers, and Employers Organisations.’ There has been an increase in the female representation on NLC, reaching 26 percent compared to 15 percent in 2014. In 2018, five out of seven ministers, members of the NLC, are women, while in 2014 there were only two out of seven.

ASSESSMENT RESULTS: A functional NLC is still considered a very difficult output to produce. Much remains to be done to have an effective functioning of NLC and to achieve the maximum contribution from all partners involved. The legal framework is assessed as *Completed*, but analysis should be undertaken within the implementation frame of NESS 2014–2020 on the effectiveness and efficacy of NCL. Good progress has been made regarding women representation in NCL.

51. NLC is organised by seven thematic tripartite commissions: (1) Legal; (2) Employment, VET and Qualification; (3) Wages and Pensions; (4) Work Environment; (5) Health and Safety; (6) Equal Opportunities, Disability and Youth; and (7) Economic and Financial.

D 1.4. Creation of a National Council for VET

Outputs	Status of completion				
	NS	IP	HP	C	SC
Mechanisms for regular meetings of National Council for Employment and VET created	X				
Ad hoc working committees established	X				
Operational Plan of the National Council for Employment and VET in place and regularly updated	X				
Timely deliberations on gender-equitable employment and VET governance and financing taken	X				
Overall Status	1 = NS				

MAIN DEVELOPMENTS: No progress has been made regarding the outputs under D.1.4.

ASSESSMENT RESULTS: MoFE reports that the new Law on VET and the draft Law on Employment have foreseen the establishment of this Fund and as such the outputs under D.1.4 are not relevant. It is suggested to remove D.1.4 from the Action Plan.

D2. Developing and implementing the Albanian Qualification Framework

No.	Sub-objective	Actions	Status of completion
D2	Developing and implementing the Albanian Qualification Framework	D2.1 Review of the work undertaken on vocational qualifications of the AQF	HP
		D2.2 Establishment and operationalisation of sector committees	IP
		D2.3 Revision and linking of curricula to the AQF	SC
		D2.4 Selecting bodies and putting in place procedures for the validation of qualifications, skills assessments, certification and the validation and recognition of prior learning	HP

D2.1. Review of the work undertaken on vocational qualifications of the AQF

Outputs	Status of completion				
	NS	IP	HP	C	SC
Legal framework for AQF reviewed			X		
Legal package (e.g., financial, administrative regulations) prepared			X		
Review undertaken by NAVETQ on work done so far on qualifications, under various donor projects, and on qualifications offered by public and private VET providers and by universities					X
Research into different models for implementation of the credit system in VET undertaken	X				
Albanian credit system model conceptualised	X				
Overall status	2.6 = HP				

MAIN DEVELOPMENTS: Law no. 23/2018 of 10.05.2018 ‘On some amendments and addenda to Law 10247 of 4.3.2010 ‘On the Albanian Qualifications Framework (AQF)’” was adopted by the Albanian Parliament. Meanwhile, the AQF Task Force, led by NAVETQ, has established three technical working groups to prepare draft

DCMs for implementation of the amendments introduced by Law no. 23/2018. A draft DCM on detailed level descriptors has been prepared and consulted with relevant stakeholders. The AQF Task Force has consulted with relevant stakeholders the initial drafts of the DCMs on inclusion of LLL qualifications in the AQF and on establishing sector committees. Three draft DCMs were awaiting adoption at the end of December 2018. Apart from working with the legislation, the Task Force has prepared information documents on the AQF in order to increase general understanding and awareness among the public of the AQF and the List of National Qualifications with regard to demand in the labour market. It has also started the process of referencing national qualifications with the EQF. NAVETQ, in cooperation with the business sector, developed a revised National List of Occupations, which was adopted by DCM no. 514, dated 20.09.2017. The classification is a valuable source of information for development or revision of vocational qualifications and their descriptions and standards. These in turn will be included in the National Register (Catalogue) of Vocational Qualifications, compiled by NAVETQ and which will contain all vocational qualifications at AQF levels 2, 3 and 4. The National Catalogue is prepared in collaboration with the main stakeholders, including social partners, VET professionals and qualification experts. In 2017, 15 vocational qualification descriptions and standards were developed, all accessible online and of which three represent new profiles. Currently, NAVETQ is in the process of translating qualification standards into a frame curriculum. Pursuant to Law no. Nr. 15/2017 on VET, a draft DCM for establishment of NAVETQ has been prepared and submitted to line ministries for comments. The draft DCM reorganises NAVETQ to better support AQF implementation and quality assurance in VET, including regulation of financial aspects. The instruction of the Minister of Finance and Economy, no. 26, dated on 30/07/2018 'On Approval of the National Catalogue for the Vocational Qualifications' includes administrative procedures for the inclusion of the quality assured qualifications in AQF. A report on the inventory and analysis of existing qualifications in Albania has been developed, providing a comprehensive stock review with detailed information and analysis based on a structured research strategy, with the aim of supporting inclusion of qualifications in the AQF and allocating qualifications to AQF levels in a transparent manner. The financing model for skills development seems to be one of the constraints in the training market for the use of its potential. The most commonly used such financing mechanism leaves the burden of the cost with the individual jobseekers, a disadvantage for the youth when entering the workforce for the first time, or when trying to change jobs. Work is ongoing for exploring and defining various financing models for non-formal, non-public, training providers.

ASSESSMENT RESULTS: The overall assessment of outputs under D.2.1 is *Highly Progressed*. Very good progress has been achieved with the AQF legal framework and the legal package, but more needs to be done regarding coordination of the AQF task force, given the modest resources available. Also, consolidating the legal framework, improving the financial and human resources and strengthening the quality assurance are among the long-term efforts. Work has not yet started for the two last outputs, concerning the credit system for VET students. Delays in adoption of amendments of the AQF Law and a shortage of resources are given as reasons for the failure to achieve these outputs. The new, re-organised NAVETQ will support the achievement of these outputs.

D2.2. Establishment and operationalisation of sector committees

Outputs	Status of completion				
	NS	IP	HP	C	SC
Sectors of strategic importance to Albania prioritised and sector committees established with social partner representation		X			
Compliance with 30% minimum quota of qualified women in leading, decision-making or management positions	X				
Sector committees review qualifications required within their sector	X				
NAVETQ revises list of professions					X
Sector committees develop occupational standards at different levels of competence for a prioritised list of occupations		X			
Overall Status			2.2 = IP		

MAIN DEVELOPMENTS: The amended Law on the AQF foresees establishment of up to ten sector skills committees, which are expected to inform the qualification system by identifying sectoral needs for qualified labour and contribute to external quality assurance of qualifications for AQF levels 2–5. Several studies are currently in place on the types of the sectors most in demand and on the types of professions sought. Concrete plans are articulated to pilot establishment of committees in three sectors, including for drafting qualification standards as per the labour market needs. After a number of analyses and discussions, and also a study tour organised to Estonia, it has been decided that three sectors are to be piloted based on a concept note, including tourism, ICT and agro-processing. Regarding the list of professions, NAVETQ, in cooperation with the business sector, has developed a revised National List of Occupations, which was adopted by DCM no. 514, dated 20.09.2017, and published on the NAVETQ website. The main users (NES and taxation directorate) are closely supported to better make use of the information in the classification.

ASSESSMENT RESULTS: The overall assessment of the outputs is *In Progress*. The outputs can progress only when the sector committees are established and operational. The following remark is presented for the last output:

- *Sector committees develop occupational standards at different levels of competence for a prioritised list of occupations.* The output should be reformulated as: *Sector committees validate occupational standards at different levels of competence for a prioritised list of occupations.*

D2.3. Revision and linking of curricula to the AQF

Outputs	Status of completion				
	NS	IP	HP	C	SC
Curricula revised on the basis of qualifications referenced to AQF levels					X
Overall Status			5 = SC		

MAIN DEVELOPMENTS: Some 17 different curricula and professional qualifications are designed in accordance with descriptions of qualifications associated with AQF levels and with revision of the curricula an ongoing activity for NAVETQ. Curricula for vocational education are prepared in full compliance with the qualification description for each level of AQF. Revision and linking of the curricula to the approved AQF system is a process that requires improvement of financial resources. NAVETQ is working on updating the DCM that defines fees and payment of experts, especially of those from industry and the different sectors contributing to the revision of the VET curricula, as long as in the long-term perspective there is perceived a challenge on ensuring the quality of VET programmes or trainings in compliance with the descriptions as in the AQF.

ASSESSMENT RESULTS: The output is *Successfully Completed*. The establishment of an independent quality assurance mechanism is essential. It is suggested that this output be formulated as follows:

- *Curricula developed and updated on the basis of qualifications referenced to AQF levels.*

D2.4. Selecting bodies and putting in place procedures for the validation of qualifications, skills assessments, certification and the validation and recognition of prior learning

Outputs	Status of completion				
	NS	IP	HP	C	SC
Bodies appointed and procedures in place for the validation of qualifications; assessment of knowledge, skills and competences; certification; and validation of prior learning					
National system of qualifications capable of recognising work experience, skills and qualifications received abroad			X		
Overall Status			3 = HP		

MAIN DEVELOPMENTS: A methodological guide for piloting implementation of the ‘Recognition of Prior Learning mechanisms’ was approved in 2013 with the textile sector selected to undertake the first pilot on drafting the occupational standards⁵² and preparation of the assessment tools. Pursuant to the VET Law, a DCM on the Recognition of Prior Learning (RPL) System was drafted in 2018 and submitted for approval. A guideline on occupational standards is prepared and is in use by the working group members, and a set of assessment tools developed and applied on a pilot basis in 2014 for assessing the competencies of textile industry production technicians occupation, with a group of ten assessors trained in how to conduct recognition and certification of competences acquired in non-formal and informal learning.

The Instruction of the Minister of Finance and Economy no. 24, dated 30/07/2018, regulates the procedures for qualifications at levels 2–5 in terms of recognition and certification of vocational qualifications certified abroad by VET providers or other institutions authorised by the country’s legal framework. Recognition of foreign qualifications aims at guaranteeing the right of persons to progress in VET, higher education or entering the labour market in Albania.

ASSESSMENT RESULTS: Of the two outputs, only one is assessed as *Highly Progressed*. The support of RPL requires detailed procedures, criteria and instruments that need to be developed. For this, resources and capacity building need to be further addressed.

The following remarks on the outputs are presented:

- *Bodies appointed and procedures in place for the validation of qualifications; assessment of knowledge, skills and competences; certification; and validation*

52. Two occupational standards linked with level 2 and 3 of AQF qualifications.

of prior learning. The output needs to be reformulated as *Procedures in place for the validation and recognition of non-formal and informal learning*.

- *National system of qualifications capable of recognising work experience, skills and qualifications received abroad.* The output needs to be reformulated as *Procedures in place for the recognition and certification of vocational qualifications certified abroad*.

D3. Improving the quality and gender-sensitivity of labour market information and ensuring its use for more equitable and effective governance, including funding

No.	Sub-objective	Actions	Status of completion
D3	Improving the quality and gender-sensitivity of labour market information and ensure its use for more equitable and effective governance, including funding	D3.1 Gender-sensitive review of existing surveys and analysis of skills needs at national and regional levels	C
		D3.2 Establishment of a gender-sensitive tracer system for VET graduates (initial and continuous training)	HP
		D3.3 Development of information sharing instruments on gender-sensitive labour market data (labour market bulletins, websites, etc.)	HP
		D3.4 Establishment of mechanisms for sectoral skills forecasting	NS

D3.1. Gender-sensitive review of existing surveys and analysis of skills needs at national and regional levels

Outputs	Status of completion				
	NS	IP	HP	C	SC
Regular gender-sensitive national skill needs analyses carried out and findings published on line					X
Skills needs assessment and related methodologies take into account mobility and migration of the population				X	
Capacity development measures ensuring that gender equality, diversity and equal opportunity aspects are integrated into all methodologies and studies, and into the analysis and interpretation of VET and labour market data					X
Regional skill needs analysis carried out using ETF–GIZ baseline study and regional development plans (UNDP), among others					X
National and regional skill needs analyses inform the re-conceptualisation of the network of VET providers and the gender-sensitive VET profiles offered in Albania and in each region			X		
Overall Status				4.4 = C	

MAIN DEVELOPMENTS: The MoFE reports that gender equality, diversity and equal opportunity are integrated into all methodologies and studies regarding VET and the Labour Market. Thus, periodical SNA surveys have been implemented since 2010⁵³ enriched with both gender and social data on PwD, youngsters and foreign national

53. The last SNA was carried out in 2017 with the support of UNDP, with data disaggregated by region, size, ownership and sector.

employees. The data are disaggregated by region, size, ownership and sector. The results of the SNA 2017, demand analysis, and other relevant studies are used by the working group at MoFE to develop a plan for optimisation and rationalisation of the VET providers network. A study has been published on *Building an AQF: Demand side analysis and Lists of Occupations*,⁵⁴ which examines national and regional needs for skills of certain profiles and qualifications. A specific SNA on elderly care is also published, the findings of which were used by NAVETQ to revise the List of National Vocational Qualifications.

ASSESSMENT RESULTS: The overall assessment of these outputs is *Completed*. Many studies have been published on VET and the Labour Market, and some are periodically published. The challenge for the future remains to make use to the maximum possible extent of the findings and recommendations of those studies.

The following remark is presented regarding one output:

- *Skills needs assessment and related methodologies take into account mobility and migration of the population.* The suggestion is to clarify the idea and the purpose of the output.

D3.2. Establishment of a gender-sensitive tracer system for VET graduates (initial and continuous training)

Outputs	Status of completion				
	NS	IP	HP	C	SC
Gender-sensitive tracer systems implemented by all VET providers and results released to the general public					X
Female and male graduates traced and gaps in gender-specific data and information closed	X				
Results obtained through gender-sensitive tracer studies inform VET and labour market policy, management, decision making, prioritisation and budget allocation	X				
Employment policy makers capable of recognising skill gaps in the national labour market and elaborate measures promoting skills transfer and borrowing from other labour markets				X	
Overall Status	2.75 = HP				

MAIN DEVELOPMENTS: A tracer system⁵⁵ for graduates from VET secondary schools and VT centres is implemented aiming at increasing the effectiveness of the vocational trainings and their relevance to employment, based on the information on

54. The main purposes of the study were to: i) identify the sectors of strategic importance to Albania and the occupations required within these sectors, ii) consult the key stakeholders in all 12 Albanian regions about the perceived needs for certain occupations, and iii) compile an initial national list of most demanded occupations (182 in total).

55. Only operational for Tirane region, including Kamez.

the employability of students and trainees provided in the reports. NES has agreed on the concept of a tracer system at the national level and carried out the first surveys in 2017, one among graduates from the vocational schools and another among graduates from the training centres. Meanwhile, the development of a provider-based tracer system has been introduced to assist VET providers measure their impact and identify their factors of success (WBL being one of them) influencing the employment status of graduates.⁵⁶ Staff responsible in the development centres of these institutions have been preparing for a second tracer round via an online survey and shared via an open source system (Kobo). A gender dimension in the tracer system is not in place even though it is an explicit indicator for budget support. MoFE reports that the level of knowledge and expertise of the employment policymakers, with regard to the skills gaps at the national level, is sufficiently developed through satisfactory information in circulation, and they are able to respond with adequate policy measures and in terms of the harmonisation of the legislation and related measures.

ASSESSMENT RESULTS: Half of the outputs are assessed as *Completed* and the other half as *Not Started*, with the latter related to the gender gaps in tracing data and the use of gender-sensitive results in the whole policymaking process.

D3.3. Development of information sharing instruments on gender-sensitive labour market data (labour market bulletins, websites, etc.)

Outputs	Status of completion				
	NS	IP	HP	C	SC
Gender-sensitive labour market data released regularly		X			
Gender equality, diversity and equal opportunity goals integrated into all procedures and processes of information sharing, and into the analysis and interpretation of labour market data		X			
Labour market information system (LMIS) capable of feeding into decision making on broadening and narrowing access of foreigners to the labour market in Albania, identifying sectors, locations with labour shortages and structural imbalances		X			
Gender-sensitive labour mobility and migration indicators inserted into LFS and monitored				X	
Methodology for gender-sensitive measuring of labour migration in Albania developed and applied for generation of statistical data				X	
Regular gender-sensitive reports on labour mobility and migration within, into and out of Albania produced		X			
Overall Status					2.7 = HP

MAIN DEVELOPMENTS: The LFS data are reported following the latest international standards approved by the International Conference of Labour Statisticians (ICLS). The data, provided by INSTAT, are used to draw inferences on the dynamics of the

56. Four schools have already traced the first generation of graduates (class of 2016).

labour market and the monitoring indicators of NESS 2014–2020 in time and with relevance to the National Harmonised Gender Indicators (constantly applied) and the perspective of gender for the labour market. Additionally, NES information and data on the number of registered unemployed jobseekers, participation in EPPs and beneficiaries of ALMPs are gender-sensitive for the monitoring and reporting. Gender equality and diversity criteria are an integral part of all procedures, the monitoring and evaluation process and the relevant indicators. Employment programmes have been successful in delivering equal employment for women, in compliance with the monitoring targets. Regarding access of foreigners to the Albanian labour market, the priority has been on assisting returned emigrants, with good progress in this respect. No quota exists for the foreign labour force and a prioritisation policy is in place. Regarding migration, the LFS quarterly survey has incorporated a new module for measuring internal, international and returned migration flows, and relevant data are processed⁵⁷ and published on an annual basis, disaggregated by reasons for migration, sex and age group. Statistical data delivered by the LFS migration module, as well as the administrative data on residence permits and foreigners in Albania (Directory of Borders and Migration) for employment reasons, might provide a basis for inclusion in the reporting on labour mobility. Both data sources have continuously been improving and the coverage is more complete, enabling preparation of that report.

ASSESSMENT RESULTS: Despite the overall assessment of the outputs as *Highly Progressed*, four out of the six outputs are still *in Progress*.

D3.4. Establishment of mechanisms for sectoral skills forecasting

Outputs	Status of completion				
	NS	IP	HP	C	SC
Sectoral skills forecasting methodology designed	X				
Overall Status	1 = NS				

MAIN DEVELOPMENTS: No progress has been made regarding sector skills forecasting.

ASSESSMENT RESULTS: The output is assessed as *Not Started*.

57. Together with the administrative data on residence permits and foreigners in Albania (Directory of Borders and Migration) for employment reasons.

D4. Modernising the legislative framework for VET (initial VET and adult training)

No.	Sub-objective	Actions	Status of completion
D4	Modernising the legislative framework for VET (initial VET and adult training)	D4.1 Review of all pieces of existing legislation that regulate VET (in schools, VTCs, or higher professional education at universities, by public or private providers) and aspects related to VET (curriculum development, teacher training, etc.)	C

D4.1. Review of all pieces of existing legislation that regulate VET (in schools, VTCs, or higher professional education at universities, by public or private providers) and aspects related to VET (curriculum development, teacher training, etc.)

Outputs	Status of completion				
	NS	IP	HP	C	SC
Legal working group created to review examples from other countries and design a new comprehensive VET framework legislation					X
New framework VET legislation in place that regulates all aspects of a modern VET system			X		
Overall Status			4 = C		

MAIN DEVELOPMENTS: The new VET Law, approved in February 2017, creates immense space for implementing the reforms of the VET–VTC system in Albania, in compliance with the objectives and aims of NESS 2014–2020. Around 30 draft by-laws are awaiting approval.

ASSESSMENT RESULTS: The overall assessment of the outputs is *Completed*.

D5. National legislation regulating mobility and labour market governance in line with the country's broader socio-economic development goals and EU Acquis

No.	Sub-objective	Actions	Status of completion
D5	National legislation regulating mobility and labour market governance in line with the country's broader socio-economic development goals and EU Acquis	D5.1. Approximation of relevant Albanian legislation with EU Directives	IP
		D5.2. Closing of skills gaps in the local labour market by active employment of specialists	NS

D5.1. Approximation of relevant Albanian legislation with EU Directives

Outputs	Status of completion				
	NS	IP	HP	C	SC
Legislation adopted in conformity with EU legislation		X			
Compliance ensured with blue card directive, seasonal worker directive, single permit, researchers and scientists, family unification		X			
SEE regional labour market more inclusive and labour mobility promoted across countries		X			
Overall Status			2 = IP		

MAIN DEVELOPMENTS: Approval of Law no. 74/2016⁵⁸ dated 14.07.2016 for changes to Law no. 108/2013 'On Foreign citizens' is fully aligned with the EU directives regulating the entry and stay of foreign citizens from third countries for work, study or volunteer purposes and activities. Albanians from Kosovo and from the Republic of Serbia enjoy equal rights with Albanian citizens and are not required to obtain a work permit or a certificate of enrolment at work. The harmonisation of Occupational Health legislation based on the EU framework Directive was fulfilled. All missing individual directives were transposed⁵⁹ and submitted officially to the responsible ministries for further legislative procedures. From the long-term perspective, Albania aims to further align and approximate its legislation to enable EU citizens to have equal access to the Albanian labour market. Regarding labour mobility across countries, Albania has contributed to the SEE 2020 Strategy, but no follow up has been noted.

ASSESSMENT RESULTS: The three outputs are assessed as *In Progress*. The following suggestion is made regarding one output:

- *Legislation adopted in conformity with EU legislation.* Analysis is needed to assess the level of conformity of the legislation with that of the EU.

D5.2. Closing of skills gaps in the local labour market by active employment of specialists

Outputs	Status of completion				
	NS	IP	HP	C	SC
Skills transfer programmes facilitated in the SEE region		X			
Overall Status			1 = NS		

MAIN DEVELOPMENT: No progress is reported for this output.

ASSESSMENT RESULTS: The output is assessed as *Not Started*.

58. It grants access to the labour market only to citizens from South-eastern European countries: Bulgaria, Greece, Croatia, Cyprus and Kosovo.

59. One directive on the Safety of Young Workers transposed and 3 other regulations in the area of Occupational Health developed: in total 21 legal acts with 11 already adopted by the CoM.

SWOT⁶⁰ Analysis of NESS 2019–2020

STRENGTHS

- Employment, skills and quality assurance are top priorities at policy level
- NESS 2014–2020 provides full coverage of strategic areas linked with employment, skills and quality assurance and is in line with European developments
- Law on VET and the Law on AQF approved
- Good documents available regarding sector analysis, policies, evaluation of programmes and future needs
- Staff with a long experience in NES, NAVETQ, regional and local employment offices, and VET schools
- Staff well motivated to perform
- Increased understanding of actors on the current state of employment and skills, importance and weaknesses and problems
- Increased awareness and interest of young people to enrol in VET and of unemployed jobseekers to look for NES services
- Rich inventory of success stories at the provider level, mostly supported by donors
- Increased commitments by EU and other donors and interest to continue supporting employment and skills strategy
- Advanced businesses in the different sectors in terms of applied technologies, know-how and high standards of services
- Increased public budget for employment and skills and EU budget support through a Sector Reform Contract

OPPORTUNITIES

- Employment, skills, economic development and finance under the responsibility of one institution: MoFE; this can facilitate coordination and private businesses involvement in VET and the employment agenda
- Several other national reforms undertaken by government that contribute to NESS implementation and efficiency
- Many reforms in the sector have advanced, such as NSM in employment services, optimisation of VET providers, piloting of establishment of MFCs, more and better targeted EPPs, CPD of teachers
- Mid-Term Assessment Report of NESS 2014–2020 is an instrument for adjustments and prioritisations
- Agency for Employment and Skills to be established and equipped with adequate staff numbers and competences

60. Strengths, Weaknesses, Opportunities and Threats

- Good performance of the economy in recent years and increased number of jobs created and of vacancies

WEAKNESSES

- Lack of by-laws for an effective implementation of the VET Law and the Law on AQF
- Delayed approval of the new Law on Employment Promotion
- Poor cooperation of the VET schools and Employment Offices with private businesses
- Delayed process of self-assessment and accreditation of VET providers
- Limited human and financial resources in the ministry, NESS and NAVETQ to afford the very ambitious agenda settled in NESS 2014–2020
- Lack of prioritisation of the actions of NESS 2014–2020
- Immature policy thinking and coordination among different key ministries and institutions
- Poor exchange of information among institutions
- Insufficient consultation process with social partners and experts regarding legal changes
- Good practices of donor projects not mainstreamed at the national level
- No systematic approach to monitoring and evaluation
- No culture of communication and cooperation between public and private providers active in the area of employment and VET

THREATS

- Insufficient institutional capacities to cope with the very ambitious reform agenda
- MoFE responsibilities for public finances have higher priority than for employment, skills and economy
- Lack of administrative tradition and capacities to perform under a large ministry such as MoFE
- Insufficient finances to achieve the monitoring targets of NESS 2014–2020
- Insufficient monitoring structures and capacities by appropriate government institutions regarding the quality of employment offices and VET providers
- Lack of culture of cooperation between schools and centres and capacities to diversify the training offer
- Insufficient human and financial resources to advance regarding Strategic Area C of NESS 2014–2020
- Low level of cooperation with other actors and stakeholders, particularly at the local level

Conclusions and Recommendations

6.1 A total of 251 outputs of NESS 2014–2020 have been assessed. The overall finding is that 22 percent of the outputs have *Not Started*, 33 percent are *In Progress*, and 35 percent are either *Highly Progressed* or *Completed*, or *Successfully Completed*. Eleven percent of the outputs fall under the category *Not Assessed* with more than a third in Strategic Priority D. The main reasons for the non-assessment of these outputs are that they: i) have an unclear status, ii) are not relevant to the sub-objective, iii) are over-ambitious or unrealistic, iv) exceed the functional responsibilities of the responsible institution, v) are not a priority, and vi) are repetitive within the action plan. For each *Not Assessed* output a clear reason is provided. However, beyond the list of non-assessed outputs, additional outputs lack clarity and thus their implementation is hampered.

6.2 All monitoring indicators of NESS 2014–2020 have shown good yearly progress with comparison to the baseline indicators. However, the projections for 2020, based on the progress over 2014–2017, indicate that some of the targets are achievable, are close to being achieved for some and difficult to achieve for a very few. As such, it is necessary for the institutions in charge of NESS implementation, together with INSTAT, to discuss how to achieve better results regarding the non-performing indicators. Also, inter-institutional dialogue is very important, especially considering several new developments in the area of data collection. Thus, from 2019, LSMS will no longer be used by INSTAT as an instrument for monitoring poverty and will be replaced by a new instrument for measuring poverty and low-wage employment: Statistics on Income and Living Conditions (SILC). LSMS and SILC series will not be methodologically connected to each other, so the indicators monitored through LSMS ought to be reformulated for use for SILC. Other statistical developments lie ahead for INSTAT, including i) methodological changes to LFS, (ii) methodological changes to the National Accounts, to be applied in 2021 (related to the European System of National and Regional Accounts (ESA 2010) and the correction of GDP figures with the informal economy), based on the requirements of Eurostat, and iii) the new Census to be carried out in 2020.

6.3 The Mid-Term Review (MTR) provides a large amount of information showing that NESS 2014–2020 and its Action Plan are to a large extent an exhaustive and ambitious programme supporting the overall goal of the Strategy that is to promote quality jobs and skills opportunities for all Albanian women and men throughout the lifecycle, and that is also in line with the strategic objectives of advanced economies.

As such, MTR concludes that the overall goal of the Strategy and the four strategic priorities remain highly relevant and synthesise a long-term strategy for employment and skills development. The policy objectives and the envisaged outputs, regardless of the need for adjustments based on the MTR findings, require more time to be achieved, and go beyond 2020. As result, NESS 2014–2020 can be considered the first phase towards achievement of the overall goal and strategic priorities and should be followed by a second phase of implementation that needs discussion on the outputs, timeframe and resources.

6.4 The MTR provides a comprehensive analysis of each output and indicator for the period 2014–2017. However, additional analysis is necessary, including i) analysis of actual expenditures over the period 2014–2017, and of projected expenditures for 2018–2020, in relation to the strategy’s four pillars (considering domestic and donor funding, existing financial gaps compared to the overall funds needed for implementation of the strategy), ii) cost effectiveness analysis, such as the cost of the EPPs and the unit cost of VET, and iii) preparation of a scenario for the way ahead for NESS 2014–2020, including the contribution of the EU and donors.

6.5 During the three years of implementation of NESS 2014–2020, important institutional changes have taken place, the main one of which is the transfer of VET responsibilities from MoES to MoSWY, followed by the transfer, last year, of responsibilities for the domain of employment and skills to MoFE. While the first institutional change was based upon the need for a VET system to come closer to the labour market, the second change was motivated by the need to avoid bureaucracy between institutions with linked activities and to increase their cooperation and efficiency. It is important that analysis be undertaken on the positive and negative effects of institutional consolidation for implementation of the reform agenda of the employment and skills development sector, the needs for human resources and institutional capacity building, as well as inter-institutional cooperation to comply with the reform agenda of NESS 2014–2020 and beyond. The conclusions of such an analysis should become an integral part of an adjusted action plan under Pillar D.

6.6 There has been continuous donor support for employment, VET and social inclusion policies in Albania. These have contributed substantially to smoothing the financial gap that exists in the sector due to limited public funds and resources, as well as to pushing forward the Albanian employment and skills development agenda

guided by the best practices in advanced economies. Most donor support is delivered on a pilot basis at the level of VET providers and Employment Offices. The MTR shows that excellent progress has been made in all outputs for which donors have been present, while wherever there is a lack of such presence, the actions taken have been very weak, and the efforts to achieve certain outputs are still in an initial stage. This situation indicates not necessarily a dependence of main donors upon the strategy, but that pilot projects implemented by donors usually bring to them good expertise and advanced practices, opening the path towards more systematic changes. Also, at this stage of strategy implementation it is crucially important that many good practices existing at the project or pilot level should be scaled up or institutionalised, or both.

6.7 The MTR analysis concludes that a number of actions and outputs on migration, gender, international labour mobility agreements, identification of preferential countries to facilitate employment of Albanians abroad, included in NESS 2014–2020, were motivated by the agendas of selected projects at the time when NESS was elaborated, to accommodate their own project objectives, without guaranteeing continuous support for further advancement. This must be modified, and it is necessary that implementation of gender- and migration-related outputs in the action plan be supported by specialised institutions and organisations, such as UN Women, gender-based NGOs, and IOM, because the Albanian institutions obviously lack good quality expertise in these fields.

6.8 Based on the results of the MTR and other analysis to be carried out and mentioned in the above conclusions, the process for drafting an adjusted Action Plan for the remaining period should start, together with initiation of discussion around scenarios for ways ahead for NESS 2014–2020. The adjustment process should include i) removal of outputs that are not assessed in the MTR, ii) reformulation of outputs that are unclear or ambiguous, iii) insertion of the relevant actions and outputs resulting from the conclusions and recommendations of the various policy documents, analyses, evaluation reports, etc., drafted over the period 2014–2017, that are assessed as relevant and important for achievement of the four strategic priorities of NESS 2014–2020, and iv) revision of monitoring indicators and related monitoring instruments.

