

**COUNTRY BACKGROUND FOR**  
**ANNUAL PEER REVIEW ON VOCATIONAL EDUCATION AND TRAINING**  
**(11 November 2013)**

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## **BULGARIA**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Bulgaria**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Bulgaria**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR3: Accelerate the national Youth Employment Initiative, for example through a Youth Guarantee. Further strengthen the capacity of the Employment Agency with a view to providing effective counselling to jobseekers and develop capacity for identifying and matching skill needs. (...)**

### ***Education policies***

**The existing schemes to promote youth employment have failed to reach those most in need.** The need to tackle the weak labour market participation of young people was identified in a 2012 CSR for Bulgaria and highlighted as a general priority in the AGS. Under the national ‘Employment for Youth’ initiative Bulgaria has committed itself to reduce the youth (15-24 years) unemployment rate to 23 % and the share of young NEETs to 19% by the end of 2013. Nevertheless, an integrated approach for youth policies is still lacking, hampering the successful delivery of the Youth Guarantee.

**Higher education faces persisting challenges in responding better to labour market needs** (employment levels of young graduates deteriorated to 57.5 % in 2011) **and raising innovation potential in the economy.** The existing financing and structure of the higher education system, including the degree of specialisation, and suboptimal incentives at the institution level, as well as for individual teachers and researchers, contribute to the gap between educational output and demand. Bulgaria has addressed the 2012 CSR on higher education (upper/post-secondary and tertiary) mostly by initiating the process of modernising the curricula for higher and vocational education. Calls for proposals have been issued and 80% of all university students are expected to have modernised curricula by the end of 2014. Curricula for vocational education will be modernised in partnership with employers.

## 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Bulgaria

### **Implementation of the National Youth Employment Initiative**

The main areas outlined in the National Initiative “Jobs for Young People in Bulgaria 2012 -2013” are to activate young jobless people, improve their competitiveness and facilitate their transition from education to employment. Its implementation is expected to bring youth unemployment rate down to 23% and reduce youth inactivity to 19%.

Within that initiative, it is envisaged to propose certain legislative amendments (in 2013) to LEP and LC to regulate internships as a form of employment (*Measure CSR3 – A2*). The objective is to reduce the time young people remain jobless, and encourage the hiring of young people with primary education or lower and without any training qualifications to be trained on a specific job under the guidance of a mentor. A manual was developed, providing methodological guidance to labour intermediaries on working with unemployed young people aged 29 or under who have registered with the labour offices. Individual action plans are developed for each participant. Case managers will work with the unemployed young people. A range of schemes under OPHRD provide training for improving the skills qualifications and competences of young people, with the purpose of improving their employability, in view of the requirements of employers.

To support the transition of young people from education to employment, an agreement (“First Job”) was signed in 2012, between the Government and the social partners, for providing employment to unemployed people aged 29 or under. To encourage youth employment, a range of financial incentives are made available to employers such as reimbursement of salary costs and social security contributions for the

persons hired, and under a OPHRD scheme to promote entrepreneurship, investment costs of up to BGN 20 thousand are reimbursable (*Measure CSR3 – A1*).

Various types of subsidised internships are available in both the real sector and in public administration. In 2012, almost 9 400 young people aged 29 or under have joined employment and training schemes under programmes and encouragement measures in the frame-work of NAPE 2012, and over 33 000 took part in OPHRD schemes. As a result of the 40 youth employment fairs held in 2012, 1 900 young people found jobs, and over 1 200 were registered with labour offices.

In implementing the National Initiative, on 9 July 2012 MEYS and MLSP signed an agreement to exchange information on early school leavers and young people who have completed their secondary-school or higher education and who have not found a job on one side, and on job vacancies posted by EA on the other. As a result of the cooperation between the two institutions, timely support for young people who are not in employment, education or training (NEET) will be delivered more adequately, and this will support Bulgaria's efforts to join the EU Youth Guarantee Initiative.

(...)

Twenty pieces of legislation will be brought into compliance with the new LPSSE21, including the Law on Vocational Education and Training. Amendments to the Law on Vocational Education and Training, which are also at the stage of public discussion and are also scheduled to become effective as from the 2013/2014 school year, will introduce legal regulation enabling the implementation of EU instruments identified in the recommendations of the European Parliament and the Council concerning ensuring quality of vocational education and training, validation of non-formal and informal learning and credit transfer and accumulation in the system of vocational education and training. To modernise curricula and syllabi in secondary vocational education, 80 ordinances concerning SERs for qualifications by profession, 21 syllabi and 129 curricula/study modules for new professions from the List of Professions in vocational education and training<sup>24</sup> were adopted in 2012. This is an on-going process and is performed when required by the level of activity and following a request from the business community reflecting a specific demand.

The main focus in the coming years of the National Reform Programme ‘Estonia 2020’ is on education and employment, with an emphasis on integration of long-term and young unemployed people in the labour market and on the development of their skills.

## **National Targets for 2020**

[...]

### **Reach an employment rate of 76% for the population aged 20-64 by 2020**

**Sub-targets:** Reduce youth unemployment rate (among 15-29-year olds) to 7% and increase the employment rate of older people (aged 55-64) to 53% by 2020

The youth unemployment rate in the 15-29 age group continues to go up, and in 2012 it was 20.8% or 1.7 pp. higher than in the previous year. The main reasons behind the growing youth unemployment are the lack of practical knowledge and skills upon graduation from the educational system. The lack of previous work experience of young people embarking on a first job implies that they will be offered a lower pay by the employers, which does not always match the expectations young job-seekers. Also, in the environment of low demand, the private sector does not create a sufficient number of new jobs to absorb the young people who have completed their education. Reducing the high youth unemployment and inactivity rates is a key task in the 2013 NAPE. To this end, the implementation of the National Initiative “Jobs for Young People in Bulgaria 2012 -2013” will also continue (see Measures under CSR3).

The distribution of unemployed young people aged 29 or under in terms of the monitored occupational groups reveals that the group of registered young people without any specialisation continues to account for

the highest numbers and has the highest relative share in youth unemployment. In 2012, their share was 60.8% (against 63.1% in 2011). In terms of educational levels, young people with primary education or lower retain the highest relative share at 46.7% (against 50.3% in 2011). Measures to improve management in vocational schools (Measure NT4–4), validation of outcomes of non-formal and informal learning, modernisation of curricula in higher education (Measure CSR4–B1) and facilitation of the transition from education to the labour market (Measure CSR3–A1) will improve the educational structure of young people aged 29 or under and their employability.

### 3. Findings from the Education and Training Monitor Country Fiche

#### Key indicators and benchmarks

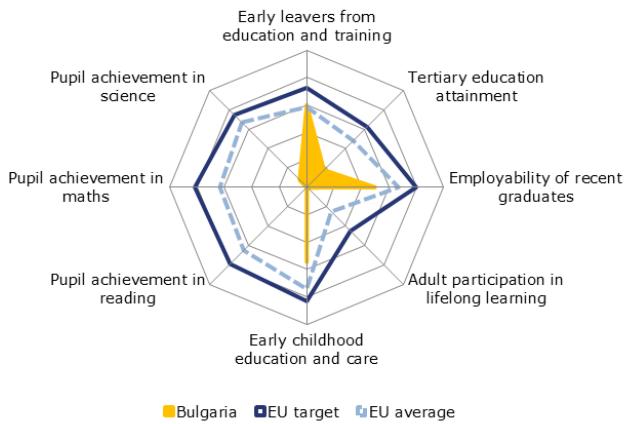
		Bulgaria		EU average		Europe 2020 targets
		2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)		14.7%	12.5%	14.2% EU28	12.7% EU28	EU target: 10% National target: 11%
<b>2. Tertiary educational attainment</b> (age 30-34)		27.9%	26.9%	32.1% EU28	35.7% EU28	EU target: 40% National target: 36%
		Bulgaria		EU average		ET 2020 Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)		78.5%	86.6% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		73.6%	67.3%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)		1.4%	1.5%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds: Level 1 or lower in PISA study)	Reading	41.0%	:	19.6%	:	15%
	Mathematics	47.1%	:	22.2%	:	15%
	Science	38.8%	:	17.7%	:	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	:	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	7.0%	12.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	:	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	35.3% <sup>11</sup>	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	22.9%	19.4% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country		3.6% <sup>11</sup>	7.0% <sup>11</sup>	
		b. Erasmus inbound students as % of student population in host country		0.3% <sup>11</sup>	1.1% <sup>11</sup>	
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3		0.5%	0.7% <sup>11</sup>	0.6% 0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	51.8%	52.2% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	5.3%	:	19.1% EU28	
	Medium qualification	:	-1.9%	:	4.6% EU28	
	Low qualification	:	-27.9%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	4.3%	3.6% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 2,335 <sup>08</sup>	€ 2,190 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>	
		ISCED 1-2	ISCED 3-4	ISCED 5-6		
		€ 2,256 <sup>08</sup>	€ 2,148 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>	
		€ 4,829 <sup>08</sup>	€ 3,763 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>	
Position in relation to highest (outer ring) and lowest performers (centre)						

Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b  
Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6

Notes: <sup>07</sup>=2007, <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, e= estimate, a= unweighted average b= break, p= provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

Bulgaria is facing the challenge of improving the overall quality and efficiency of its education system. The final adoption of the School Education Act before the end of 2013 would provide a framework for progress on the necessary reforms, including modernising curricula, amending Act on Vocational Education and Training and implementing improvements to teachers' education and incentives.

In higher education, reforms have made very limited progress. The existence of an important disparity between higher education outcomes and labour market demand worsens structural unemployment and hampers the development of high-value, innovative sectors. The poor performance of higher education is linked to a lack of incentives at institutional level as well as to the standard of individual researchers and teachers.

Bulgaria is addressing some of its challenges however close attention needs to be paid to adopting the reform laws and to enforcing their implementation while carefully monitoring their impacts. Implementation of the reform of higher education, accompanied by effective governance and sufficient investment will be key for promoting growth and competitiveness of the Bulgarian economy.

The country-specific recommendation (CSR) on education and training from the 2013 European Semester thus recommends the adoption of the School Education Act as well as the reform of vocational education and training and higher education, in particular through better aligning outcomes to labour-market needs and strengthening cooperation between education, research and business. Improving access to inclusive education for disadvantaged children, in particular Roma is also being proposed.

## Skills and qualifications

According to the OECD PISA tests there has been an improvement from 2006 to 2009 in pupil achievement in reading, maths and science. However Bulgaria still remains with 41% and 47.1% in reading and maths respectively the worst performer in the EU, and with 38.8% in science the second worst performer in the EU.

At 12% in 2012 Bulgaria has the second-lowest share of individuals aged 16-74 with high computer skills which is consistent with the low rate of access to ICT. Bulgaria is below the EU average as regards foreign languages skills.

The National Qualifications Framework (NQF) elaborated in line with the European Qualifications Framework for Lifelong Learning and the Qualifications Framework for the European Higher Education Area was adopted in 2012 and presented to the EQF Advisory Group in 2013. The Bulgarian NQF is one single, comprehensive framework, which includes qualifications from all levels and subsystems of education

and training (pre-primary, primary and secondary general education, VET and HE). It will provide a reference point for validating non-formal and informal learning.

## **Facilitating the transition from education to work**

High unemployment among the low-skilled and young people (28.5% and 28.2% respectively in 2012) partly reflects persistent skill and regional mismatches as well as the low quality and low relevance to labour market needs of the education and training systems. Amid risks of locking the economy on a low-growth path, low employment rates also result in a persistent and significant share of the population becoming vulnerable to poverty and social exclusion. Under the national ‘Employment for Youth’ initiative, Bulgaria has committed itself to reduce the youth (15-24 years) unemployment rate to 23% and the share of young NEETs to 19% by the end of 2013.

Draft amendments to the Labour Code on internship contracts for young graduates with secondary or tertiary education are at an advanced stage of adoption. The measures planned in this area are relevant, but more needs to be done to differentiate among the needs of young people with diverse levels of education and socio-economic backgrounds.

Draft amendments to the Vocational Education and Training Act as well as adoption of new strategic documents and tools would introduce to the system the models and principles of validation of non-formal and informal learning; modularisation of learning content and transfer of credits based on learning outcomes; applying quality assurance mechanisms thus increasing accessibility, quality and permeability of the VET sector and ensuring flexible paths to further learning or labour market.

More active cooperation is required with the business and the employers so that the knowledge obtained in the secondary vocational education could be as close to the real working environment as possible. This mismatch in the skills raises concerns with regard to the competitiveness of the economy.

A positive development is that calls for proposals for modernised curricula for vocational training have been issued and it is foreseen that the curricula will be modernised in partnership with employers. At present the ratio between theory and practice in the curricula of most of the professions still remains in favour of the theory; the employers do not participate in the development of the training materials and are not active enough in the process of final evaluation of the skills attained by the graduates from the vocational training under the different professions.

Investigations of skills mismatches are organized by employers and labour administration. The latter was active in the years of crisis and organized a scheme that will provide regular information on the mismatches. The scheme: “Establishment of a system of forecasting labour force demand” (2011 – 2013, 0.500 million Euro granted from the ESF) is aimed to improve forecasting procedures and dissemination of results.

These are first steps towards a more flexible system for vocational training and education with regard to the requirements of the business for swift and direct inclusion of the graduates in the labour market.

## **Upgrading skills through lifelong learning**

Adult participation in lifelong learning (1.5% in 2012) is the second-lowest in the EU. Lifelong learning in Bulgaria is still experiencing impediments, such as limited and not well adapted opportunities to the training needs of the various target groups, lack of support systems and insufficient flexibility between the different learning solutions (e.g. between vocational education and training and higher education). The problems are even more aggravated by the fact that the bigger part of the potential trainees are with a lower socio-economic and educational status.

As only 31% of enterprises report to provide continuing vocational training (CVTS 2011), also training opportunities for employees are limited (EU: 66%). Even if about half of the employees of these enterprises participate in some training, which is around EU average, the average duration of these activities is rather short (22 hours; EU: 38%).

An integrated lifelong learning strategy for 2014-2020 is being elaborated, which would contribute to the educational spectrum entirety, as well as to the coordination of the actions among all interested parties. There has been on-going work since 2012 on a pilot project of the National System for Validation of Non-formal and Informal Learning, which will encompass the system of vocational education and training.

Measures for improved guidance and counselling services have been undertaken – a National network of 37 offices for information and professional counselling for employers and employees has been set up.

#### **4. Refernet VET in Europe Country Report on Bulgaria**

The VET in Europe – Country Report from 2012 is to be found for Bulgaria at [http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_BG.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_BG.pdf)

## **CYPRUS**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Cyprus**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Cyprus**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR 5 2011: Take further steps, within the reforms planned for the vocational education and training system, to match education outcomes to labour market needs better, including by setting up post-secondary vocational education and training institutes. Take measures to increase the effectiveness of the vocational training system by increasing the incentives for and improving access to vocational education and training, especially for low-skilled workers, women and older workers.**

**CSR 5 2012: Improve the skills of the workforce to reinforce their occupational mobility towards activities of high growth and high value added. Take further measures to address youth unemployment, with emphasis on work placements in companies and promotion of self-employment. Take appropriate policy measures on the demand side to stimulate business innovation.**

**2013: programme country – no CSR proposed.**

[SWD 2013<sup>1</sup> ]

### ***'Labour market policy, education and social policy'***

‘The continuing decline of the employment rate since 2009 along, with the projected steep further reduction over the next two years, is expected to widen considerably the gap in relation to the national target rendering its attainment extremely challenging. [...]. Ambitious and well-focused policy efforts, in particular as regards the labour market participation of women, young and the elderly will be critical in reversing this negative trend and curbing the rising unemployment. In addition to the swift implementation of the current measures to achieve the national early school leaving target, Cyprus could take actions to provide better guidance to youngsters on career opportunities, to promote the attractiveness and relevance of VET, reform curricula allowing for more work-based learning opportunities at secondary and higher education levels as well as to reinforce the link between educational outcomes and skills forecasting.’

### ***‘Comments on the headline targets’***

Cyprus performs better than the EU average in the area of school leaving (11.4% compared to 12.8% in 2012). [...]. Measures to address ESL are complemented by the development of quality vocational education and training (VET). Cyprus is characterised by the lowest participation rate in upper secondary vocational education and training in EU.

## 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Cyprus

The Cypriot NRP 2013 format has been adjusted to match the requirements for Member States under a Macro-economic Programme; it presents the progress in achieving the quantitative national targets for EU2020, as well as the most important measures promoted to achieve them. In this context, relevant measures adopted recently or planned aiming to boost growth and face the high unemployment challenge, have also been included under the relevant national target.

The main measures related to vocational training mentioned in the NRP:

**- Post Secondary Institutes of Vocational Education and Training were established and are currently operating in all major cities of the Republic offering training and retraining opportunities to 196 students**

<sup>1</sup> As CY became a programme country in April 2013, the SWD format was adapted and less developed than the previous years.

- The Restructuring and Modernising the education system by modernising and upgrading the **curriculum** for all public schools (pre-primary to upper secondary education) with a budget of €1.5 mln per year (2011-2016) continues as an on-going priority

- Address the policy objective as regards to the **increase of technical and vocational education opportunities and** the attractiveness and matching of specialisations offered with the current needs of the labour market, an upgrade of Vocational Education and Training measure has been foreseen (implementation period 2012-2015, with no estimated budget at present).

- Continuation of the measures that were introduced with a three year time frame implementation in 2009 were continued or adapted. The actual expenditure for these schemes in 2012 was €6.8 mln (co funded by ESF) and included: company incentive schemes, **job placements, training of the unemployed, training programmes for upgrading the skills of the unemployed**, on the job training programmes for the prevention of layoffs, and enhancement of Public Employment Service. [...]

A series of annual and ad hoc studies and surveys are in place to anticipate the needs of the economy, the employment and training needs, such as the study for the identification of the green skills needs and the study on the identification of employment **and training needs** for the effective utilisation of natural gas in Cyprus

As regards the measures for the promotion of youth employment, a total budget of 30.9 mln has been allocated (mostly co funded by ESF) for improving the basic skills and address the drop-out and early school leaving by providing alternative pathways to young people such as **the New Modern Apprenticeship Scheme** that was launched in September 2012, job placements [...].

In addition to the above measures which are in line with the priorities set in the AGS of 2012 and the guidelines of the Youth Opportunities Initiative, two new schemes will be introduced to increase youth employment or enhance their employability. [...] One of the two schemes expected to be launched in June 2013 will **offer guidance and /or placements in companies** to the young unemployed to gain work experience (€4.2 mln).

### 3. Findings from the Education and Training Monitor Country Fiche

#### Key indicators and benchmarks

	Cyprus		EU average		Europe 2020 targets
	2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)	11.7%	11.4%	14.2% EU28	12.7% EU28	EU target: 10% National target: 10%
<b>2. Tertiary educational attainment</b> (age 30-34)	45.0%	49.9%	32.1% EU28	35.7% EU28	EU target: 40% National target: 46%
	Cyprus		EU average		ET 2020 Benchmarks
	2009	2012	2009	2012	
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)	86.4%	85.0% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year	81.1%	73.0%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)	7.8%	7.4%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	:	19.6%	:	15%
	Mathematics	:	22.2%	:	15%
	Science	:	17.7%	:	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	29.0%	23.0%	25.0%	26.0%
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	:	42.3% <sup>a</sup>	42.0% <sup>a</sup>
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	:	:	43.5% <sup>11</sup>
	b. ISCED 2 students learning two or more foreign languages	94.8%	92.4% <sup>11</sup>	58.6%	60.8% <sup>10</sup>
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country	28.0% <sup>11</sup>		7.0% <sup>11</sup>
		b. Erasmus inbound students as % of student population in host country	1.9% <sup>11</sup>		1.1% <sup>11</sup>
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	6.3%	7.1% <sup>11</sup>	0.6%
					0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	12.8%	12.7% <sup>11</sup>	49.6%	50.3%
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	27.9%	:	19.1% EU28
	Medium qualification	:	6.6%	:	4.6% EU28
	Low qualification	:	-22.4%	:	-20.2% EU28
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October	
	Numeracy	Data available on 8 October		Data available on 8 October	
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October	
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	7.2%	7.2% <sup>11</sup>	5.5%	5.3% <sup>11</sup>
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 8,491 <sup>08</sup>	€ 9,260 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>
		€ 10,891 <sup>08</sup>	€ 10,849 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>
		€ 10,343 <sup>08</sup>	€ 9,933 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>

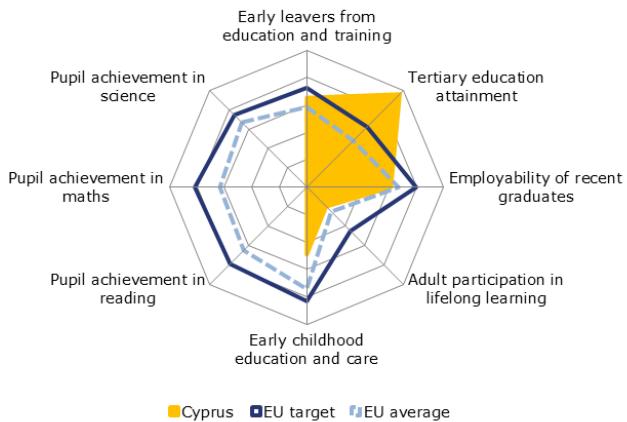
Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b  
Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6

Notes: <sup>07</sup>=2007, <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, <sup>a</sup>=estimate, <sup>b</sup>=unweighted average <sup>p</sup>=break, <sup>p</sup>=provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

Confronted with a difficult labour market, Cyprus faces a skills mismatch, which represents an obstacle to tackling unemployment and to supporting growth and innovation. With a threefold increase of the youth unemployment rate (15-24 years old) between 2008 and 2012 (from 9% to 27.8%), Cyprus had one of the highest year-on-year increases in the EU in 2011 and 2012. Cyprus has one of the highest share in the EU of well-educated youngsters at tertiary level. However, the employment rate of tertiary graduates having graduated in the previous three years is one of the lowest in the EU (74.7% versus 81.5% in 2012).

Links between the labour market needs and the educational outcomes are still weak. In the EU, Cyprus has the lowest participation rate in upper secondary vocational education and training and one of the lowest share of young graduates in mathematics, science and technology<sup>2</sup>. Adult participation in lifelong learning remains below the EU average whilst there is a need to increase the low occupational mobility and to prepare people for the profound changes in the economic sectors<sup>3</sup>. The continuous increase in immigration rate, with a large proportion of low-skilled adults, will continue to require particular attention from education policies with the support of teachers and trainers well trained to address this issue.

The country has undergone a process of fiscal consolidation and is implementing the measures set out in the Economic Adjustment Programme (2013-2016) agreed in April 2013.

## Investing in skills and qualifications

Cyprus has the second highest general government expenditure in education and training as a share of GDP in the EU<sup>4</sup>. It has also a large private expenditure in education and training accounting in 2008 for 1.6% of GDP compared to less than 1% in most other EU Member State. Those last 4 years, investment in higher education increased much more than the EU average. Whilst there were no direct budget cuts for education in 2013, Cyprus anticipates by 2015 cutting current education expenditure by at least 3% including reducing human resource costs<sup>5</sup> through decrease of salaries and in the number of teachers. The Economic Adjustment Programme encompasses structural reforms related to the public service restructuring namely a scaled decrease of emoluments, limited measures specific to the educational system as of 2013 (e.g. a reduction of the number of teachers seconded to the Ministry of education, elimination of mentoring component for in-service training, reduction of the cost of afternoon and evening programmes) as well as

<sup>2</sup> The 2011 share of MST graduates among 20-29 years old in CY is 5.1% versus an EU average of 14.4%.

<sup>3</sup> The Economic Adjustment Programme is aiming among others to support the downsizing of the banking sector and the shift towards growth enhancing sector namely the natural gas one

<sup>4</sup> CY is one of the 4 EU countries with a more than 50% increase in the level of public spending during the last decade. See: Funding of Education in Europe. The Impact of the Economic Crisis. Eurydice Report March 2013

<sup>5</sup> Funding of Education in Europe. The Impact of the Economic Crisis. Eurydice Report March 2013

adjustment of educational allowances from 2014. Important reforms in the field of education and training are currently co-financed by the European social funds. However, the absorption rate is lower than expected.

## **Skills**

As regards basic skills, according to a national survey<sup>6</sup> on 'Functional Illiteracy', the estimated percentages of pupils (6ths graders) with high likelihood of remaining illiterate or with inadequate numeracy skills after completion of compulsory education decreased significantly (from 12.7% to 6.9% for the former, and from 8.3% to 5.5% for the latter) between 2007-8 and 2012-2013. Underperformance concerns mainly boys that do not speak Greek at home. With students at ISCED 2 level learning on average 2 foreign languages.

Progress is made in the implementation of the 8 levels NQF (agreed in 2011) and in its referencing to EQF whilst slower than planned (planned by end 2013, initially expected by end 2012). This affects the integration of the system of vocational qualifications (SVQ) developed separately. Modest progress is made in the implementation of the European Credit Transfer System for Vocational Education.

## **Tackling early school leaving and raising the bar in school education**

Multiplying work-based learning and apprenticeships opportunities may also contribute to combat ESL, in particular considering the extremely low participation rate in VET. The first level of the New Apprenticeship System, started in October 2012-13, addresses youngsters (14- 16 years olds) who dropped out. A revised organisation model might be implemented for 2013-2014 on the basis of the lessons learned. Moreover, a reform restructuring upper secondary and upgrading secondary technical/vocational education to technological Lyceums is planned. The development of a new curriculum, which is part of the reform, seems postponed to 2015.

Evidence shows that school quality and outcomes strongly depend on the quality of the teaching force<sup>7</sup>. In response to austerity measures, the number of teachers will decrease after many years of increase. Despite the recent cut in public sector salary the teaching profession remains attractive and the demand for accessing the profession exceeds massively the offer. However, many consider that the capacity to attract and reward the best teachers is limited by the current selection (mainly based on a waiting list) and career path system. Reforms to modernise the selection and evaluation of the teaching profession have been under discussion with the teachers unions for many years now, without reaching agreement. [...].

## **Facilitating the transition from education to work and reshaping vocational training**

In 2012, the employment rates of recent graduates stagnated at 73.0% below the 75.7 % EU average. The 2013 National Reform Programme refers to plans to monitor the transition of VET graduates to the labour market and further education and training by using national monitoring systems.

Participation of upper secondary students in vocational education and training is the lowest in EU (12.7% as against 50.3%, 2012) and below 5% for girls. Two reforms have been started to develop work-based learning and alternative pathways. Firstly, to decrease the drop-out rate and improve basic skills, Cyprus started in 2012-13 the implementation of the New Modern Apprenticeship (NMA) system, a two level system directed to youngsters between 14-25 years old. The NMA is expected to be fully operational in 2014-15. On the offer side, enterprises receive financial support to train apprentices. Secondly, in September 2012, Cyprus set up four post-secondary institutions for technical and vocational education and training, one in each district. Demand exceeded largely supply for both schemes (with the exception of NMA level2) for which a reinforcement is planned. It is a positive step forward despite the lack of quantified objectives for the number of apprenticeships and students. It calls for close monitoring to ensure that objectives are met in terms of addressing current skills shortages and in terms of flexibility to adapt to the changing skills needs.

<sup>6</sup> Results of the longitudinal national 'Literacy project' ( for 6ths graders from the 2007-2008 and for 3rd grade from 2011-2012)  
<sup>7</sup> See European Commission (2012), Supporting the Teaching Professions for Better Learning Outcomes, SWD(2012) 374.

A major reform related to upper secondary and upgrading of secondary technical/vocational education to technological Lyceums is under discussion. With modest progress in the discussion, the proposal is expected to be finalised by 2016<sup>8</sup>. Ways to develop a quality vocational education and training (VET<sup>9</sup>) could include reform curricula allowing for more work-based learning at an earlier stage, better guidance to youngsters on career opportunities, actions to promote the attractiveness of VET, and measures to reinforce the link with future oriented-jobs. This is important because employment in medium and high qualification jobs is forecast to increase faster than the EU average up to 2020.

In addition to the NMA and the set-up of post-secondary institutions, focused initiatives have been taken to facilitate transition between education and work, like 'The job placement and training of unemployed tertiary education graduates scheme' (whose first results seem positive), accelerated initial training of newcomers, a scheme for the enhancement of youth entrepreneurship.

### **Upgrading skills through lifelong learning**

The Adult Skills Survey (PIAAC) shows that adults (aged 16-65) in Cyprus score slightly below the EU average in the literacy and numeracy proficiency tests. Contrary to the results of most countries, the youngest generation (aged 16-24) scores worse than older generations. The performance of young people (aged 16-29) with upper secondary education is not significantly better than that of people with at most lower secondary education.

Recent tertiary graduates (aged up to 29) have lower literacy and numeracy skills than recent upper secondary graduates in the best performing EU countries.

The Adult Skills Survey also reveals that the percentage of all adults with low skills is below the EU average (11% for literacy and 15% for numeracy, compared with 20% and 24% respectively). The difference in adult participation rates between lowest- and highest-skilled people is relatively small in Cyprus: low-skilled people in Cyprus are 3 times less likely to participate in job-related learning compared to high skilled people<sup>10</sup>

Cyprus is one of the few countries to have a national target for adult participation in lifelong learning set at 12% by 2020. Despite a Lifelong Learning Strategy (2007-2013), the adult participation in lifelong learning remains below the EU average (7.5% compared to 8.9% in 2011). Reaching the ambitious national target claims for reinforced efforts and a more ambitious policy.

The set-up of a consultative national forum for lifelong guidance was approved in March 2012 with the mandate of promoting a shared national policy in this area. This is a first step in view of an effective integrated delivery of guidance services cutting across the education and employment areas. Preparing people to the skills needed for the energy sector is key. As shown by a recent survey<sup>10</sup>, this will require a cross sectoral approach and an appropriate organisation.

## **4. Refernet VET in Europe Country Report on Cyprus**

The VET in Europe – Country Report from 2012 and other reports on VET is to be found for Cyprus at [http://libserver.cedefop.europa.eu/F/?func=find-c&ccl\\_term=wgt=cyprus](http://libserver.cedefop.europa.eu/F/?func=find-c&ccl_term=wgt=cyprus)

<sup>8</sup> Cyprus 2013 National Reform Programme

<sup>9</sup> With less than 15% of pupils, Cyprus is characterised by the lowest participation rate in upper secondary vocational education and training in EU and a very low participation of girls.

<sup>10</sup> Survey on 'Early Identification of Employment and Training Needs for the effective utilisation of Natural Gas in Cyprus', Human Resource Development Authority, 2012

## **ESTONIA**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Estonia**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Estonia**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR3: Continue efforts to improve the labour-market relevance of education and training systems, including by further involving social partners and implementing targeted measures to address youth unemployment. Significantly increase the participation of the low skilled in life-long learning. Intensify efforts to prioritise and internationalise the research and innovation systems and enhance cooperation between businesses, higher education and research institutions.**

### *Education policies*

Estonia is confronted with relatively significant **skills mismatches** resulting in particular from a major structural shift from non-tradable to tradable sectors in recent years. Despite public spending on education above the EU average, Estonia is also faced with a **high proportion of people without any professional qualifications**, since about 32% of Estonians aged 25-64 years have not graduated either from VET or from higher education. A persistent lack of graduates in science, technology, engineering and mathematics (STEM) is also an issue.

**In response to the recommendation on linking training and education more effectively to the needs of the labour market, ambitious reforms of the tertiary, VET and upper secondary education systems are in progress, with more results still expected. Overall, some progress has been made on addressing this part of the CSR.**

[...]

**A draft new VET Institutions Act is in parliament.** An ambitious modernisation of vocational education curricula is planned, with the aim of increasing the share of apprenticeship in the curricula and better matching study outcomes with the skills required by the labour market. Accreditation experts coming from enterprises have already delivered positive assessments of seven out of 40 sectors of teaching in VET, as part of a regular review process. Preliminary plans include establishing a managing centre for apprenticeship training, with the aim of creating 2 000 apprenticeship places in cooperation with VET institutions and employers. This will, however, require a high degree of cooperation with social partners, in particular - but not exclusively - the enterprise sector, and appropriate financing. Both aspects currently appear to be partly missing.

[...]

**Estonia is also investing heavily in the use of new technologies and digital skills**, by e.g. updating the ICT skills of students, teachers and teachers of educators in general and vocational education and in higher education. Also, the Estonian government has very recently launched a pilot project for computer-based statistics education in lower and upper secondary schools.

**An inter-ministerial skills task force was set up in 2012 to find solutions for better matching people's skills to labour market needs.** Work has started and an inventory of competencies has been created in a State Register of Occupational Qualifications and a crosslink between online registers has been established.<sup>26</sup> Entrepreneurship skills are included in the university curricula and on a voluntary basis in secondary education. **Still, one of the main bottlenecks in the Estonian economy remains the lack of skilled workforce at both high and low ends, including of highly qualified managers.**

**In response to the recommendation on increasing opportunities for low-skilled workers to improve their access to lifelong learning, limited progress has been registered concerning this part of the CSR.** As regards low-skilled workers, relevant existing programmes are continuing for unemployed 16-29 year-olds with or without basic education, while the 'back to school' vocational education programme is also ongoing. In parallel, an inter-ministerial task force set up in 2012 is in charge of drafting the future national lifelong learning strategy for 2014-20. However, the currently insufficient inclusion of the low-skilled and older workers in lifelong learning is still not sufficiently addressed and the training activities do not always credibly meet labour market needs in terms of relevance and quality.

Limited progress has been made on the draft adjustments to the Adult Training Act since spring 2012, with the revision of the training licences system for training providers and changes to the financing system of adult training still in the hands of the MoE. Lastly, adult and unemployed training could benefit more from the modernised VET Centres and the modernised vocational curricula.

## 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Estonia

The main focus in the coming years of the National Reform Programme ‘Estonia 2020’ is on education and employment, with an emphasis on integration of long-term and young unemployed people in the labour market and on the development of their skills.

### National Targets for 2020

[...]

*Adults without any professional education or vocational training (30% by 2020)*

A large percentage of Estonia’s workforce (age group 25-64) has a basic or general secondary education only and does not hold a professional education (vocational or higher education).

The number of people who lack a professional education is highest in the youngest age group, among those 25-34 years of age – 35% in 2012.

The goal was set taking into consideration on-going measures for providing opportunities for acquiring a degree to those who discontinued their education. It was also planned to implement additional measures that must be implemented in the years ahead to increase the share of adults with professional education.

### Government priorities: quality, availability and effectiveness of education

#### a. Improving the quality of the educational system and adapting it to demographic changes.

[...]

Compared to other EU countries, a relatively small percentage of basic school graduates in Estonia proceeds to study in vocational education. However, the need for a skilled workforce complying with the needs of the qualified labour market is great. It is important that **the vocational education system would ensure the preparation of a workforce of the required qualification in order to comply with the needs of companies and the society.**

The activities as a result of which vocational education will become more attractive and will consider the needs of the society more than before are as follows: the development of vocational education curricula into output-based ones, shaping the qualification framework, changing vocational educational institutions into competence centres and engagement of entrepreneurs in making choices concerning vocational education. The education system of the state should be viewed as a whole according to the objectives of lifelong learning, which would, *inter alia*, also mean planning student places together with other study levels.

To direct the choices of the youth and to reduce the school dropout and unemployment, **support systems, incl. study counselling and career services** (career studies, career information and career counselling) **must be developed**. In addition, non-formal education and youth work also play an important role in supporting the readiness of the youth for coping with the challenges that they face. In order for the youth to adjust better to their later working life, in general education it is necessary, in addition to the factual knowledge, to **develop creativity, initiative and shape students’ other social key competences**. It is important to make schools financial models more result oriented. The preparation of support specialists as well as the substantive quality and availability of support must also be improved.

A decrease in the number of upper secondary school graduates results in lower admissions figures in bachelor’s and professional higher education, postsecondary vocational education, but also master’s degree level studies. For higher educational institutions, this means that opportunities for lifelong learning become more important on the master’s degree level as well as a decrease in the number of curricula.

[...]

The level of financing general education has remained unchanged despite the fact that student numbers have been decreasing consistently. For this reason, the per-student financing of vocational education with respect to general education has decreased, and the expenses per student in general education are higher than they are in vocational education. Also, the share of financing tertiary education in Estonia is low among the OECD countries compared to general spending on education. **With regard to financing education, the proportions of financing different types of education should be reviewed and more emphasis must be placed on effectiveness.**

In planning structural funds for the subsequent periods, it should be borne in mind that infrastructure investments will decrease in some respects, because a large part of the infrastructure has already been created or renovated, while it is important to ensure IT infrastructure developments of educational institutions. This allows more funding to be directed toward substantive developments in the educational system. It should also be borne in mind that the fixed costs of maintaining the new infrastructure will put added strain on the budget.

Due to internationalization, in coming years more emphasis will have to be placed on organizing education for children with an immigrant background, based on the objectives of integration. It will be important to take into consideration the ethnicity of the new immigrants and increase in the cultural diversity. **The availability of an international general education is the prerequisite for highly qualified workers coming to Estonia to work.**

The most important reforms planned in this field are optimizing the network of general educational schools and more clearly separating basic schools and upper secondary schools, fully implementing the basic school and upper secondary school state curricula, increasing the quality of vocational education and its conformity to the labour market needs, and expanding the possibilities afforded by international general education (including implementation of IBO curricula) in Tallinn and Tartu and creating an European school.

**b. Bringing labour qualification into conformity with the needs of the contemporary labour market (among other things, making better use of the opportunities of EU internal market policy and other policies) and increasing the share of people with professional education at the vocational or higher educational level.**

A total of 30% of Estonia's workforce has a basic or general secondary education and does not hold a professional education (vocational and higher education). By age group, the problem is greatest in the youngest age group (25-34-year-olds), where the share of people who lack professional education is the highest (35%) and when we view data for a long period, we see that a slight decrease has taken place only in the last couple of years.

At the same time, the new jobs that arise with changes in economic structure will require employees to have a higher educational level and up-to-date skills. To better integrate the needs of the labour market and people's skills, as well as to increase the productivity of the workforce, it will be necessary to ensure that there is an ample future supply of employees with up-to-date skills. For this purpose, it is above all necessary to **increase the share of the working-age population with professional education (i.e. vocational or higher education).**

To define the exact trend in the training need, a clear and operational labour market input is required. Monitoring of competence-profile-based changes in the labour market and linking it with the forecast of the quantitative workforce need is one of the possibilities for solving the problem. Analysis of the dynamics of qualitative changes in the labour market requires an input from various authorities and their close substantive cooperation.

People with skills and an education that matches the labour market needs stand a better chance of finding a job, which in turn prevents high and long-term unemployment from developing. Thus, it is important that the structure of the educational system by various types of education conform to the needs of the labour market stemming from the economic structure.

A major reason for the large share of people without professional education in the case of younger people is the fact that they prefer general secondary education to vocational education and that many drop out of school.

The quality and competitiveness of human resources are impacted by students dropping out at all educational levels. The dropout phenomenon is the most noteworthy in the third stage of study of basic school and in the first year of upper secondary school and vocational studies, which is a sign that the academic process and environment do not support the development of every student in line with their abilities. Thus special attention and support must be devoted to **implementing the new state basic school and upper secondary school curricula and the new Basic Schools and Upper Secondary Schools Act.**

The higher dropout rate at vocational and higher educational institutions can be correlated with students' low level of knowledge about the working life and lack of learning skills, which often leads them to make the wrong professional choices, which in turn causes them later to discontinue studies. For this reason, it will be important to **continue to develop career counselling, etc. services, and to increase the availability of such services** with the purpose of better supporting students' educational and career choices.

High-quality pre-school education is important to ensure that all children are equally prepared for entering school. We need to devote more attention to early **discovery of children's talents and abilities, stimulating their minds and promoting their development.** This will help students create associations between different fields and the knowledge of subjects needed for working in such fields, which in turn will lead to greater motivation to learn.

The planned reforms focus on creating opportunities for young people with a basic education to acquire a professional education, significantly increasing the opportunities for adults in participating in training and re-training measures, and increasing the availability of career services and career counselling.

### 3. Findings from the Education and Training Monitor Country Fiche

#### Key indicators and benchmarks

	Estonia		EU average		Europe 2020 targets
	2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)	13.9%	10.5%	14.2% EU28	12.7% EU28	EU target: 10% National target: 9.5%
<b>2. Tertiary educational attainment</b> (age 30-34)	35.9%	39.1%	32.1% EU28	35.7% EU28	EU target: 40% National target: 40%
	Estonia		EU average		ET 2020 Benchmarks
	2009	2012	2009	2012	
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)	95.7%	89.1% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year	67.6%	75.1%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)	10.5%	12.9%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	13.3%	:	19.6%	15%
	Mathematics	12.7%	:	22.2%	15%
	Science	8.3%	:	17.7%	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	60.7% <sup>07</sup>	:	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	28.0%	32.0%	25.0%	26.0%
<b>8. Entrepreneurship competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	43.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	61.0% <sup>11</sup>	:	43.5% <sup>11</sup>
	b. ISCED 2 students learning two or more foreign languages	:	:	58.6%	60.8% <sup>10</sup>
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country	2.1% <sup>11</sup>		7.0% <sup>11</sup>
		b. Erasmus inbound students as % of student population in host country	1.2% <sup>11</sup>		1.1% <sup>11</sup>
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	2.5%	2.6% <sup>11</sup>	0.6%
					0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	33.0%	34.4% <sup>11</sup>	49.6%	50.3%
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	6.5%	:	19.1% EU28
	Medium qualification	:	7.5%	:	4.6% EU28
	Low qualification	:	17.8%	:	-20.2% EU28
<b>13. Adult skills</b>	<i>To be added</i>				
	a. General government expenditure on education (% of GDP)	7.2%	6.5% <sup>11</sup>	5.5%	5.3% <sup>11</sup>
<b>14. Investment in education and training</b>	ISCED 1-2	€ 4,432 <sup>08</sup>	€ 4,108 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>
	ISCED 3-4	€ 4,871 <sup>08</sup>	€ 5,355 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>
	PPS	€ 4,500 <sup>08</sup>	€ 5,038 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>

Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a

Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b

Eurostat (UOE): 3, 9b, 10a, 11, 14 /

IEA TIMSS: 7a / Global Entrepreneurship Monitor:

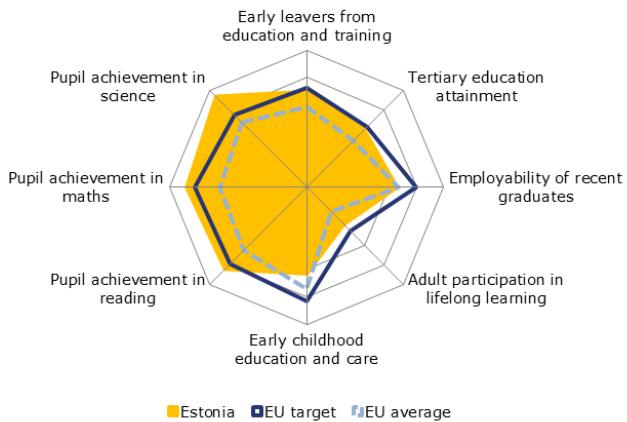
3 / OECD (PISA): 6

Notes: <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, e= estimate, a= unweighted average b= break, p= provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

The main challenge for Estonia will remain the improvement of the quality of the education system, while pursuing its adaptation to both to its demographic situation as well as to the requirements of the labour market.

As regards upper-secondary level there is an identified need to re-organise the existing network of schools. For vocational education and training (VET), it will be important for Estonia to make VET more relevant for both the present labour market as well as for future skills needs. Finally, in higher education there is clearly a necessity to steer more students towards the fields of study required by the future labour market, in particular as regards science, technology, engineering and mathematics (STEM).

Estonia also aims at increasing the adult participation rate in lifelong learning to 20% and reducing the share of adults without professional or vocational education to below 30%, hence further efforts will be essential in this area.

Consequently, the 2013 European Semester country-specific recommendation (CSR) on education focused on the further adaptation of the Estonian education and training system to the needs of the labour market, the participation of the low-skilled in life-long learning, as well as on the cooperation of higher education institutions with business and research.

## Skills and qualifications

In terms of basic skills, 15-year-olds' performance on 2009 PISA tests in literacy, numeracy and science continues to largely outperform the EU average, although it remained broadly constant in recent years.

Foreign language skills are more developed than the EU average. For entrepreneurship, 43 % of 18-64 years old population believed to have the required skills and knowledge to start a business.

ICT skills of the population are slightly above the EU average with 53% of individuals aged 16-24 with high computer skills Estonia is also intensely investing in the use of new technologies and digital skills, by e.g. updating the ICT skills of students, teachers and teacher educators ("Õppiv Tiiger" - The Learning Tiger Programme 2008-13 in general as well as vocational education and the "Tiigriülikool" Tiger [Leap] Programme 2009-12 in higher education). The Estonian government has very recently launched a pilot project for computer based statistics education in lower and upper secondary school. The project includes the development of a new conceptual approach and digital learning material.

Estonia has an NQF in force. Estonia has also already referenced the Estonian qualifications framework to the European Qualifications Framework (EQF) in 2011.

## **Facilitating the transition from education to work**

Estonia is faced with a problem of a high number of people without any professional qualifications, since about 30.3% of Estonians aged 25-64 years in 2012 have graduated from neither VET nor university. Therefore this group has only compulsory or upper-secondary general education at the moment. A number of ambitious initiatives (e.g. TULE, KUTSE) intend to address these two important challenges in the field of education and training, often with the assistance of financing from EU structural funds, in particular the European Social Fund (ESF). A recent Eurostat study shows that 68% of Estonian enterprises provided in 2010 continuous vocational education and training (CVET) for its employees, slightly higher than the 66% EU-average.

Estonia decided to pursue the modernisation effort regarding its vocational education and training (VET) sector, in particular via the revision of the VET Institutions Act presented by the government in late 2012, which was adopted on 12 June 2013 and will be in force as of 1 September 2013..

The reform focuses on the improvement of quality, modernisation of curricula in order to make them more flexible and better corresponding to industry needs, as well as the raising of professional standards for educators. The aim of this initiative is also for VET students to acquire better and up-to-date qualifications for the employers by the time of graduation. Preliminary plans include establishing a managing centre for apprenticeship training, in order to foster the extended use of this type of training form in VET. It is set to support schools and enterprises, and create 2.000 apprenticeship places in co-operation with VET institutions and employers. This is a very useful and important new action as work-based training will be made more prevalent and the so-far very limited apprenticeships opportunities will be enhanced.

This initiative will however require substantive public and private funding, e.g. with the co-financing of future structural funds, and a high degree of cooperation of social partners, in particular the enterprise sector, in order to make it a fully-fledged success.

Estonia is experiencing a relatively high level of youth unemployment (23.1% in the first quarter of 2013 and will have to continue efforts in order to modernise and adapt its education system to the future needs of the Estonian labour market. The employment rate of graduates suffered from the recent economic crisis, but after reaching its lowest level at 64.3% in 2010 it rebounded in 2011 and remained stable in 2012 (at 75.1%)

Estonia's employment pattern up to 2020 is forecast to diverge markedly from the EU average in both high and low qualification jobs, with a modest increase in the former and a large increase in the latter. Employment in low qualification jobs is projected to rise by 17.8% by 2020 while demand for high qualifications is set to increase by only 6.5% during this same period.

## **Upgrading skills through lifelong learning**

Estonia is confronted with relatively significant skill mismatches with regard to the current needs of the labour market, as a result of a major structural shift from non-tradable to tradable sectors in recent years.

The Survey of Adult Skills (PIAAC151) shows that adults (aged 16-65) in Estonia perform above the EU average in the proficiency tests on literacy and numeracy. The same holds true for young adults (aged 16-24). In particular, young tertiary graduates (aged up to 29) score highest in literacy among the EU countries participating in the survey. The younger generation scores better in literacy (11 points, i.e. equivalent to skills usually acquired with 1 to 2 years of education) than the overall population. The share of low-skilled adults is below 15%, significantly below the EU average. However, the low-skilled are 4 times less likely to

participate in job-related learning than high skilled adults<sup>152</sup>. Finally, the highly developed literacy and numeracy skills do not necessarily translate into large productivity gains for the economy.

As regards Estonia progress towards the European benchmark on adult participation in lifelong learning, there is a clear increase from 6.5% in 2006 to 12.9% in 2012. But it remains much lower for the 50+ age group and the foreign-born persons.

In July 2012 the Estonian government decided to set up an inter-ministerial Life-long Learning Strategy Task Force, whose aim is to elaborate a new national LLL Strategy for 2014-20, which is a long-awaited and key element for the strategic development of education policy in Estonia. It remains to be seen whether the new strategy, set to be presented to the government in September 2013, will be most likely based on the proposal previously formulated by the Estonian Cooperation Assembly, the Estonian Education Forum and the Ministry of Education and Research (MoER) and called 'Estonian Education Strategy: 2012-20'. This already existing blue-print comprehensively tackles the main challenges of the sector in Estonia, including the one related to the strengthening of linkages between education and the knowledge-based society, as well as the innovation economy. The adoption of a national LLL strategy is in the end a necessity for Estonia and would not only demonstrate the country's commitment to this important principle but also greatly facilitate in the future the use of structural funds, in line with the priorities established within such a long-term strategic document.

#### **4. Refernet VET in Europe Country Report on Estonia**

The VET in Europe – Country Report from 2012 is to be found for Estonia at  
[http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_EE.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_EE.pdf)

## **GREECE**

- 1. Provisions on education and training from the Memorandum of Understanding (MoU) and excerpt from the 2013 Commission Staff Working Document (SWD).**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Greece**
- 2. Findings from the Education and training Monitor Country Fiche.**
- 3. Refernet VET in Europe Country Report on Greece.**

## **1. Provisions on education and training in the MoU and excerpt from the 2013 Commission Staff Working Document (SWD)**

### **4.6 – iv; Support to the unemployed**

*iv. Improving and expanding over the medium term, in coordination with educational reforms, the range and quality of apprenticeships and vocational training schemes and strengthening their linkage with labour market needs and potential employers. The Government will provide a plan on how these objectives can be achieved with concrete measures by September 2013. The Action Plan should inform on the financing of the forthcoming initiatives.*

### **SWD**

Building on existing schemes, a number of initiatives are being taken in the sphere of active labour market policies, notably as the authorities are preparing an Action Plan with a multi-pronged strategy to support the unemployed. Main pillars in the plan are the facilitation of the transition of workers between sectors and occupational groups, improvement of the quality of training policies, promotion of the employment of vulnerable groups and population more in need of income support. Opportunities for apprenticeships and vocational training with the dual training system at secondary education level will be introduced over the medium term, with stronger links with employers to increase graduates' chances of professional integration.

## **2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Greece (Employment Section)**

The core of the employment policies concern the job maintenance, the rehabilitation of the unemployed, the integration of young people and vulnerable groups into the labour market, the implementation of vocational training schemes, the support of older people as well as the support of sectors affected mostly by the consequences of the crisis.

The rationale behind the currently implemented policies, mainly through the Greek Manpower Organization (OAED), is to enhance of job creation and job retention particularly via the reduction of non-wage cost. The PES has launched a series of actions, main axis of which is the subsidization of social security contributions primarily through the two-year period subsidy program for 25.000 unemployed. These policies facilitate both access of the unemployed to the labour market and the inhibition of undeclared work. Also, a number of programs of vocational training have been running in order to provide structural adjustments to people that are employed in precarious jobs. Apart from the above, a package of measures in order to enhance labour market participation includes: a) a vocational training program for unemployed in information technologies (ICTs). b) "reintegration voucher" as a subsidy to the employer who hires a registered unemployed person, with the intention of reducing unemployment, as well as keeping people into the labour market c) community service programs. Additionally, a special category of programs is specifically targeted in the tourism sector, which has been particularly hit by the crisis.

Finally, the ministry of labour, under the obligations arising from the Memorandum of Understanding with the IMF/EU/ECB, has assigned the Economic and Social Council of Greece to prepare an integrated Action Plan on

Employment policies. The aims of the Plan are as follows: a. Upgrading the Employment Promotion Centres, in order to better match the unemployed with available vacancies b. enhance the effectiveness of training programs for the unemployed and seeking training for the unemployed from businesses, and c. replenish reduced working hours with training.

### ***Youth Employment***

Given the fact that young people constitute the labour market group most adversely affected by the economic crisis, the Ministry of Labour Social Security and Welfare has set as first priority goal to provide, through Public Employment Services (OAED), consultancy services, vocational guidance, apprenticeship and specialized active labour market measures to meet the needs of the specific target group as a first priority goal.

In this framework, a package of measures is intended to facilitate access of young people and newcomers to the labour market. Firstly, a work experience program for new labour market entrants aged 16-24 in the private sector. The duration of the traineeship can be 6-12 months, while trainees are entitled to 80% of the NMW (National Minimum Wage) and full social security coverage. The program foresees 100% subsidization of both employer and employee social security contributions, while employers are also given further incentives to keep on the trainees upon completion of the traineeship.

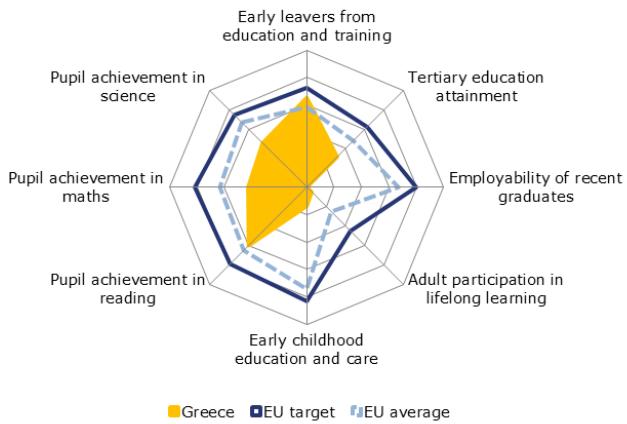
Moreover a subsidy program for enterprises to hire up to 35-year-old unemployed graduates of university and technological Higher Education Institutes was launched in the framework of co-financed operational programs. The program aims to create 5.000 new full time jobs in the private sector. The subsidization covers part of the wage and non-wage cost, for a period of 24 months, while employers are engaged to prolong the compulsory duration of the program for at least 3 more months.

An action plan promoting youth employment and entrepreneurship has been designed and it is planned to be implemented in the near future. The Action Plan includes actions of training, employment and entrepreneurship of a wide spectrum of sectors, in order to raise youth participation into the labour market and tackle the high rates of youth unemployment. Except for the implemented and already enacted measures, the following actions are scheduled: a) a pilot action to support youth to create social cooperative enterprises b) a program aiming at the promotion of innovative entrepreneurship and mentoring for new businesses c) a special voucher for entering the labour market through training and work experience in the private sector according to their qualifications

## 2. Findings from the Education and Training Monitor Country Fiche

### Key indicators and benchmarks

	Greece		EU average		Europe 2020 targets
	2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)	14.5%	11.4%	14.2% EU28	12.7% EU28	EU target: 10% National target: 9.7%
<b>2. Tertiary educational attainment</b> (age 30-34)	26.5%	30.9%	32.1% EU28	35.7% EU28	EU target: 40% National target: 32%
	Greece		EU average		ET 2020 Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)	70.2% <sup>08</sup>	74.6% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year	64.7%	42.9%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)	3.3%	2.9%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	21.3%	19.6%	:	15%
	Mathematics	30.3%	22.2%	:	15%
	Science	25.3%	17.7%	:	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	60.7% <sup>07</sup>	:	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	13.0%	24.0%	25.0%	26.0%
<b>8. Entrepreneurship competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	48.0% <sup>11</sup>	:	43.5% <sup>11</sup>
	b. ISCED 2 students learning two or more foreign languages	97.0%	97.2% <sup>10</sup>	58.6%	60.8% <sup>10</sup>
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country	5.0% <sup>11</sup>		7.0% <sup>11</sup>
		b. Erasmus inbound students as % of student population in host country	0.4% <sup>11</sup>		1.1% <sup>11</sup>
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	1.7% <sup>10</sup>	2.1% <sup>11</sup>	0.6% 0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	30.9% <sup>08</sup>	31.7% <sup>11</sup>	49.6%	50.3%
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	9.5%	:	19.1% EU28
	Medium qualification	:	6.9%	:	4.6% EU28
	Low qualification	:	-29.9%	:	-20.2% EU28
<b>13. Adult skills</b>	<i>To be added</i>				
	a. General government expenditure on education (% of GDP)	4.3%	4.1% <sup>11</sup>	5.5%	5.3% <sup>11</sup>
<b>14. Investment in education and training</b>	ISCED 1-2	:	08	:	€ 5,732 08
	ISCED 3-4	:	08	:	€ 6,964 08
	PPS	:	08	:	€ 9,309 08
	ISCED 5-6	:	08	:	€ 9,168 10
Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6					
Notes: <sup>08</sup> =2008, <sup>09</sup> =2009, <sup>10</sup> =2010, <sup>11</sup> =2011, e= estimate, a= unweighted average b= break, p= provisional Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27 <sup>1</sup> = having carried out 5-6 specific computer related activities, <sup>2</sup> = average of skills tested in reading, listening, writing					
Position in relation to highest (outer ring) and lowest performers (centre)					



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

The Greek education and training system faces serious challenges in terms of its quality, its efficiency and its capacity to ensure a successful transition of young people to employment.

Greece is faced by multiple challenges, in particular the need enhance the quality, attractiveness and relevance of iVET to the labour market.,

## Investing in skills and qualifications

It is worth noting that the employment disadvantage (incentive to stay in school) is high and increasing while VET and ECEC participation are low but increasing. A new law reforming upper secondary education and VET was adopted in September 2013.

## Facilitating the transition from education to work

The employment rate of graduates suffered hugely from the economic crisis and has decreased alarmingly since 2006, further increasing the gap in relation to the EU average (42.9% vs. 75.7% in 2012).

In Greece (55.4% in early 2013) more than half of the young people are unemployed. In addition in the Greek case approximately one third of the jobless youth are both low skilled and long-term unemployed. This situation has also a strong impact on emigration of young people, in particular higher education graduates.

In the field of vocational education and training (VET), Greece decided to join the EU Alliance for Apprenticeships and seems to be committed to the establishment of a genuine dual system, drawing on the example of other EU member States (e.g. through a bilateral agreement with Germany). This in turn could provide for a significant reduction in the very high youth unemployment, but will require closer cooperation with social partners as well as the establishment of a genuine governance structure.

As already mentioned above a new legislative initiative has been proposed to the Parliament aimed at introducing in the country the notion of dual-VET and more apprenticeships. Its implementation remains a key issue for the future of this sector of education in Greece.

## Upgrading skills through lifelong learning

Greece did not take part in the present edition of PIAAC. It will be part of the second group of countries, for which results will be available in mid-2016.

Adult participation in lifelong learning has been and still is far below the EU average and one of the lowest in the EU (2.9% in 2012, but with only 1.6% for the foreign born group), with the gap being even more marked for particular population groups such as migrants, low-skilled, unemployed, women and older people<sup>11</sup>.

The national Lifelong Learning (LLL) Strategy was adopted in 2011 by Greece, with the aim of providing more and better learning opportunities for adults and non-traditional learners. The plan is not however an overarching strategic vision for learning within the meaning of a ‘coherent and comprehensive LLL strategy’.

It is in fact an adult education plan with two strands: initial and continuing training for the labour market; and general adult education. The self-imposed national target is to reach 6 % of adult participation in LLL by 2013 and seems indeed very difficult to reach.

The importance of the objective is underlined by the fact, that only one out of five enterprises reports to offer continuing vocational training to their employees (EU: 66%), with only 28% of employee participating in it (EU: 48%)<sup>12</sup>.

#### **4. Refernet VET in Europe Country Report on Greece**

The VET in Europe – Country Report from 2009 is to be found for Greece at [http://libserver.cedefop.europa.eu/vetelib/eu/pub/cedefop/vetreport/2009\\_CR\\_GR.pdf](http://libserver.cedefop.europa.eu/vetelib/eu/pub/cedefop/vetreport/2009_CR_GR.pdf)

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<sup>11</sup> Eurostat, LFS 2012.

<sup>12</sup> Eurostat, CETS 2005.

## **IRELAND**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Ireland**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Ireland**

## **1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**

There are no country specific recommendations for Ireland in 2013 to avoid duplication with the measures set out in the Economic Adjustment Programme.

### ***Education policies***

The *Action Plan for Jobs* is at the core of efforts to foster job creation. Launched in 2012, the process continues in 2013 with the adoption and implementation of additional horizontal and sector-specific measures to improve the business environment and promote job creation. Under the *Pathways to Work* strategy, the authorities are putting in place activation mechanisms aimed at helping and enticing the unemployed to find jobs.

One-stop shop *Intreo* offices are being created to support jobseekers under a case-management approach, but these offices face capacity constraints that prevent them from sufficiently widening the scope and frequency of individual contacts. Reforms to the vocational education and training system are also on-going, with the forthcoming establishment of SOLAS as a guiding authority and the creation of Education and Training Boards.

Improving the effectiveness of the education and training sector is essential to ensure that long-term-unemployed jobseekers do not become permanently excluded from work and to better align the provision of vocational education and training with labour market needs.

## **2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Ireland**

The *National Strategy for Higher Education to 2030*, published in early January 2011, provides a framework for the development of the higher education sector for the next twenty years. An Implementation Oversight Group, established in February 2011, is supervising the implementation of the Strategy, which is taking place in partnership with the sector and other stakeholders. Progress to date and priority areas for 2013 are being regularly updated on [www.education.ie](http://www.education.ie).

Engagement with enterprise is one of the core pillars of the National Strategy and a range of recommendations to ensure the system continues to respond to enterprise needs is being implemented. This includes structured employer surveys, increased work placement opportunities, staff mobility into enterprise and a renewed focus on generic skills. The Higher Education Authority (HEA) has also published guidelines for the establishment of higher education institutional clusters at a regional level to support enterprise development and employment needs.

The first pilot national survey of employers, which was completed in December 2012, showed that over 75% of companies were confident that graduates have the right workplace and transferable skills and relevant subject or discipline knowledge. The Department of Education and Skills has also introduced two new competitive funding streams at higher education level that address specific skills needs of industry, support jobseekers into employment and help increase the skills profile of the labour force.

The Springboard programme strategically targets funding of free part time higher education courses for unemployed people in areas of identified skills needs, such as ICT, Pharmachem and International Financial Services. More than 10,000 places have been provided under the two rounds of the programme to date. A new call for proposals, which was issued at the end of February, is expected to provide for an additional 5,000 places in 2013.

A first stage evaluation report, published in February 2012, showed that 70% of participants were male and 20% had previously been employed in construction. A second stage evaluation report has recently been completed and it shows that 30% of participants were back in work within 6 weeks of completing a Springboard course and that 40% were back in work within 6 months of completion.

The joint Government-Industry ICT Action Plan has been developed as a direct response to identified ICT skills shortages and contains a comprehensive range of short medium and long term measures to build the domestic supply of ICT graduates. As part of the Plan, in February 2013 more than 760 new places were made available on the second phase of ICT graduate conversion courses, designed and delivered in partnership with industry. This is in addition to the more than 700 places that were provided in 2012. 77% of participants on the 2012 programmes were male and 25% had been previously employed in the construction sector.

In addition, the Minister for Education and Skills recently announced a package of measures to improve the transition between second level and higher education, entitled *Supporting a Better Transition from Second Level to Higher Education: Key Directions and Next Steps*. This initiative will, *inter alia*, contribute to achieving improvements in retention and completion rates both at second level and in higher education. It is envisaged that the full plans and timing with regard to the key measures will be available by the end of 2013.

### ***National Targets for 2020***

The percentage of early school leavers in Ireland fell from 10.6% in 2011 to 9.7% in 2012. This represents positive progress towards achievement of the 8% target.

The latest Eurostat data show that Ireland's tertiary attainment rate for 30-34 year olds was 51.1% in 2012. Ireland has the highest rate for this indicator of all EU27 countries since 2009.

### **3. Findings from the Education and Training Monitor Country Fiche**

## Key indicators and benchmarks

	Ireland		EU average		Europe 2020 targets
	2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)	11.6%	9.7%	14.2% EU28	12.7% EU28	<b>EU target: 10%</b> National target: 8%
<b>2. Tertiary educational attainment</b> (age 30-34)	48.9%	51.1%	32.1% EU28	35.7% EU28	<b>EU target: 40%</b> National target: 60%
	Ireland		EU average		ET 2020 Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)	72.8%	96.1% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	<b>95%</b>
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year	75.5%	69.3%	78.3%	75.7%	<b>82%</b>
<b>5. Adult participation in lifelong learning</b> (age 25-64)	6.3%	7.1%	9.3%	9.0%	<b>15%</b>
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	17.2%	:	19.6%	<b>15%</b>
	Mathematics	20.8%	:	22.2%	<b>15%</b>
	Science	15.2%	:	17.7%	<b>15%</b>
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	69.8% <sup>11</sup>	60.7% <sup>07</sup>	64.7% <sup>11</sup>
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	22.0%	31.0%	25.0%	26.0%
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	45.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	:	:	43.5% <sup>11</sup>
	b. ISCED 2 students learning two or more foreign languages	10.1%	10.2% <sup>11</sup>	58.6%	60.8% <sup>10</sup>
	a. Inbound degree mobile students as % of student population in the host country		10.7% <sup>11</sup>		7.0% <sup>11</sup>
<b>10. Mobility</b>	Higher education		2.7% <sup>11</sup>		1.1% <sup>11</sup>
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	1.8%	0.5% <sup>11</sup>	0.6%
					0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	34.4%	34.0% <sup>11</sup>	49.6%	50.3%
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	16.9%	:	19.1% EU28
	Medium qualification	:	11.4%	:	4.6% EU28
	Low qualification	:	-31.8%	:	-20.2% EU28
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 Oct			
	Numeracy	Data available on 8 Oct			
	Problem solving in technology rich environments	Data available on 8 Oct			
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	5.9%	5.2% <sup>11</sup>	5.5%	5.3% <sup>11</sup>
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	ISCED 1-2	:	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>
		ISCED 3-4	:	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>
		ISCED 5-6	:	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>

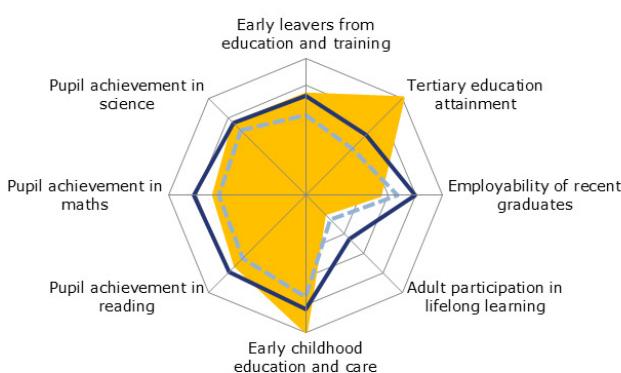
Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6

Notes: <sup>07</sup>=2007, <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, e= estimate, a= unweighted average b= break, p= provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



■ Ireland ■ EU target ■ EU average

## Main challenges

Ireland faces a relatively high level of unemployment, particularly among 15-24 year olds with an education level corresponding to the end of the primary cycle (lower secondary). The recent economic crisis has had a strong negative impact on the employment rate of those graduating at all levels.

While participation rates are showing modest all-round increases, school outcomes and educational achievements have deteriorated, particularly in reading and mathematics. With a rate of around 20% of low achievers in mathematics in Ireland, the education system is apparently having difficulty in equipping all young people with the skills they need to succeed in the labour market.

Ireland will experience in the future a significant need for both learning provision and educational infrastructure, due to the increasing demographic trends, as enrolment figures are expected to continue to rise over the medium term at all levels of education. Finally, the impact of the current economic down-turn and the savings made in the education sector will have to be further monitored.

## Skills and qualifications

Given the deterioration of the performance of Ireland in the area of educational achievement (PISA 2006 and 2009), the Irish government has adopted in July 2011 the 'Literacy and Numeracy for Learning and Life Strategy' (2011-20). Its aim is to ensure that every child leaving school masters the necessary reading and mathematical skills. It also sets out a programme of reforms in initial teacher education and professional development. It is estimated that the cost of implementation of the actions of this strategy will be €6 million in 2012, rising to €19 million per annum by 2017.

In practical terms Ireland tackles the issue of low-achievement primarily through a targeted approach called the 'Delivering Equality of Opportunity in Schools' (DEIS). This national action plan launched in 2005 fosters educational inclusion at both primary and secondary school levels, especially in disadvantaged communities. The plan comprises a standardised system for identifying and regularly reviewing the levels of disadvantage. It includes a general 'School Support Plan' for priority intervention in difficult geographical areas, as well as a number of thematic sub-programmes, such as 'Ready, Set, Go – Maths', 'Reading Recovery' and 'Maths Recovery' actions. There are currently 670 primary schools and 195 post-primary schools in Ireland receiving assistance under the School Support Plan within the context of the DEIS programme, which has an overall budget of €158 million in 2012.

At 31% in 2012, Ireland has an above-average share of individuals aged 16-74 with high computer skills which is consistent with the advanced rate of access to ICT. The process of high speed broadband roll out is on-going with a further 200 schools expected to be connected by September 2013. All second-level schools will receive high-speed broadband at no cost to themselves by September 2014. Ireland is also above the EU average as regards entrepreneurship competences. The average level of foreign languages learnt per pupil at ISCED level 2 in Ireland is the lowest in the EU, but most students to take Irish at primary and secondary level.

## Facilitating the transition from education to work

Ireland has a high unemployment of 15-24 year olds with an education level corresponding to the end of the primary cycle (lower secondary) with almost 50% in 2011. Worryingly the employment rate of graduates decreased by almost 20 percentage points since 2006 and is below the EU average (69.3% vs. 75.7% in 2011).

Ireland is pursuing the implementation of the 'Youthreach' initiative. It targets young people aged 15-20 who have dropped out of school without any qualifications or vocational training. It integrates elements of

education, training and work experience. In 2010, 2,385 'Youthreach' learners achieved certification and of those completing, 15% progressed to employment, while 52% progressed to further education and training. This initiative is significantly co-funded by the European Social Fund (ESF), i.e. it has received in 2012 an additional financing of €25 million from the ESF within the context of the Youth Opportunities Initiative.

The VET system is set in the context of the Government's National Development Plan (NDP) for 2007-2013, which emphasizes the needs for consistency with the European VET and social policy. Reforms to the vocational education and training system are on-going, including the creation of Education and Training Boards. There is a need to increase and diversify apprenticeships which were largely concentrated in the construction sector and due to the economic crisis have declined dramatically. A wide-ranging review of apprenticeships in Ireland has been announced with the objective to align apprenticeship training in Ireland with a greater focus on work-based learning and the current needs of the Irish labour market

### **Upgrading skills through lifelong learning**

The Survey of Adult Skills (PIAAC224) shows that adults (aged 16-65) in Ireland perform around the EU average in literacy, but score below the EU average in numeracy. The share of the population with low skills (at most level 1) in numeracy is 23%, slightly above the EU average of 20%. This holds also true for young people (aged 16-24): 22% of them have low numeracy skills, compared to an EU average of 19%. Young adults (16-24) with at most lower or upper secondary education also have lower scores than the EU average.

Despite gradual improvement, participation of adults in lifelong learning remains lower than the EU average (7.1% vs. 9.0% in 2012). The development of new training opportunities, in particular the up-skilling of the work force and of the unemployed as well as re-entry into education, is essential to ensure that long-term-unemployed jobseekers do not become permanently excluded from work.

The new further education and training authority *Seirbhísí Oideachais Leanúnaigh agus Scileanna* (SOLAS) has been set up with the mandate to ensure the provision of high-quality further education and training programmes to jobseekers and other learners.

Nevertheless, it has to be noted that two thirds of enterprises offer continuing vocational training courses, which is in line with the EU average (67 vs. 66%), and the participation of employees in these activities is higher than the EU average (60% vs. 48%).

### **4. Refernet VET in Europe Country Report on Ireland**

The VET in Europe – Country Report from 2011 is to be found for Ireland at [http://libserver.cedefop.europa.eu/vetelib/2011/2011\\_CR\\_IE.pdf](http://libserver.cedefop.europa.eu/vetelib/2011/2011_CR_IE.pdf)

## **ITALY**

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## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR4:** *Ensure the effective implementation of the labour market and wage setting reforms to allow better alignment of wages to productivity. Take further action to foster labour market participation, especially of women and young people, for example through a Youth Guarantee. Strengthen vocational education and training, ensure more efficient public employment services and improve career and counselling services for tertiary students. Reduce financial disincentives for second earners to work and improve the provision of care, especially child and long-term care, and out-of-school services. Step up efforts to prevent early school leaving. Improve school quality and outcomes, also by enhancing teachers' professional development and diversifying career development. Ensure effectiveness of social transfers, notably through better targeting of benefits, especially for low-income households with children.*

### ***Labour market, education and social policies***

Further efforts are needed to obtain a well-performing educational system and labour market, as both play a crucial role in restoring competitiveness and fostering growth, as stressed in the AGS. The labour market reform adopted in June 2012 relevantly and ambitiously addresses some important shortcomings that were raised in the 2012 CSR, while some efforts to improve the performance of education have been made. However, **the educational system in Italy still shows severe weaknesses in terms of quality and outcomes, which in turn hamper a smooth transition to work**, while access to the labour market remains difficult for young people and women.

**Youth unemployment is on the rise, calling for a more ambitious effort.** Youth unemployment has climbed since the onset of the crisis and further deteriorated in 2012, reaching 35.3%. Young tertiary graduates are also affected, with an unemployment rate of 19% in 2012, against 12% across the euro area. **Various initiatives have been launched to support youth employability, from reforming the apprenticeship system** to introducing fiscal incentives to recruit high-skilled young people [...]. Although relevant, these actions are limited in scope and some gaps in implementation hamper their effectiveness. **If properly deployed, the Youth Guarantee could prove helpful to combat youth unemployment.**

**Facilitating the transition from education to work has been at the core of several initiatives.** The June 2012 labour market reform aims to make apprenticeships a major port of entry towards stable jobs. To the same end, **in December 2012 an agreement was concluded with Germany to foster cooperation on mobility and work-based learning in vocational education and training.** Moreover, **the recent establishment of 62 higher technical institutes (ITS) providing short-cycle tertiary qualifications in a number of key sectors of the economy is a relevant first step to develop a vocational higher education system**, in line with the AGS priority on tackling unemployment. However, avenues for action remain to be explored in order to upgrade the vocational education system, both at upper secondary and tertiary level.

**If properly implemented, the measures adopted to encourage the nation-wide recognition of skills could lead to better use of competencies acquired throughout the life.** As foreseen by the labour market reform, **a legislative decree setting up a national system for the certification of skills, including the recognition of non-formal and informal learning, was adopted in January 2013.** It now requires proper implementation, bearing in mind that the regions have exclusive regional responsibility for training policies.

## 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Italy

### Youth unemployment, education and school dropouts

The Government has made the fight against youth unemployment a priority, including by improving education and vocational training. The measures adopted aim at favouring the establishment of more stable employment relationships, by raising the value of apprenticeship as the preferred gateway to the labour market for young people and as a means for countering the improper use of certain types of employment contracts.

The most effective action programmes include:

- **Strengthening apprenticeship.** Under the labour market reform introduced by the Government, apprenticeship becomes the preferred gateway to the labour market for young people. Apprenticeship is actually a dependent employment contract whose aim is to provide training and employment to young people. The consolidated text on apprenticeship envisages three different employment contract types: i) apprenticeship to acquire skills and a professional diploma; ii) apprenticeship to acquire skills or a skill-perfecting contract; iii) higher-education and research apprenticeship.
- The educational value of apprenticeship. This reform: i) introduces a mechanism whereby the hiring of new apprentices is allowed when at least 50 per cent of the existing ones have been given a permanent employment contract in the last three years; ii) a minimum six-month length is established for apprenticeship, without prejudice to contracts entered into for seasonal activities; iii) raises the maximum number of apprentices that can be hired, on the basis of the number of skilled workers (from the current ratio of one apprentice to each worker to three apprentices to every two workers).
- Action plan on apprenticeship. In February 2013 a 'Protocol for the promotion and wide use of the apprenticeship tool' was signed with regional authorities and autonomous provinces, whose purpose is to consolidate an information network among stakeholders and to ensure maximum information symmetry across the national and local levels. A national portal on apprenticeship has also been set up, with the aim of favouring the widest possible dissemination of information and an understanding of this type of contract among all citizens and especially young people. In October 2012 a MoU was signed by Italy and Germany to initiate a dual apprenticeship programme called 'Job of my life'. [...]
- Apprenticeship. In line with what was set out in the reform law of January 2013, 'guidelines on apprenticeship' have been issued. The aim of an apprenticeship is to acquire professional skills and to facilitate labour market re-entry; the agreement sets minimum standards applicable throughout the national territory. All apprentices are entitled to an allowance of no less than €300. The length of the training and orientation period is: i) four months for high-school students; ii) six months for unemployed workers; iii) twelve months for university students or disadvantaged people; iv) twenty-four months for disabled people. Training programmes may be run by firms with up to 5 employees through the involvement of a trainee, while firms with a number of employees ranging from 6 to 20 may involve two trainees, while in a company with over twenty employees, the ratio of trainees to workers under a permanent employment contract shall not exceed 10 per cent. [...]
- Technical Institutes (ITS). These institutes have been strengthened through the introduction of two- and three-year courses strictly linked to the actual needs for development and internationalisation of firms, especially SMEs. Technical institutes are 'special schools of technology', an alternative to university, focussed on training and labour-market entry.

### 3. Findings from the Education and Training Monitor Country Fiche

## Key indicators and benchmarks

		Italia		EU average		Europe 2020 targets
		2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)		19.2%	17.6%	14.2% EU28	12.7% EU28	EU target: 10% National target: 15-16%
<b>2. Tertiary educational attainment</b> (age 30-34)		19.0%	21.7%	32.1% EU28	35.7% EU28	EU target: 40% National target: 26-27%
		Italia		EU average		ET 2020 Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)		98.2%	96.8% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		60.6%	54.3%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)		6.0%	6.6%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	21.0%	:	19.6%	:	15%
	Mathematics	24.9%	:	22.2%	:	15%
	Science	20.6%	:	17.7%	:	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	63.2% <sup>07</sup>	60.0% <sup>11</sup>	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	23.0%	24.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	41.0%	30.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	:	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	99.4%	99.4% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
<b>10. Mobility</b>	a. Inbound degree mobile students as % of student population in the host country		3.5% <sup>11</sup>		7.0% <sup>11</sup>	
	b. Erasmus inbound students as % of student population in host country		1.0% <sup>11</sup>		1.1% <sup>11</sup>	
	Higher education					
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	0.3%	0.4% <sup>11</sup>	0.6%	0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	59.0%	60.0% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	24.1%	:	19.1% EU28	
	Medium qualification	:	13.1%	:	4.6% EU28	
	Low qualification	:	-17.9%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	4.6%	4.2% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 6,770 <sup>08</sup>	€ 6,176 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>	
	ISCED 1-2	€ 7,213 <sup>08</sup>	€ 6,711 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>	
	ISCED 3-4	€ 7,457 <sup>08</sup>	€ 7,379 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>	
	ISCED 5-6					

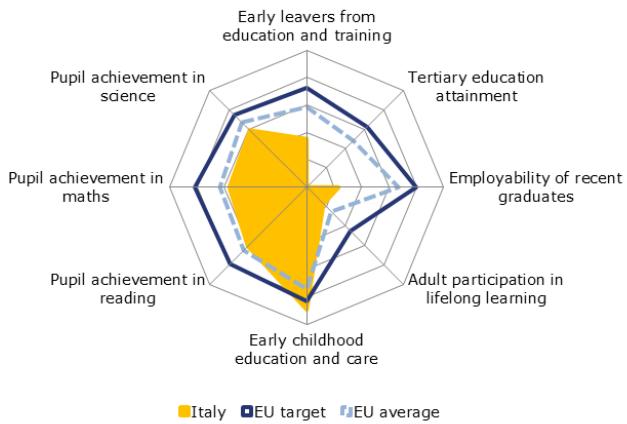
Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD PISA: 6

Notes: <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, e= estimate, a= unweighted average b= break, p= provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

Italy's weak human capital endowment hinders innovation and young people face a difficult labour market. Public expenditure on education as a share of GDP is among the lowest in the EU, notably at tertiary level. Italy performs significantly worse than the EU average in terms of early school leaving and registers the lowest tertiary attainment rate in the EU for the 30-34 year-old age group. Moreover, adult participation in lifelong learning is below the EU average. There is also evidence of a difficult transition from education to the labour market, including for high-skilled young people

Although some measures have been adopted with a view to improving the quality of the education system, more ambition is needed in some policy areas. Consequently, the 2013 European Semester country-specific recommendation (CSR) on education focused on four topics: stepping up efforts to prevent early school leaving, improving school quality and outcomes (also by reforming teachers' professional and career development), strengthening vocational education and training and improving career and counselling services for tertiary students.

## Skills and qualifications

School education in Italy produces rather mixed outcomes in terms of basic skills attainment. The unsatisfactory results of 15 year-olds in OECD PISA tests in reading, mathematics and science at national level mask significant regional disparities: despite recent improvements, performance remains poor in Southern regions, while it is in line with or above the EU average in Northern regions. Regional differences can be seen also in the 2011 TIMSS & PIRLS studies on 10 year-olds, conducted by the International Association for the Evaluation of Educational Achievement (IEA), where however Italy shows fairly good results in international comparison, especially in reading. ICT skills levels are close to the EU average, while Italian citizens appear less confident than the EU average about their entrepreneurship competences.

In December 2012, the State, regions and local authorities agreed that as from January 2014, all certifications of qualifications obtained in Italy will have to make reference to the corresponding European Qualifications Framework (EQF) level.

## Facilitating the transition from education to work

The skills issue in Italy is relevant not only in terms of levels, but also in terms of mismatch in the labour market for the young cohorts, compounded by the effects of the economic crisis. The employment rates of recent graduates from both upper secondary and tertiary education are among the lowest in the EU and are deteriorating in the recent years. While the overall unemployment rate is still close to the EU average, both the youth unemployment rate and the unemployment rate of young tertiary graduates are very high. At the

same time, private returns for young people from investing in tertiary education, estimated in terms of earning differentials, are low.

Employment in medium and high qualification jobs in Italy up to 2020 is forecast to increase faster than the EU average, also because now it represents a lower share of total employment (64% as against 77% in 2010).

To facilitate transition to work, the June 2012 labour market reform aims to make the apprenticeship contract a major port of entry towards stable jobs. In line with the labour market reform, the government adopted on 11 January 2013 a legislative decree establishing the national system for the certification of skills, including the identification and recognition of non-formal and informal learning. This could contribute to better exploiting the competences acquired all over life. A proper translation into practice, also taking account of the exclusive regional competences on training policies, will be key to making the new system effective.

Participation of upper secondary students in vocational education and training remains above the EU average (60% as against 50.3% in 2011). An agreement with Germany has been concluded in December 2012 to promote cooperation in enhancing mobility, network projects including employers and trade unions and an increase in the work-based learning component in vocational education and training.

Starting from the 2011/12 academic year, 62 higher vocational institutions (*Istituti Tecnici Superiori*, ITS) have been created to provide short-cycle tertiary qualifications (2 years) focused on key sectors of the Italian economy. Although they still involve a limited number of students, the ITS are potentially relevant in promoting the development of the vocational higher education system, consistently with the 2013 Annual Growth Survey priorities on tackling unemployment. However, avenues for action remain to be explored in order to upgrade the vocational education and training system, as recommended in the 2013 CSR, both at upper secondary and tertiary level.

### **Upgrading skills through lifelong learning**

Adults in Italy score below the EU average in the literacy and numeracy tests of the Survey of Adult Skills (PIAAC), at all ages. The youngest generation (aged 16-24) scores better than the overall population in literacy (by 10 points, i.e. equivalent to skills usually acquired with 1 to 2 years of education). However, recent graduates in tertiary education (aged up to 29) do not score better than upper secondary graduates in the best performing European countries. Italy has also a large proportion of inactive people among the high-skilled population (about 24%).

Close to 30% of adults have low literacy and numeracy skills (at level 1 or below) compared to an EU average of 19% for literacy and 24% for numeracy. These low-skilled people are 6 times less likely to participate in job-related learning compared to high-skilled people.

Participation of adults in lifelong learning slightly increased in 2012, but remains low in EU comparison (6.6% vs. 9%). This is especially the case for the low-skilled (1.6% in 2012, compared with an EU average of 3.9%), who would benefit the most from further education. In 2010, only 56% of Italian enterprises provided vocational training to their staff, as against an EU average of 66%. To increase participation, Italy has recently defined a national system for lifelong learning, building on the experience of upper secondary schools providing evening courses and the local centres for adult education (CTPs). From the school year 2013-2014 CTPs and evening courses will merge in the Centres for Adult Education (*Centri provinciali per l'Istruzione degli Adulti*, CPIA). The new Centres based in lower and upper secondary schools will be a kind of autonomous institution, organised in service networks, mainly at provincial level, with the same autonomy of mainstream schools.

The implementation of the European Agenda for Adult learning has stepped up for the period 2012-2014, in order to improve coherence of adult learning and socio-economic development as well as cooperation with different stakeholders to address the problem of the low skilled.

#### **4. Refernet VET in Europe Country Report on Italy**

The VET in Europe – Country Report from 2012 is to be found for Italy at  
[http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_IT.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_IT.pdf)

## **LATVIA**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Latvia**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Latvia.**

## **1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**

**CSR3: Tackle long-term and youth unemployment by increasing coverage and effectiveness of active labour market policies and targeted social services. Improve the employability of young people, for example through a Youth Guarantee, establish comprehensive career guidance, implement reforms in the field of vocational education and training, and improve the quality and accessibility of apprenticeships.**

### ***Labour market, education and social policies***

**Young people are being involved in vocational training programmes, but there are still challenges.** [...] 2 000 young people without professional qualifications will be involved in a short cycle (1-1.5 years) vocational training programme and a new 'Workshops for Young People' measure has been prepared to give young people the opportunity to try out three different professions in vocational schools. **Latvia has a range of existing and new measures targeting young people, but has not yet established a comprehensive system delivering a Youth Guarantee.** Similarly, there are no measures to support people at pre-retirement age, who are often subject to discriminatory attitudes and sometimes lack sufficient skills. **The ESF will be an important source of funding for youth employment policies, in particular through the support of the Youth Employment Initiative,** which will deliver measures targeted at young people not in employment, education or training.

[...]

**Latvia has allocated significant ERDF funds for renovating 11 VET schools.** However, close monitoring will be needed to ensure timely and effective absorption of the allocated financing in the next few years. **A project to improve the attractiveness of VET curricula and raise professional standards is on-going, in cooperation with employer-led Sectoral Expert Councils.** Latvia is drawing up plans to improve VET governance and introduce more flexible modes of learning, including provision of education for adults and the unemployed. While participation in VET started from very low levels and has been increasing, this may be more due to monetary incentives (eg. stipends to VET students) than to real attractiveness of programmes. **Latvia still lacks a comprehensive nationwide system of impartial career guidance to help students make informed choices.** Importantly, **there has not been any rigorous evaluation of the traineeship/apprenticeship schemes,** though concerns have been raised as regards their quality, availability, attractiveness to employers and organisational aspects.

## **2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Latvia**

### **Reducing long-term and youth unemployment**

In 2013, the measure Youth Workshops co-financed by the ESF is expected to be implemented with an aim to help youth aged 15-24 years without previous vocationally oriented education make well-considered choice of future profession and enhance chances to find a job. The youth will have an opportunity to try hand in three professional areas in a vocational education institution within this measure, being engaged in each area for three weeks to get an insight in its specific nature (the expected number of involved persons – 500 young people).

Youth unemployment can be reduced by encouraging young people to return to the education process, especially to vocational education programmes. Since 2010, one-year and one-and-a-half-year vocational education programmes are implemented using the ESF support to make it possible for the youth, who have

chosen not to continue learning after graduating elementary school or secondary school and are unable to integrate in the labour market, thus fostering their integration in the labour market as soon as possible, preventing the risk of youth unemployment.

In 2012, social support measures were implemented for students of vocational education institutions. About 80% (33 521) of the total number of students in the vocational education system (42 058) have received the ESF scholarship for at least 1 month within the project Promotion of Primary Vocational Education's Attraction.

[...]

### ***Secondary Vocational Education***

By 2020, the share of the number of students in vocational education and secondary education is planned to be changed in favour of vocational education from 37/63 (in 2010) to 50/50 (in 2020). As a result of the implemented measures, the given share reached 39/61 in 2011/2012, thus approaching the target for 2020.

The key policy principles for changing the share of the number of students in vocational education and secondary education in favour of vocational education are measures to make general vocational education more attractive, for example, modernisation of infrastructure, quality of education programmes, social security of students, career education measures, cooperation with employers to ensure field practice places and potential jobs, ensuring innovative approach to vocational education, including introduction of working environment-based teaching elements.

In the academic year 2012/2013, 8588 students have been enrolled in vocational education programmes and financed from the government budget and 1182 students are financed from the ESF. On September 1, 2013, students are planned to be enrolled in vocational education programmes financed from both government budget and the ESF. It is planned to enrol 9.5 thousand students in vocational education programmes financed from the government budget. In order to prepare specialists who match the labour market demand, enrolment in specific vocational education programmes will be determined based on the medium- and long-term labour market forecasts, opinion of industry expert councils and coordinated with the Tripartite Cooperation Sub-Council of Vocational Education and Employment.

The total public financing in 2012 within the activity *Promotion of Primary Vocational Education Attraction* for scholarships amounted to LVL 6.2 million per year, including the EU funds financing 85%. At the same time, LVL 2.6 million have been paid for the government budget financed places in vocational education.

The ESF scholarships in the amount of LVL 25 are available for all successful students, while scholarships in the amount of LVL 70 are available for students of short one-year and one-and-a-half-year programmes.

### **Key policy directions and measures to improve the quality and attraction of vocational education, ensuring its conformity to the labour market requirements:**

- ***Implementing structural reforms in vocational education*** (responsible institutions – MES, MC)

The aim is to improve the quality of vocational education, thus ensuring its conformity to the labour market needs, as well as to foster efficient use of available resources:

- By optimising and differentiating the number and regional location of vocational education institutions (from 65 secondary vocational education institutions in 2012 to 30 institutions in 2015). According to the *Guidelines for the Optimisation of the Network of Vocational Education Institutions in 2010–2015*, 14 vocational education competence centres, 14 vocational specialized education institutions and 2 vocational schools for the acquisition of basic skills are expected to be established;
- According to the amendments to the Article 16 of the *Vocational Education Law* there are the following types of vocational education institutions: vocational elementary school, trade school, vocational secondary school, technical school, college.

Pre-conditions for the change of management of vocational education institutions, including transfer to local governments are being identified.

In order to make it possible for students to acquire vocational education as close to their place of residence as possible, local social partners are actively involved in preparation of the specialists demanded on the labour market. In order for local governments to be able to independently plan consolidation of any type of educational institutions within the administrative territory of a local government, 11 small (300 and less students) vocational education institutions should be transferred to local governments. Thus, students will have a possibility to acquire both general and vocational education programmes, including vocational continuing education and professional improvement education programmes at the same place, ensuring rational and efficient use of infrastructure and training equipment of all types of educational institutions, while keeping the weekly workload of teachers.

By September 1, 2013, 3 state vocational education institutions are planned to be transferred to local governments. Yet, another 8 vocational education institutions are expected to be transferred to local governments by December 31, 2015.

In order to optimise the number and location of vocational education institutions in the regions, the institutions are encouraged to obtain the status of a vocational education competence centre (a vocational education institution complying with the criteria of a centre – the number of students, a wide range of implemented education programmes, cooperation with employers, carries out functions of methodological centre, as well as ensures recognition of knowledge obtained outside formal education, etc.).

The total public financing in 2012 for modernisation of training equipment and improvement of infrastructure of vocational education institutions, as well as implementation of vocational education programmes was LVL 5.8 million, including the co-financing of the ERDF activity in the amount of LVL 5 million and the co-financing of the state budget in the amount of LVL 0.8 million.

- ***Strengthening the cooperation with sectoral social partners to improve and develop vocational education*** (responsible institution – MES)

In 2011, the 12 established sectoral expert councils continue working on development of qualitative and quantitative demand of sectors for labour preparation. Within the ESF project the sector survey for the needs of vocational education was completed in 2012 resulting in the development of sector descriptions and structure of sectoral professional qualifications. Professional standards are being developed and improved for primary professions, as well as the main requirements of professional qualifications for related professions and specialisations are being developed according to the structures of sectoral professional qualifications.

In 2012, in cooperation with social partners, restructuring of the vocational education contents has been launched through the ESF support in accordance with the European Qualifications Framework and using flexible modular education.

The total public financing for development of sectoral qualification system and restructuring of vocational education in 2012 was LVL 5.1 million (100 % EU funds financing). The planned financing in 2013 is LVL 0.8 million and in 2014 – LVL 0.9 million.

In general, the abovementioned measures are linked to the implementation of the flagship initiative *An agenda for new skills and jobs* of the Europe 2020 strategy.

### **[...]Lifelong Learning**

The aim is to ensure that 15% of the population (aged 25–64 years) would be continuously involved in the learning process by 2020. The *Guidelines for Lifelong Learning Policy for 2007–2013* envisage that 12.5% of adult population in Latvia is involved in the education measures in 2013. In 2012, adult involvement in the education process has increased reaching 7%. However, the achievement of Latvia still lags behind the

average indicator of Europe – 8.9% and lags behind substantially from those European countries that have already reached the target of the Europe 2020 strategy (for example, in 2011, 25% of Slovak adults were involved in the education measures, while in Switzerland – 29.9%).

The EC noted that the economic crisis has highlighted the significant role of adult education in the achievement of the Europe 2020 strategy targets<sup>13</sup>. Support for adult participation in various education measures has a direct impact on the achievement of employment target as it reduces the structural unemployment risk.

Table 6

Participation of people aged 25–64 years in the education process

	2008	2009	2010	2011	2012	2020
Share, %	6.8	5.3	5.0	5.1*	7.0	15.0

\* Recalculation according to the Population Census 2011

In order to achieve this aim, it is necessary to make lifelong learning accessible for anyone irrespective of age, gender, previous education, place of residence, income level, ethnic identity, functional disorders, etc., as well as to develop high quality adult education supply and a harmonized system of laws and regulations and efficient resource (including finances) management.

The measures described below are linked to the implementation of the flagship initiative *An agenda for new skills and jobs* of the Europe 2020 strategy, as well as implementation of the priority of the *Annual Growth Survey 2013* for promoting growth and competitiveness for today and tomorrow and tackling unemployment and the social consequences of the crisis.

Key policy directions and measures to implement the lifelong learning principle:

- ***Developing national qualifications framework and adjusting its level to the European qualifications framework*** (responsible institution – MES)

The aim is to introduce the National qualifications framework of Latvia, thus fostering transition to education based on learning outcomes, as well as to link it to the European qualifications framework (hereinafter – EQF) by reflecting the corresponding EQF level in the certificates on formal education of Latvia.

In 2012–2013, it is planned to ensure development of the primary vocational education qualifications system within the ESF project. After revision of the system, amendments to regulations will be made to ensure a transition to the 8-level qualification system.

- ***Ensuring assessment of knowledge, skills and professional competences obtained outside formal education*** (responsible institution – MES)

The aim is to develop and introduce a mechanism to assess and recognize knowledge, skills and professional competences obtained outside formal education, as well as to receive a professional qualification document.

In 2011, the procedure for obtaining professional qualification that conforms to professional competence of the first, second or third professional qualification level if the person has obtained the knowledge during lifetime or through informal education. Professional competence is being assessed by taking a professional qualification examination according to the procedure for centralized professional qualification examinations specified in the relevant laws and regulations. At the moment, delegation contracts have been signed with 36 vocational education institutions. Professional competence obtained outside formal education can be assessed for more than 100 professional qualifications.

<sup>13</sup> Council Resolution on a renewed European agenda for adult learning (November 2011).

In order to approbate assessment of knowledge obtained outside the formal education system, in 2011–2012, 80 people were given an opportunity to assess their knowledge and skills free of charge and to obtain appropriate professional qualification in the case of successful examination within the ESF project *Development of a sectoral qualifications system and increasing the efficiency and quality of vocational education*, thus reaching the expected result-based indicator.

By the end of 2012, 398 persons have received the certificate of professional qualification based on the experience gained during lifetime or in informal education programmes. At the beginning of 2013, 45 persons have obtained the assessment of knowledge and skills obtained outside the formal education and professional qualification in such professions as car mechanics, accountant, electrician, etc.

Along with expanding the opportunities to recognize knowledge obtained outside the formal education system, a procedure for recognition of study outcomes (higher education) of previous education and professional experience has been developed and approved by the CM on January 10, 2012.

From spring 2012 to spring 2013, the National Library of Latvia in cooperation with the National Centre for Education Contents have been implementing the EC Lifelong Learning programme's project *Integrated Recognition System of Informal Education Results: Development of National Cooperation Network (Val-Net)* within the framework of which a sustainable information exchange and cooperation network is planned to be created at a national level. Several activities oriented towards development of cooperation between different institutions, identification of possible problems and development of proposals for solving those problems are being implemented within the project. Conclusions drawn during the project and examples of good practice of recognising knowledge and skills obtained outside the formal education system are compiled in a book.

- ***Second chance education as a compensating mechanism to reduce the number of early school leavers*** (responsible institution – MES)

The aim is to ensure sufficient second chance education opportunities for early school leavers. Adults wishing to complete started formal primary and secondary education after a certain period of time were given an opportunity and access to the second chance education.

At the beginning of the academic year 2012/2013, there were 25 evening (shift) schools, including two correspondence secondary schools and two distance learning secondary schools, and 69 evening classes and part-time consultation points within the full-time schools across Latvia.

For the purpose of supporting evening schools, *Amendments to the General Education Law* were adopted in 2011 defining the role and tasks of evening schools in adult education at the same time giving a possibility for evening schools to implement also adult informal education programmes, thus expanding the education programme options and availability.

In order to ensure the second chance education, 41 education programmes for evening (shift) and correspondence education, as well as 65 vocational continuing education programmes to be implemented after full or partial acquisition of primary education programme were licensed. In order to maintain and improve the achieved results, the previously launched measures will be continued in 2013 and 2014.

- ***Supporting improvement of employee qualification according to employers' requirements with respect to employee training within sectors*** (responsible institution – ME, MW)

The aim is to give the employed (aged 25 and older) an opportunity to improve and enhance knowledge and skills required for the job by acquiring professional improvement or informal education programmes.

The ESF support programme *Support to employee training for improving competitiveness of enterprises – support to training in partnerships* is being implemented to promote direct participation of enterprises in raising qualification of the labour force. The programme is implemented by industry associations. By the

end of 2012, 13 projects for the total amount of LVL 1.7 million were completed and implementation of 16 projects for the total financing of LVL 14.5 million were continued. At the same time, in 2012 the programme continued providing support for improving skills in ICT area where the total financing constituted LVL 1.12 million and overall 5000 persons were expected to be trained. By the end of 2012 – 17 408 persons have been trained within the programme (the first and the second selection round). In 2012, LVL 11.3 million has been paid for the programme's implementation, while LVL 6.3 million is expected to be paid in 2013.

In 2012, 6067 employed persons participated in the SEA lifelong learning measures, including 2460 new involved persons. In 2013, the programme is planned to involve 6282 persons. The total EU funds financing in 2012 was LVL 0.85 million. In 2013, the planned financing for this measure constitute LVL 1.07 million.

In order to improve the quality of the measure and ensure a closer link to the labour market demands and trends, a range of amendments to the legal framework were made in 2012, envisaging approval of lifelong learning programmes in a commission specifically established for this purpose, thus preventing the risk that persons at the risk of unemployment would acquire education programmes that are not directly linked to the labour market demands.

In 2014, complex solutions are planned to be developed to improve skills and maintain working capacity of elderly (50+) employed persons, including consultations for employers in the field of improving working conditions and improving working capacity and working skills of elderly employed persons, as well as in certain cases – adjustment of workplaces.

### **3. Findings from the Education and Training Monitor Country Fiche**

#### **Key indicators and benchmarks**

		Latvia		EU average		Europe 2020 targets
		2009	2012	2009	2012	EU target: 10% National target: 13.4%
		13.9%	10.5%	14.2% EU28	12.7% EU28	
<b>1. Early leavers from education and training</b> (age 18-24)		30.1%	37.0%	32.1% EU28	35.7% EU28	<b>EU target: 40%</b> National target: 34-36%
		Latvia		EU average		ET 2020 Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)		89.6%	92.7% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	<b>95%</b>
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		71.4%	74.2%	78.3%	75.7%	<b>82%</b>
<b>5. Adult participation in lifelong learning</b> (age 25-64)		5.3%	7.0%	9.3%	9.0%	<b>15%</b>
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	17.6%	:	19.6%	:	<b>15%</b>
	Mathematics	22.6%	:	22.2%	:	<b>15%</b>
	Science	14.7%	:	17.7%	:	<b>15%</b>
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	23.2% <sup>07</sup>	:	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	17.0%	29.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	50.0%	44.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	:	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	74.6%	72.3% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
	a. Inbound degree mobile students as % of student population in the host country		1.9% <sup>11</sup>		7.0% <sup>11</sup>	
<b>10. Mobility</b>	Higher education		0.6% <sup>11</sup>		1.1% <sup>11</sup>	
	Initial vocational training (IVET)		1.2%	1.7% <sup>11</sup>	0.6%	0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	36.1%	37.8% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	22.6%	:	19.1% EU28	
	Medium qualification	:	-11.1%	:	4.6% EU28	
	Low qualification	:	26.4%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	6.8%	5.7% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 4,162 <sup>08</sup>	€ 3,533 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>	
	ISCED 1-2	€ 4,165 <sup>08</sup>	€ 3,365 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>	
	ISCED 3-4	€ 4,902 <sup>08</sup>	€ 4,315 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>	
	ISCED 5-6					

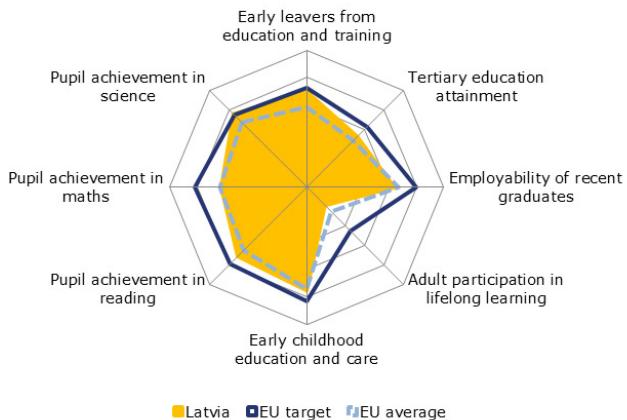
Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD PISA): 6

Notes: <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, e= estimate, a= unweighted average b= break, p= provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

While Latvia has shown remarkable progress in reducing early school leaving and raising the tertiary attainment rate, some significant challenges remain to be addressed in higher education and vocational education and training (VET), as recommended by the 2013 European Semester country-specific recommendations (CSRs). In the higher education field, the immediate challenge is implementing the reform proposed by the Ministry of Education and Science, given the stakeholders' preference to maintain status quo in the education sector. This includes implementing quality-based accreditation of study fields, adopting changes to the governance of higher education institutions, promoting internationalisation of higher education and science, and introducing a financing model that rewards quality, combined with increased national higher education financing. The main challenges for vocational education and training stem from the need to improve employability of young people, and concern in particular the limited availability of quality work-based training, including traineeship/apprenticeship schemes, as well as the lack of a comprehensive career guidance system.

## Skills and qualifications

In terms of basic skills, 15-year olds' performance on PISA tests in reading and science recently improved and continues to outperform the EU average, but worsened in mathematics, where it is now just in line with the EU average. The gender gap is very high in reading, where only 8.7% of girls are low-achievers, compared with 26.6% of boys. ICT skills and entrepreneurship attitude of the population appear close to the EU average.

The National Centre for Education is responsible for a comprehensive curriculum reform for 6-11 years old pupils. The aim of the reform is to promote pupil-centred teaching, as well as reading literacy. One of the outcomes of this curriculum reform is that as from the 2014/2015 school year learning the first foreign language will become compulsory from the first grade.

Nationally recognised educational programmes from the formal education system (i.e. from primary, secondary and higher education) are referred to a Latvian qualifications framework level (LQF) and were linked to the corresponding European Qualification Framework (EQF) levels in 2011. Master of crafts, journeyman and qualifications acquired in non-formal and informal learning will be attributed levels in a subsequent phase (2013-15) and consequently referenced to the EQF.

## Facilitating the transition from education to work

Youth employment prospects suffered from the recent economic crisis, but investing to get higher qualifications continues to pay off: while the employment rate of young people with only upper secondary

education is still depressed (56.9% in 2012 as against 77.9% in 2007), that of young tertiary graduates quickly returned to pre-crisis levels (87.1% in 2012 compared with 86.5% in 2007).

Latvia's employment pattern up to 2020 is forecast to become more polarised, with large increases in both high and low qualification jobs and a decline in medium qualification jobs. However, low qualification jobs are projected to represent only 16% of total jobs in 2020, still below the EU average (18%). The expected increase in high qualification jobs appears consistent with evidence from employers pointing to skills' shortages in such areas as ICT, pharmaceuticals and engineering, as the higher education system has not produced enough graduates in mathematics, science and technology .

While participation of secondary students in VET, starting from very low levels, has been increasing (reaching 39% in 2011/2012 and with a national target of 50% by 2020), this may be more due to monetary incentives (e.g. stipends to VET students) than to real attractiveness of programmes. Moreover, the 'money follows pupil' principle has encouraged some of the general secondary schools to offer money or other benefits to students to attract them away from VET and this could promote unhealthy competition between the two education sectors.

The Latvian government has allocated additional funding for modernisation and renovation of 11 VET schools (out of 38) and is pursuing a rationalisation of VET institutions. Employer-led Sectoral Expert Councils have been established and are contributing to the development of VET curricula and profession standards. Plans are being elaborated on improving the VET governance and on introducing more flexibility in delivering VET courses via a modular system, and in line with the National Development Plan 2014-2020. Latvia still lacks a comprehensive nationwide system of impartial career guidance to help the VET students make informed choices.

As regards the work-based learning components of VET and apprenticeships, Latvia has recently introduced a regulation for the insurance of the trainees/apprentices, although not in all professions. There are also plans to develop a pilot project to intensify cooperation between VET schools and the Chamber of Crafts. To increase the opportunities for VET placements, in December 2012 Latvia signed the 'Memorandum of Co-operation in Vocational Education and Training in Europe', which among other issues envisages the enhancement of work-based and/or dual training elements of the VET.

There has not been any rigorous evaluation of the present traineeship/apprenticeship schemes, although according to the views expressed by the stakeholders there are problems regarding quality, availability, attractiveness to employers and organisational aspects. The 2013 CSR on youth unemployment recommends that Latvia establish comprehensive career guidance, implement reforms in the field of vocational education and training, and improve the quality and accessibility of apprenticeships.

## **Upgrading skills through lifelong learning**

Participation of adults in lifelong learning is still quite low in EU comparison (7% vs. 9% in 2012), despite a 2 percentage point increase between 2011 and 2012.

In 2010, only 40% of Latvian enterprises provided vocational training to their staff, as against an EU average of 66%. To develop distance learning opportunities for adults by implementing a customised approach, the Ministry of Education and Science has recently developed and approved sample educational programmes for general education distance learning and several education institutions offer accredited general education distance learning programmes.

## **4. Refernet VET in Europe Country Report on Latvia**

The VET in Europe – Country Report from 2012 is to be found for Latvia at [http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_LV.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_LV.pdf)

## **LITHUANIA**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Lithuania**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Lithuania**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

*“Tackle high unemployment amongst low-skilled and long-term by refocusing resources on active labour market policies while improving their coverage and efficiency. Improve the employability of young people, for example through a Youth Guarantee, enhance the implementation and effectiveness of apprenticeship schemes, and address persistent skill mismatches. Review the appropriateness of labour legislation with regard to flexible contract agreements, dismissal provisions and flexible working time arrangements, in consultation with social partners.”*

Tackling unemployment and low labour market participation of the low-skilled remains a key challenge. Young and unskilled workers in particular suffer from high unemployment rates. Skill mismatches became especially evident during the crisis and represent a growing problem, hinting at structural shortcomings in education and labour market policies. Ensuing shortages of skilled labour are compounded by high emigration rates. Hence, additional measures to improve labour market flexibility and to boost participation in the labour market, especially for young people, unskilled persons and older workers are necessary. The overall coverage of active labour market measures and the financial allocation per individual measure remain insufficient and measures are poorly targeted for low skilled and long term unemployed. A comprehensive review of labour law, with the involvement of social partners, could identify unnecessary restrictions and administrative hurdles affecting flexible contractual agreements, dismissal provisions and flexible working time arrangements. To ensure a better transfer from education to the labour market, apprenticeships and internships could be made more attractive.

### Labour market

Youth and long-term unemployment rates remain high, at 26.4% and 6.7% respectively, pointing to underlying structural problems which weigh on growth. Skills mismatches are increasingly a problem and could lead to labour shortages, hinting at insufficient relevance and quality of higher and vocational education as well as inadequate active labour market policies (ALMPs). This is further aggravated by high emigration (reducing population by more than 1% annually on average since 2005). Poverty and social exclusion are above the EU average (and increased from 29.5% of the population in 2009 to 33.4% in 2011). Adult participation in lifelong learning and early childhood education are amongst the lowest in the EU (5.4% compared to a 9.1% EU average in 2012) and action to reduce long-term unemployed remains insufficient.

Tackling unemployment and low labour force participation is a major challenge, with young and low-skilled workers in particular suffering from high unemployment rates. Even though nominal unemployment rates continue to fall, structural challenges remain, also with regard to long-term unemployment. Unemployment is a major priority identified in the AGS and Lithuania breached the unemployment threshold in the scoreboard of the Macroeconomic Imbalances Procedure, as shown in the AMR.

Skills mismatches represent a significant problem, hinting at insufficient relevance and quality of higher and vocational education as well as inadequate active labour market policies (ALMPs). Ensuing shortages of skilled labour are exacerbated by high emigration rates (reducing population by more than 1% annually on average since 2005).

Rigidities in the labour law may be negatively affecting labour market dynamism while collective bargaining and social dialogue remain underdeveloped. Adult participation in lifelong learning and early childhood education are amongst the lowest in the EU and the activation of long-term unemployed benefit recipients remains insufficient. Poverty and social exclusion remain worryingly high and risk becoming persistent, thus underlining the importance of protecting the most disadvantaged, with a particular emphasis

on addressing old-age poverty and the adequacy of pensions. In 2012, the labour market situation in Lithuania improved further but youth and long term unemployment levels remain a serious concern.

Lithuania's unemployment rate dropped from 15.3% in 2011 to 13.3% in 2012, while youth unemployment dropped by 4.3 percentage points. The employment rate reached 68.7%, still falling short of the national target of 72.8% by 2020. Moreover, youth and long-term unemployment rates remain high at 26.4% and 6.7% respectively, pointing to underlying structural problems. Besides affecting the country's growth potential, continued high unemployment and inactivity put many people constantly at risk of poverty and social exclusion.

Despite relevant measures implemented in early 2012, youth unemployment is still high and further efforts with a more coordinated approach to deliver a Youth Guarantee would be welcome. Lithuania has refocused part of its EU funds on better targeting of young people, by extending successful European Social Fund measures and introducing new ones. A set of 23 measures adopted in March 2012 contributed to a reduction in youth unemployment over the course of one year; however, at levels above 26% it continues to be a major concern. Increased efforts to lay the groundwork for a Youth Guarantee, notably by improving administrative capacity and the effectiveness of education and training as well as by providing adequate funding could help underline Lithuania's commitment to combating youth unemployment.

Labour force adaptability and productivity are limited due to significant skills mismatches, exacerbated by insufficient labour market relevance of higher education and the low uptake of vocational education and training (VET) and apprenticeships. Participation of adults in lifelong learning remains at one of the lowest levels in the EU-12 while recommendations to make apprenticeship and VET schemes more effective have been only partially implemented, as they continue to suffer from low quality and attractiveness.

The law on apprenticeships was introduced in 2007 but so far there has been little progress in its implementation. A special apprenticeship project (2013-15, part of the Practical VET Resources Development Programme, updated in October 2012) is intended to strengthen and expand this training form. This effort is complemented by a monitoring system for ensuring quality and efficiency in the provision of career services in general education and in VET as career guidance is currently insufficiently developed. Employment in medium-level qualification jobs in Lithuania is forecast to increase by 17.2% up to 2020, while high-level qualification jobs are expected to decrease (-9%), in contrast to EU developments. This further accentuates the need for a well-established employee training system.

Lithuania's educational outcomes remain mixed with particular challenges in basic skills. Lithuania ranks below the EU average for pupil achievement in literacy and numeracy and performs below the EU benchmark on participation in early childhood education due to a lack of available places.<sup>14</sup> At the same time, Lithuania performs better than the EU average (6.6% in Lithuania compared to 12.9% EU average in 2012) in terms of early school leaving and its tertiary attainment rate (47.9% in 2012) is significantly above the EU average of 35.5%. However, significant gender differences exist. So far, there have been no concrete government initiatives to address either the relatively poor performance in basic skills or gender differences in educational performance.

Adult participation in lifelong learning and early childhood education are amongst the lowest in the EU (5.4% compared to a 9.1% EU average in 2012) and action to reduce long-term unemployed remains insufficient.

A stronger emphasis on reduction of skills mismatches, for example by increasing the job relevance of education and training, would be welcome

## **2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Lithuania**

As from the beginning of 2012, the Lithuanian Labour Exchange started the implementation of a new vocational training model for unemployed and those who have received a notice of dismissal. Only

motivated persons willing to participate in labour market and meeting the requirements of vocational training programme are sent for trainings. Vocational training is arranged taking into consideration the needs of a particular employer in order to help the unemployed to find employment or for those who have been given a notice of dismissal – to remain in their current workplaces. In such a case, a tripartite vocational training and employment agreement is signed by an unemployed person (warned about his/her the dismissal), an employer and local labour exchange.

Also, vocational training can be arranged for those willing to become self-employed, acquire or improve qualifications (or competencies) necessary for starting self-employment. In such a case an agreement on vocational training and self-employment is concluded by an unemployed person and local labour exchange. Moreover, vocational training can be arranged with regard to the needs of the future labour market, based on the tendencies of job creation by economic sectors, identified in annual labour market forecasts conducted by the Lithuanian Labour Exchange, and the barometer of employability by occupations.

In such a case a vocational training agreement is concluded by an unemployed person (warned about his/her dismissal) and a local labour exchange.

In all cases, vocational training services are provided by a vocational trainings provider selected by an unemployed person, with whom a training agreement is concluded. A local labour exchange office issues a training voucher to the unemployed person or employee who has been given notice of dismissal, who have been referred to vocational training. The training voucher serves as a commitment of the labour exchange to pay to the chosen vocational training provider for vocational training services rendered according to the specified vocational training programme. A new vocational training model has significantly increased the efficiency of vocational training. In 2012, expenses incurred for vocational training for one participant decreased 2.8 times as compared to 2010. In the meanwhile, the employment after vocational training increased by 2.7 times during the same period (89% of the participants having attended a training program were employed in 2012 as compared to 32% in 2010).

### **Enhance the effectiveness of apprenticeship schemes.**

Lithuania is also implementing the measures for strengthening a connection between educational and life-long learning systems and labour market needs, facilitating the transition from school to the world of labour by creating the models of high-quality training practice, apprenticeship and dual-learning in an educational institution along with gaining experience in a workplace.

The creation of models (systems) for arranging practice for students of undergraduate and integrated studies in companies and (or) non-profit organizations, including the trainings of tutors, improvement of their skills, development and installation of informational systems for internships, is worth mentioning here. The key objective is to improve the quality of internships and practical skills of students enabling the students to be more competitive in the labour market. Such student internships can be organized together with foreign partners. In Lithuania internship models are created and adapted in the context of the EU structural support funded projects.

In Lithuania vocational training can be organized in school and apprenticeship forms. When applying the apprenticeship form, a provider of vocational education concludes employment and vocational education agreements. Practical training of a person is organised in his/ her workplace, and theoretical education may be carried out in a vocational training establishment, following the conclusion of a vocational education agreement between the provider of vocational education, vocational education establishment and a student. Organizational form of apprenticeship vocational education is when trainings are carried out in a workplace: in a company, institution, organization, farmer's farm, with a freelance teacher. Theoretical education can be carried out in a vocational education establishment or other school.

In order to develop apprenticeship training forms and the arrangement of vocational training in real working conditions, a project financed from the European Social Fund (LTL 2.51 million) will be launched in 2013. Executor of the project will be the Vilnius Jerusalem Labour Market Training Centre, partners – Vilnius

Žirmūnai Labour Market Training Centre, Klaipėda Labour Market Training Centre, Panevėžys Labour Market Training Centre and Šiauliai Labour Market Training Centre. In 2013–2014 during the implementation of the project 900 persons will be trained and recommendations for application of apprenticeship training form will be prepared.

For the implementation of the Lithuanian Information Society Development Programme for 2011–2019, draft guidelines for Teaching Informatics and Information Technology for the period 2014–2020 were drawn up and submitted to the Council of General Education for consideration in 2012. The Programme for the Implementation of Information and Communication Technologies in General Education and Vocational Training for 2013–2019, which is planned to be prepared and approved in 2013, was started to be prepared.

For the implementation of the Programme for the National Vocational Guidance within Education System, 4 EU Structural Fund project activities for strengthening methodological base (training programs, methodologies and other tools) for vocational guidance (career) services, training of career specialists, provision of services, arrangement of service monitoring as well as improvement of infrastructure were being implemented in 2012. The provision of vocational guidance (career) services of high quality was started to pupils and students in general education schools, vocational training institutions and universities. The following were the results achieved during the implementation of the project “Creation and Development of Models for Education Career Services and their monitoring in General and Vocational Education (stage 1)”:

- 700 career coordinators and 70 career consultants were trained to provide and coordinate the services of vocational guidance (career education, information and counselling); models for career education and career education monitoring were prepared;
- General programme for career education for general education schools and vocational training institutions as well as methodical tools were prepared;
- During the implementation of the project the “Development of Open Information, Counselling and

Guidance System (AIKOS)” educational registers providing data to the system were updated;

In 2013, the implementation of projects aimed at the development of career education of students of schools of general education, vocational training institutions as well as schools of higher education, and their career tracking and infrastructure will be continued.

In 2012, 64.7 thousand job seekers made use of active labour market policy measures. This accounts for 19.6% of all registered unemployed people during the year. A total of LTL 151.8 million was used for the implementation of active labour market policy measures, 13.2% of which was dedicated for vocational training, 11.3% – for the support for the acquisition of professional skills, 31.5% for employment subsidies, 14.1% - for the support of the establishment of new work places and 28.4% - for public works.

5.570 unemployed persons and job seekers took part in vocational trainings and LTL 20.7 million was used for vocational training. The average cost of trainings was LTL 3.707,3 for one person. 89% of people having completed training courses were employed within 6 months after the completion thereof.

The support for acquisition of professional skills in work places was arranged for qualified unemployed people, who were in need for the acquisition of skills or the restoration thereof, as well as for employees of working age, who had received a notice of dismissal. 4.128 people received support for the acquisition of professional skills, and LTL 11.3 million was used for this purpose. The average costs for the support for acquisition of professional skills amounted to LTL 4.165,8 for one person.

The implementation of the project “Promoting Integration into the Labour Market” was completed, the objective of which was to increase the competitive opportunities of job seekers and help them establish themselves in the labour market or find temporary work. In the implementation of the project, the activities

of the support for the acquisition of professional skills and employment subsidies, vocational trainings, job rotation and the support for territorial mobility of the unemployed were carried out.

On 21 August 2012, the Government approved the amendment to the Annex of the “Human Resources Development Action Programme”, which established a new financing activity – the development of apprenticeship training forms: organization of vocational training under real working conditions.

In 2012, the amendment to the “Practical VET Resources Development Programme” was approved, on the basis of which a project intended for the development of apprenticeship training forms in the labour market training centres financed from the EU structural funds was initiated. A form of the organization of apprenticeship vocational training will be implemented in 2013. Also, a project funded from the EU structural funds aimed at the development of apprenticeship training forms was implemented in five labour market training centres, at the time of which 900 students were trained.

In the implementation of the programme “Reduction of the mismatch between the demand and supply of skills and competences”, the conditions for better consistency in the needs of vocational training and labour market were created. The implementation of the Lithuania’s and Europe’s qualification frameworks was started in the field of education. The system of vocational training institutions was adapted for the trainings of new technologies – practical training base of vocational training institutions was supplemented with the latest technological equipment and measures, also, the premises were renovated there. The research on the need for professional qualifications in the energy sector was conducted and a professional standard for the energy sector was created. The report on the association of the Lithuania’s qualification framework with the European qualification framework was drawn up. Two sector practical trainings were officially opened up in vocational training institutions. The remaining 5 centres planned to be established in 2012 are being prepared for opening.

During the implementation of the *Practical VET Resources Development Programme*, conditions for the development of qualifications were created in 2012. Apprenticeships in companies were arranged for teachers. 96 projects of programmes for the development of technological competences, reference material and the plans for the implementation thereof were prepared; 4 programmes for the development of technological competences in woodworking industry were accredited. In 2013, the projects for the development of technological competences of vocational education teachers and lecturers were implemented and 622 individual trainings for vocational education teachers and lecturers were arranged in companies under 1.000 programmes.

Institutions of vocational training are being restructured, and their infrastructure is being modernised. The continuing education and adult training project is being implemented in 25 municipalities.

### Planned work

- to prepare methodical guidance for the assignment of programmes of general education, vocational training and higher education studies as well as of the qualifications offered to the level of the Lithuanian and European qualifications network;
- in 2013, the works for the adaptation of the system of vocational training institutions for teaching new technologies – practical training bases of vocational training institutions will be supplemented with the latest technological equipment and tools, and their premises will be renovated. Practical vocational training centres are planned to be established in 9 regions and 16 economic sectors, which will amount to a total of 42 sector practical vocational centres in vocational training institutions;
- the share of students studying under secondary education programmes in vocational schools will account for 30% (as compared to 29% in 2012).

## **3. Findings from the Education and training Monitor Country Fiche**

## Key indicators and benchmarks

		Lithuania		EU average		Europe 2020 targets
		2009	2012	2009	2012	EU target: 10% National target: <9%
		8.7%	6.5%	14.2% EU28	12.7% EU28	
<b>1. Early leavers from education and training</b> (age 18-24)		40.6%	48.7%	32.1% EU28	35.7% EU28	<b>EU target: 40%</b> National target: 40%
<b>2. Tertiary educational attainment</b> (age 30-34)						
		Lithuania		EU average		ET 2020 Benchmarks
		2009	2012	2009	2012	95%
		79.6%	84.2% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)						
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		72.9%	76.0%	78.3%	75.7%	<b>82%</b>
<b>5. Adult participation in lifelong learning</b> (age 25-64)		4.5%	5.2%	9.3%	9.0%	<b>15%</b>
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	24.3%	:	19.6%	:	<b>15%</b>
	Mathematics	26.2%	:	22.2%	:	<b>15%</b>
	Science	17.0%	:	17.7%	:	<b>15%</b>
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	21.9% <sup>07</sup>	37.9% <sup>11</sup>	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	27.0%	29.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	40.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	:	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	79.6%	79.6% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
<b>10. Mobility</b>	a. Inbound degree mobile students as % of student population in the host country		1.6% <sup>11</sup>		7.0% <sup>11</sup>	
	b. Erasmus inbound students as % of student population in host country		0.8% <sup>11</sup>		1.1% <sup>11</sup>	
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	3.3%	5.0% <sup>11</sup>	0.6%	0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	26.4%	28.4% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	-8.8%	:	19.1% EU28	
	Medium qualification	:	17.8%	:	4.6% EU28	
	Low qualification	:	5.2%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	6.8%	5.8% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	ISCED 1-2	€ 3,164 <sup>08</sup>	€ 3,295 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>
		ISCED 3-4	€ 3,537 <sup>08</sup>	€ 3,291 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>
		ISCED 5-6	€ 4,741 <sup>08</sup>	€ 5,066 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>

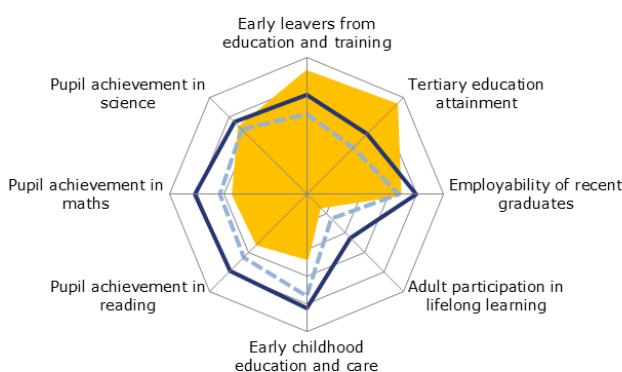
Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b  
Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6

Notes: <sup>07</sup>=2007, <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, <sup>a</sup>=estimate, <sup>b</sup>=break, <sup>p</sup>=provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers

## Main challenges

The main education challenge in Lithuania is the skills mismatch and unemployment of initial vocational education and training (VET) graduates and, to a smaller extent, higher education graduates. VET career is still perceived as a second choice by parents and pupils, who tend to choose upper secondary general education instead. The high unemployment rate among graduates, especially VET ones, is due to the low quality of teaching and lack of good practical training.

Although Lithuania is one of the EU leaders regarding tertiary attainment rate, having already achieved the EU 2020 target, graduates of law, social science and business and administration have more difficulties in finding a job than graduates of engineering and science studies, because of lower quality teaching and lack of soft skills and practical training. In addition, as participation of adults in lifelong learning is one of the lowest in Europe, there is a challenge to provide low-skilled and older workers the possibility to up-skill or re-skill to respond better to labour market needs.

Therefore the 2013 European Semester country-specific recommendation (CSR) on education focused on two topics: enhancing the implementation and effectiveness of apprenticeship schemes, and addressing persistent skill mismatches.

## Skills and qualifications

School education produces relatively weak results in terms of basic skills: 15-year olds' performance on PISA tests remains below the EU average in reading (the share of low-achievers is 24.3% vs. the EU average of 19.6% in 2009) and maths (the share of low-achievers is 26.2% vs. the EU average of 22.2% in 2009). So far, there have been no concrete government initiatives to address either the relatively poor performance in basic skills or gender differences in educational performance: boys perform worse than girls in reading (PISA results 2009). In Lithuania 62% of teachers worked in schools were the school principal reported that the instruction was hindered to some extent by shortage or inadequacy of instructional material<sup>14</sup>.

Lithuania is seeking to enhance innovation and creativity aspects of the education system: the General Curriculum Frameworks for Primary, Basic and Secondary Education were updated in 2004. The general curricula focus on the development of key competences and promotion of creative thinking and entrepreneurship.

ICT skills of the population are slightly above the EU average; although a lower share of pupils used computers at school in 2007 (21.9% of 4th grade pupils in Lithuania, 60.7% in EU). The Lithuanian Government is currently investing into the expansion of the broadband network in order to improve high-speed internet access in rural areas. As regards entrepreneurship, the share of the population believing to have the required skills and knowledge to start a business (40% in 2012) increased by 5 percentage points since 2011 and is now close to the EU average (42%).

Lithuania has national qualifications frameworks in force and presented their national referencing report to the EQF Advisory Group in 2011. In Lithuania the Law on Education (2011) states that an individual is free to pursue non-formal education programmes and self-education. No admission requirements are imposed on participants of non-formal adult education.

## Facilitating the transition from education to work and reshaping vocational training

Participation of upper secondary students in VET remains markedly below the EU average (28.4% vs. 50.3% in 2011). VET career is still perceived as a second choice by parents and pupils, who tend to choose upper

<sup>14</sup>

Source : TALIS Creating Effective Teaching and Learning Environments First Results from TALIS<sup>®</sup>, 2009

secondary general education instead. Quality and image of VET is still insufficiently taken care of. Appropriate governance structures and conditions and provision of training, including apprenticeships places or work based learning as well as improvements in teacher education and career guidance, are still a challenge. Many vocational schools still do not have adequate equipment or are not using modern pedagogies. Another challenge is how to stimulate social dialogue with employers to find a formula that would suit VET schools, companies' needs and pupils' expectations to offer good quality practical training.

The apprenticeship concept was introduced in 2007, but so far there has been little progress in its implementation. Uptake is low both on company and student level due to a perceived lack of flexibility and quality. To address the challenges in initial VET, in 2011-2012 six vocational education and training schools were merged. Additionally, vocational training establishments have been restructured into public institutions. Lithuania is also modernising its VET system via projects financed by the ESF, e.g. definition of qualifications, preparation of the external evaluation of VET schools and teacher education. Sectoral skills competitions are organised together with sectoral exhibitions to attract young people to VET professions. One project targeted general and vocational education where 700 career coordinators and 70 career consultants were trained to provide and coordinate the services of vocational guidance (career education, information and counselling); models for career education and career education monitoring were prepared. Another project financed under the EU Structural Funds aims at updating technological skills of VET teachers by spending practical time in companies with a well prepared training plan and an individual tutor. So far around 700 teachers took part in the project (around 30% of all VET teachers).

In order to promote apprenticeships, Lithuania has introduced a special apprenticeship project (2013-2015), part of the Practical VET Resources Development Programme, with the objective to strengthen and expand this training form. This effort is complemented by a monitoring system for ensuring quality and efficiency in the provision of career services in general education and in VET. In order to further develop apprenticeship training forms and the arrangement of vocational training in real working conditions, a project financed from the European Social Fund (LTL 2.51 million) will be launched in 2013. Executor of the project will be the Vilnius Jerusalem Labour Market Training Centre with its partners.

Unemployment of VET graduates and, to a lesser extent, higher education graduates remains high and the participation rate is low, due to skills mismatches further aggravated by high emigration and unfavourable demographic developments. The employment rate of recent graduates (age 20-34, who completed upper secondary or tertiary education no more than three years ago) increased by around 3 percentage points between 2011 and 2012, reaching 76%, but was still lower than pre-crisis levels (83.3% in 2006).

At the same time employment rates of initial VET graduates decreased from 72.8% in 2007 to 48.2% in 2011, and the employment rates of higher education graduates (ISCED 5-6) aged 20-34 who have graduated no more than three years ago decreased from 92.5% in 2007 to 86% in 2012. This is a particular challenge as, according to the European Centre for the Development of Vocational Training (Cedefop), employment in medium qualification jobs in Lithuania up to 2020 is forecast to increase faster than the EU average, while the forecast shows a possible decrease of high level qualification jobs (in contrast with an increase in the EU average) and demand for low qualification jobs is expected to grow in Lithuania compared to a big decrease in the EU average. This further accentuates the need for a well-established apprenticeship scheme.

## **Upgrading skills through lifelong learning**

Participation of adults in lifelong learning is one of the lowest in the EU (5.2% against 9% in 2012)<sup>15</sup>, further amplifying challenges to equip low-skilled and older workers with the possibility to up-skill or re-skill to better respond to labour market needs.

Companies do not invest sufficiently in employee training, also due to insufficient incentives. In 2010 only 52% of all companies provided continuing vocational education and training in Lithuania (compared with an EU average of 66%) with just half of the average hours per participant compared to the EU (19% vs. 38%). Only 31% of employees working in companies providing continuing education and training participated in training

courses, against an EU average of 48%, and 35.4% of employees participated in non-formal and informal education, against an EU average of 47.4%.

The new Education Strategy 2013 – 2020 is expected to be adopted by the Parliament soon. The strategy mainly focuses on VET, adult learning, non-formal learning and the development of the qualifications system. The strategy may be a good base for implementing further measures enhancing the Lithuanian education and training system.

#### **4. Refernet VET in Europe Country Report on Lithuania**

The Vocational Education and Training in Lithuania 2013 is to be found at [http://www.cedefop.europa.eu/EN/Files/4128\\_en.pdf](http://www.cedefop.europa.eu/EN/Files/4128_en.pdf) and a short description at: <http://www.cedefop.europa.eu/EN/publications/21776.aspx> and a Lithuania - VET in Europe - Country Report 2012 at [http://libserver.cedefop.eu/vetelib/2012/2012\\_CR\\_LT.pdf](http://libserver.cedefop.eu/vetelib/2012/2012_CR_LT.pdf)

## **MALTA**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Malta**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Malta**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR 3:** Continue to pursue policy efforts to reduce early school leaving, notably by setting up a comprehensive monitoring system, and increase the labour-market relevance of education and training to address skills gaps, including through the announced reform of the apprenticeship system. Continue supporting the improving labour-market participation of women by promoting flexible working arrangements, in particular by enhancing the provision and affordability of child-care and out-of-school centres.

### *Labour market, education and social policies*

**Policy efforts in education and training were maintained, but the main challenges remain valid.** The two existing apprenticeship schemes showed positive results in 2012 as one third of participants decided to continue education and more than half were able to find a job. To further improve the efficiency of the schemes and modernise the vocational training system, **the authorities envisage creating a single national apprenticeship scheme** that would usefully cover more qualification levels and occupations. Further in the same vein, the planned sector skills committee is to become operational in the second quarter of 2013 and a Lifelong Learning Strategy is being drafted. The need to raise skill levels and address skills mismatches is set to become even more relevant in the future as the European Centre for the Development of Vocational Training (Cedefop) projects the employment pattern up to 2020 to be characterised by more medium and high qualification jobs.

[...]

**The share of adult participation in education and training also remains low in comparison with the EU (7 % against 9 % in 2012).** Due to the long-term nature of many measures to promote skills matching, it is too early to assess their impact, but the general principles go into the right direction.

## 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Malta

### **Reform of the National Curriculum Framework (NCF) in Malta**

[...]

As part of the national curriculum, Malta has worked on introducing vocational subjects in the secondary school cycle. In this regard during 2010, the Ministry of Education and Employment, signed a Memorandum of Understanding with Pearson Education Ltd. expressing the intention to collaborate on the provision of BTEC (Business and Technology Education Council) qualifications for the schools sector in Malta. The collaboration agreement covered the supply of qualifications and associated teaching and learning resources, training of staff as appropriate to enable the delivery of the qualifications in Malta, training in quality assurance methodology and practice to ensure high quality standards in the delivery of all programmes, support for the promotion and marketing to parents and learners, and advice and guidance to support the establishment and implementation of the vocational and core programmes. Four vocational subject areas (Engineering, Health and Social Care, Hospitality, and Information Technology) were identified and scheduled to be piloted in six state colleges and 4 non-state schools from September 2011. From September 2013, the aim is to extend this Pilot project to other schools. The medium-term objective was to develop a VET qualification suitable for Malta. By

2015, the implementation of VET is expected to be using a locally developed qualification awarded by MCAST which was always the target for Malta.

[...]

## **Utilisation of EU Funded Projects to address the Challenge of Skills mismatches in the Labour Market**

### *MCAST ESF-Funded Projects*

Between the period 2008 and 2015 the Malta College for Arts, Science and Technology has benefited from seven European Social Fund projects addressing the challenge outlined above with a total allocation of over EUR 33 million. In particular 3 of these ESF projects are addressing the skills mismatch between education and the labour market:

**ESF 1.34 - Addressing skills mismatch in the Aviation Maintenance Industry:** The scope of the project is to offer basic training in EASA PART-66 Category A aircraft maintenance, EASA PART-66 Category B1 aircraft maintenance advanced, EASA PART-66 Category B2 avionic systems and Aircraft Structures and Composites training.

**ESF 2.85 - Industrial Needs and VET to Optimise Human Capital:** The project addresses current and anticipated education needs of ten industrial sectors and identifies potential skills gaps and shortages of present workforce. Lacunae will be addressed through the implementation of specific training.

**ESF 3.102 - Inclusion for Employment:** A substantial upgrading exercise within the context of Vocational Education is being conducted. A number of existing courses are re-designed so as to become more relevant to current economic needs. Furthermore new courses are also designed and launched to make the offerings of the Malta College for Arts, Science and Technology more attractive to a larger audience.

[...]

## **Offering more Opportunities for Participation in Vocational Education**

### **Introduction of vocational subjects in secondary schools**

During the current scholastic year 2012-2013, the BTEC (Business and Technology Education Council qualification) vocational project has started its second year of implementation. The first Quality Review and Development visits to all participating schools to evaluate the management of assessment, learning, and resources based on a number of quality objectives and measures that participating schools must have in place were held in Q4 2012. Two Edexcel reviewers were shadowed by the Directorate for Quality and Standards in Education (DQSE) to become familiar with the quality assurance processes involved. Recommendations were put in place by the schools and the final report is yet to be received from the Edexcel reviewers.

The Options Exercise for Form 2 Students whereby recruiting the third cohort of students opting to take on one of the four BTEC vocational subjects being piloted in state and non-state schools will be completed in Q2 2013. The two international Standards Verification (ISV) visits were scheduled as follows: 1st visit was held in Q1 and the 2nd visit is to be held in Q2 2013 respectively. The INSET training by subject for teachers participating in the pilot project, led by UK trainers, are scheduled to be held in Q3 2013.

### **Extension of vocational subjects at post-secondary level of education in institutions which are dedicated to vocational education and training**

MCAST - The principal aims of ESF 1.36 project were those of enhancing the professional development of academic and administrative staff at MCAST and of introducing 19 Vocational Degrees. The latter objective

has already been fully accomplished with the last batch of eleven degrees being offered as from September 2011. In September 2011, Engineering students had the opportunity to choose between completing their vocational degree studies after their top-up year by June 2012, and be awarded a general BSc (Hons) or extending their vocational degree studies by an additional year (till June 2013) and be awarded a B.Eng (Hons) Degree.

As a result of enhancing MCAST's capacity, MCAST lecturers are delivering the Vocational Degree Programmes. Furthermore, an additional number of short courses for MCAST staff have been implemented.

ITS - In 2007, the Pre-Employment Scheme was introduced and in October 2011 the Foundation Certificate Hospitality Trades Course was launched. Both initiatives were introduced to further provide quality learning that leads to excellence in the tourism industry, with a view to enable more individuals to participate in tourism studies, including the low-skilled and unskilled. Both initiatives are being implemented from national funds.

The Pre-Employment Scheme was introduced in order to entice school leavers and at the same time to help the hospitality industry to develop a skilful work force. This scheme, now in its third year is intended to increase either the number of students joining ITS or the number of employees in the food service and/or housekeeping operations sections. One of the positive aspects of this scheme is that it involves practical classes, an element which is welcomed by students, particularly those who prefer a more hands-on approach towards learning.

[...]

### **Introducing Life-Long Learning into the Community through a Pilot Out-Reach Programme**

The Directorate for Lifelong learning (DLL) introduced the Lifelong learning programme in the Community with the financial support of the Department for Local Government (DLG). In January 2010, the DLL established a formal collaboration with the DLG, focusing in particular on the standards and quality of these courses. Between 2008 and 2010 only literacy and numeracy courses were offered at Local Councils and these were 100% subsidised by Government. ICT related courses for adults (digital competences) in the community are offered by the Malta Communications Authority (MCA).

In 2011-12, 42 Local Councils participated in this scheme. 1,063 adult learners registered for lifelong learning courses showing a four times increase over 2008. All these courses lead to a MQF Level 1 qualification, and during 2010-2011, 356 adult learners achieved a school leaving certificate level qualification or MQF Level 1.

During 2012-13, the DLL and the DLG continued to collaborate together on the scheme called 'Lifelong Learning in the Community'. Besides the Adult Literacy (Maltese & English) and Numeracy (Maths) courses hosted by local councils, the DLL offered other courses amongst which: Energy Saving Initiatives at Home, Arabic, Maltese Lace Bobbin, Spanish, Italian, French, German as well as English and Maltese as a Foreign Language.

Twenty four (24) local councils entered this scheme and offered one or more subjects mentioned above to their respective residents. At community level, apart from the courses offered at the Local Councils, the DLL also offers lifelong learning courses to a number of organisations and NGOs.

[...]

### **Increasing Accessibility, Flexibility and Innovation to MCAST Lifelong Learning Course Offer**

MCAST has always developed its courses in response to the needs of local industry and consequently it provided our country with a more knowledgeable and skilful workforce. Among other positive effects, MCAST helped to reduce the dropout rate of sixteen-plus students by offering them a second chance of re-

joining the vocational-educational route, while offering new openings in the same sector which weren't available in previous years.

The College evening courses have also attracted a considerable number of adults, which enhanced the goals and objectives of life-long learning. The aim of this project is that of increasing the attractiveness, accessibility and flexibility of the MCAST lifelong learning course offer and thus contributing to the consolidation of the workforce's skill. The project aims to achieve this through the introduction of blended learning, the accreditation of prior learning and the accreditation of prior experiential learning.

The concept of lifelong learning is intrinsically linked to the enhancement of a skilled workforce. Indeed, MCAST plays a pivotal role in the consolidation of the current and future workforce and through this measure it shall be enhancing further its lifelong learning dimension. It is essential to create a highly skilled workforce that is not only capable of operating in key economic sectors but is also able to adapt to changing labour market needs. It is within this context that this project shall strive to create a more flexible and accessible learning environment for adults who need to balance continuous educational endeavours and familial and/or professional commitments. Through the provision of blended learning (a combination of in-person and distance learning activities), MCAST shall be effectively ensuring that its courses are available to a broader audience.

The principal project milestones are:

*· The introduction of the Blended Learning Approach.*

The evaluation process of tender that is related to this milestone is at an advanced stage. Moreover, the Expression of Interest for the engagement of Local VET Experts for this scheme was published in February 2013.

*· The introduction of two different procedures to assess learners' prior learning, prior and current work experience.*

*· The implementation of a Tracer Study.*

It is envisaged that a large majority of the students will gain certification and potentially improve their professional situation.

## **Making VET Education More Relevant and Attractive**

The aim of this project is that of conducting a substantial upgrading exercise within the context of vocational education between Levels 4 and 5. Therefore, a number of existing courses will be re-designed and new courses will be designed and launched. Moreover, scholarships will encourage an enhanced uptake in financial services subjects. As a result, MCAST's offerings will become more attractive to a larger cohort. MCAST's home-grown courses at Level 4 and 5 have been developed over the years to meet the demand for skills by industry at various points in time. While these courses have very often fulfilled an important ad hoc role they are no longer sufficient to meet the increased need for learning – outcomes based courses that are comparable with their European and international equivalents.

Thus, MCAST shall be conducting a thorough review of the Level 4 and Level 5 courses. This will ensure that the courses offered are more relevant to industrial needs and more attractive to students. Subsequently this will guarantee better retention and progression within the educational system and ensure better employment prospects for those students who wish to join the labour market.

Through ESF 1.130, MCAST shall be tackling training programmes in areas of key economic importance and it is for this reason that a total of 22 new courses shall be designed. Moreover, MCAST shall be redesigning 19 existing courses at Levels 4 and 5 and The Basic Electrical Installation, Wireman's License A and Wireman License B.

This measure is co-financed through the ESF. The principal project milestones are:

*· The launching and management of the Training Subsidy Scheme MCAST (TSSM).*

A number of scholarships have been awarded and their implementation is well underway.

*· The re-design and re-formulation for accreditation purposes of existing courses.*

The tender in relation to this milestone has been awarded and its implementation has been initiated. Moreover, the Expression of Interest for the engagement of Local VET Experts for this scheme was published in February 2013.

*· The design of new courses and accreditation of the same.*

The tender in relation to this milestone has been awarded and its implementation has been initiated. Moreover, the Expression of Interest for the engagement of Local VET Experts for this scheme was published in February 2013.

*· The implementation of training.*

*· The implementation of a tracer study.*

[...]

## **Training and Continuous Development**

Malta has to ensure that the environment in which the financial services industry operates continues to be an expansive one, attracting an adequate supply of skilled workers is required to meet the needs of the industry.

Initiatives undertaken by the Malta Financial Services Authority will continue to build on strategies that have the aim of raising employment and skills levels. This will be done by empowering people through the acquisition of new skills to adapt to new conditions, reduce unemployment and raise labour productivity.

New training programmes together with those that were already being offered would contribute towards the filling of the training gaps within the sector. These programmes will be supported by expertise drawn from the industry, the Malta Financial Services Authority, academic institutions and specialist organisations. This view is further strengthened since these new initiatives complement the training and tuition that is or will be made available both at the University of Malta and in other private institutes that offer academic courses in Malta on behalf of foreign universities. These training programmes include foundation courses and courses leading to award of certificates, diplomas and also degrees.

Furthermore the Education Consultative Council (ECC) members with the support of the Malta Financial Services Authority organise continuous development training programmes. These training initiatives are aimed at updating employees within the financial services sector with regulatory developments particularly in the European Union, familiarising them with new financial services products and informing them of developments in relevant legislation and work practices.

Malta believes that these objectives can only be attained as long as its members and other stakeholders sustain and, when necessary, increase the level of co-operation and exchange of information that has been reached to-date between the members. This will facilitate identification of specific training needs that arise from time to time.

It is hoped that these initiatives will result in the maintenance and, where necessary, the improvement in the professional levels of current employees in financial services and in the expansion of the pool of labour that will be available to the sector, particularly at the technical level. Most of these programmes will also offer opportunities for re-training and continuous professional development.

[...]

## **Setting up a Sector Skills Committee**

By the second quarter of 2013 a Sector Skills Committee will be established which will include representatives from industry, and education and training institutions. The main objectives of the Sector Skills Committee will be those of advising the NCFHE on matters related to the validation process and also in indicating the way forward to Sector Skills Units in developing the necessary occupational standards.

Sector Skills Units will also be established and their main objectives will be to advise the Sector Skills Committee regarding the reduction of skills gaps and shortages, improve productivity, boost the skills of the sectors' workforce, improve learning supply, and also develop occupational standards for all occupations within the sectors. It is foreseen that the first Sector Skills Units will be set up by the second quarter of 2013. The Care, Media and the Creative Arts and the Motor Industry sectors will be the first to have their Sector Skills Units appointed. Another three sectors namely ICT, Construction and Agribusiness will also be appointed by the end of 2013.

The Sector Skills Committee will appoint validation process managers and external evaluators as validation practitioners with the aim of ensuring on-going quality and trust in the validation process.

[...]

## New Skills for New Jobs

Through this EU flagship initiative Malta has set out to develop better matching between skills and labour market needs. Indeed MQC/NCFHE has worked out an information package, the VQ Pack, for secondary school students, their parents and educators with the aim of attracting young people to the diverse and prolific world of vocational studies. This EU co-funded project (ESF 1.28 and which has a budget of €383,981) has established better synergy between training providers and job suppliers, thus enhancing the role of VET by making it more visible to learners in compulsory education. The project served to narrow the gaps between formal education and employment, knowledge and skills, theory and practice and thus fulfilled the strategic measures identified by the Copenhagen Process 2002 to promote industry-driven qualifications. The project facilitated the comparability of VET qualifications for employment purposes in mobility across Europe. A four-day Exhibition on the ESF Project VQ Pack was organised in April 2011. The exhibition targeted secondary students but was also open to the general public. The exhibition was split into nine sections covering the following sectors - Art & Design, Community Services; Agribusiness; Building and Construction Engineering; Business & Commerce; Electrical & Electronics Engineering; Mechanical Engineering; Tourism Studies; and Heritage Studies. There were also representatives from the Malta College of Arts, Science and Technology (MCAST) as well as the Institution for Tourism Studies (ITS) to reply to queries related to the different courses.

The Employment and Training Corporation (ETC) is managing the implementation of the ESF 2.201 project Enhancing Employability through Training (EET). This project aims to facilitate the reintegration of jobseekers and inactive persons into the labour market while also providing assistance to those in employment to secure and advance their position within the labour market. Training assistance is offered to jobseekers needing to improve their skills to enter the labour market and to those individuals who wish to upgrade their existing skills in order to re-enter the labour market, find alternative employment and/or acquire new skills to meet the labour market demands.

For this project, ETC has drawn up a plan for the implementation of short courses six months in advance based on labour market needs. ETC has grouped its short courses under fifteen categories. In August 2012, ETC issued one wave of 15 departmental calls for tenders for the provision of training services including course profiles. Only bidders who could deliver all courses featuring in each category could apply. Bidders were bound to provide trainers satisfying the criteria indicated in the call for tenders. This means that for this project ETC will be dealing with one training provider for each category of courses. Shortly afterwards, ETC also issued a further four departmental calls for tenders for the provision of training services to Youth.Inc participants. Out of the first wave of tenders, ETC had to re-issue five of them because either the hourly rate quoted by the training service provider went beyond the maximum threshold set in the tender or no service provider was found.

Meanwhile the Corporation has issued a call for applications for the recruitment process. ETC obtained the approval from the Public Administration HR Office (PAHRO) and the People Management Department has initiated the recruitment process. Indeed in December 2012, the interviews with the prospective candidates were completed and the chosen persons were recruited in January 2013.

### 3. Findings from the Education and Training Monitor Country Fiche

#### Key indicators and benchmarks

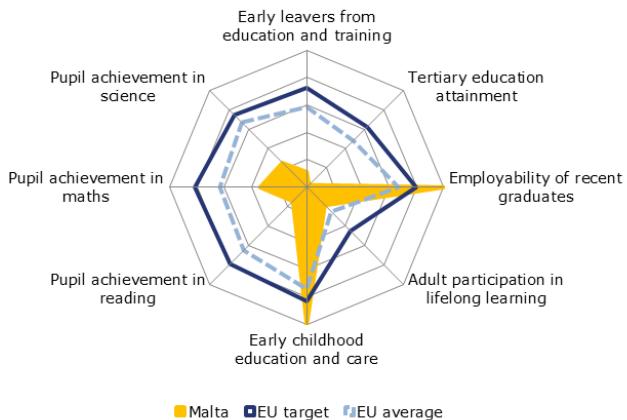
		Malta		EU average		Europe 2020 targets
		2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)		36.8%	22.6%	14.2% EU28	12.7% EU28	<b>EU target: 10%</b> National target: 29%
<b>2. Tertiary educational attainment</b> (age 30-34)		21.0%	22.4%	32.1% EU28	35.7% EU28	<b>EU target: 40%</b> National target: 33%
		Malta		EU average		ET 2020 Benchmarks
		2009	2012	2009	2012	
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)		93.9%	100.0% <sup>11,b</sup>	91.7%	93.2% <sup>11</sup>	<b>95%</b>
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		94.1%	91.9%	78.3%	75.7%	<b>82%</b>
<b>5. Adult participation in lifelong learning</b> (age 25-64)		6.1%	7.0%	9.3%	9.0%	<b>15%</b>
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	36.3%	:	19.6%	:	<b>15%</b>
	Mathematics	33.7%	:	22.2%	:	<b>15%</b>
	Science	32.5%	:	17.7%	:	<b>15%</b>
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	80.3% <sup>11</sup>	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	20.0%	23.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	:	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	82.7% <sup>11</sup>	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	95.8% <sup>10</sup>	89.8% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country		4.1% <sup>11</sup>	7.0% <sup>11</sup>	
		b. Erasmus inbound students as % of student population in host country		8.4% <sup>11</sup>	1.1% <sup>11</sup>	
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3		0.2%	5.7% <sup>11</sup>	0.6% 0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	58.1%	38.9% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	20.5%	:	19.1% EU28	
	Medium qualification	:	33.5%	:	4.6% EU28	
	Low qualification	:	-20.9%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	5.4%	5.8% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 6,255 <sup>08</sup>	€ 7,713 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>	
		€ 5,372 <sup>08</sup>	€ 5,444 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>	
		€ 9,688 <sup>08</sup>	€ 11,719 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>	

*Source:* Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD PISA: 6

*Notes:* <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, e= estimate, a= unweighted average b= break, p= provisional  
Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

Since Malta has few natural resources, economic growth is overwhelmingly dependent on the skills of its population. The country is faced with a number of challenges: a high - even if declining - rate of early school leaving, a low basic skills achievement, a still modest rate of tertiary education attainment and a vocational training system in need of modernisation. Despite relatively low overall and youth unemployment rates so far, the skills issue is set to become more relevant in the next few years. To properly address it, the 2013 European Semester country-specific recommendation (CSR) on education asks Malta to continue to pursue policy efforts to reduce early school leaving and increase the labour-market relevance of education and training.

## Skills and qualifications

The process to review and update the National Minimum Curriculum was launched in March 2008 and finalised in December 2012 with the formulation of the National Curriculum Framework (NCF). The NCF envisages a paradigm shift away from a prescriptive curriculum towards a framework based on learning outcomes, which allows for more flexibility. It also moves away from stand-alone subjects to learning areas. In the context of NCF implementation, work on the National Literacy Strategy for All (that reviews and widens the scope of the Literacy Policy and Strategy launched in 2009 and focuses on competences in both the Maltese and English languages) was launched for consultation in May 2013. The consolidated draft document is expected to be out for national consultation by the end of summer 2013. The National Youth Employment Strategy also stresses the need to address literacy since this is seen by young people as a major stumbling block when looking for a job.

In terms of basic skills, 15-year olds' performance on PISA 2009+ tests is markedly worse than the EU average in all subjects; girls tend to largely outperform boys also in mathematics. Malta's 10-year old students performed very poorly in science in the 2011 TIMSS study, conducted by the International Association for the Evaluation of Educational Achievement (IEA). According to that study, Malta was also the country which dedicated the least amount of time to teaching science (39 hours per year, compared with an international average of 85). The government committed to strongly increasing the allocated time for science in primary schools as from the 2013-14 school year. While ICT skills of the population are close to the EU average, the positive figures for foreign language skills are influenced by the fact that English is Malta's second official language.

Malta has been putting its comprehensive national qualifications framework for lifelong learning (Malta qualifications framework, MQF) in place since June 2007. The MQF was then referenced to European Qualification Framework in 2009. Important developments took place in 2012 with amendments to the Education Act, which established the legal basis for the National Commission for Further and Higher Education (NCFHE), replacing the Malta Qualifications Council and the National Commission for Higher Education. Three legal notices were published: on quality assurance and licensing of further and higher

education institutions and programmes; on validation of informal and non-formal learning; and on strengthening the legal basis of the MQF for lifelong learning as a regulatory framework for classification of qualifications and awards.

## **Facilitating the transition from education to work**

The relatively mild economic crisis experienced by Malta only had a modest impact on the employment rate of recent graduates, which remains among the highest in the EU (91.9% in 2012). This suggests that there is a substantial pay-off from education in terms of employment opportunities. The need to raise skill levels is set to become more relevant in the future as, according to the European Centre for the Development of Vocational Training (Cedefop), the employment pattern in Malta up to 2020 is forecast to be characterised by a strong increase in medium and high qualification jobs and a marked decline in low qualification ones.

In 2012, a new Euro Plus Pact commitment established a sector skills committee, which will be responsible for examining occupational standards and validation of competences and learning outcomes in order to reduce skills gaps. The committee became operational after the appointment of its members in the second quarter of 2013. This can contribute towards addressing the current lack of a skills matching and forecasting system.

Participation of upper secondary students in vocational education and training is below the EU average (38.9% as against 50.3% in 2012). As regards the two existing apprenticeship schemes, according to the latest tracer study conducted in 2012, 35% of people completing an apprenticeship decided to continue education, while 85% of the rest found a full-time job and 7% a part-time one in the first 3 months after the end of the apprenticeship.

To further improve the efficiency of the system and modernise the vocational training system, the authorities have put forward a reform proposal, with implementation expected to start by end-2013, consisting of creating a single national apprenticeship scheme that would cover more qualification levels and occupations. The reform will also include an increase in apprentices' maintenance grants and a financial incentive for employers. The 2013 CSR on education invites Malta to implement this apprenticeships reform.

The post-secondary vocational education institution, the Malta College for Arts, Science and Technology (MCAST), is currently undertaking an extensive review and update of many of its courses to make them more relevant and attractive to students. The college has also started working to introduce an e-learning component to a number of its courses to introduce a blended learning approach. This, together with the development of an accreditation system for prior learning, offers new tools to attract a potential stream of students who have not followed traditional educational routes. These developments are funded through the European Social Fund (ESF).

As part of the national curriculum, Malta has worked on introducing vocational subjects in the secondary school cycle. Four vocational subject areas (Engineering, Health and Social Care, Hospitality, and Information Technology) were identified and scheduled to be piloted in six state colleges and 4 non-state schools from September 2011. From September 2013, the aim is to extend this pilot project to other schools.

## **Upgrading skills through lifelong learning**

Participation of adults in lifelong learning remains low in EU comparison (7% vs. 9% in 2012). In 2010, only 54% of Maltese enterprises provided vocational training to their staff, as against an EU average of 66%. Malta is drafting a Lifelong Learning Strategy, which is expected to be launched for public consultation in the fourth quarter of 2013. Several initiatives are planned throughout 2013. The focus is on actions related to identifying low skilled and/or low qualified adults and designing the training needs for them, so as to be able in the coming years to increase the effectiveness of basic skills learning for those groups. Among second-chance opportunities for adult learners, the Adult Learning Classes courses recorded

a 38% increase in participation in 2012/13 compared with the previous year, involving more than 9,000 people aged 24-65.

#### **4. Refernet VET in Europe Country Report on Malta**

The VET in Europe – Country Report from 2012 is to be found for Malta at  
[http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_MT.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_MT.pdf)

## **PORUGAL**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Portugal**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Portugal**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR: To implement the measures as laid down in Implementing Decision 2011/344/EU and further specified in the Memorandum of Understanding of 17 May 2011 and its subsequent supplements.**

(Memorandum of Understanding, MoU)

**4.10. The government will continue action to tackle low education attainment and early school leaving and to improve the quality of secondary education and vocational education and training, with a view to increasing efficiency in the education sector, raise the quality of human capital and facilitate labour market matching. To this purpose, the government will:**

*i. set up an analysis, monitoring, assessment and reporting system in order to accurately evaluate the results and impacts of education and training policies, notably plans already implemented (notably concerning cost saving measures, vocational education and training and policies to improve school results and contain early school leaving). [Ongoing];*

*iii. in line with action plan on vocational and educational training (VET) the Government will report on: (i) involvement of businesses in the provisions of traineeships [Ongoing]; (ii) action taken to reorganise modalities for the provision of VET, improve the quality and attractiveness of VET, and to enhance students' orientation and career guidance [Ongoing]; (iii) the establishment of "professional schools of reference" [Q4-2013].*

(SWD)

Portugal faces the challenge of significantly increasing its economic competitiveness in order to regain the convergence momentum that it has lost a few years ago. Therefore, it must pursue efforts to create a well-educated and trained workforce corresponding to real labour market demand.

The adoption of several fiscal consolidation measures under the agreement on an Economic and Financial Adjustment Programme for 2011–14 signed with the joint mission of the Commission, the International Monetary Fund (IMF), and the European Central Bank (ECB), has resulted in a significant reduction of the education budget since 2011. However, as agreed under the Programme, Portugal continues to tackle low educational attainment and early school leaving and to improve the quality of secondary education and vocational education and training, with a view to increasing efficiency in the education sector, raise the quality of human capital and facilitate labour market matching.

Among the measures taken or in development it is worth mentioning the following:

- Reinforcement, enlargement and improvement of the VET system through partnerships with companies or other stakeholders;

- Enhancing career guidance mechanisms for students, namely in VET;

Finally, two ESF OPs (Human Potential and Rumos) have been reprogrammed at the end of 2012 in line with the Economic and Financial Assistance Programme and incorporating the measures contained in the Portuguese strategic plan for youth employability "Impulso Jovem.

One of the priorities in the education file for 2013 is to continue implementation of the Economic and Financial Adjustment Programme, in particular the implementation of the Action Plans for the modernisation of secondary education and VET.

## **2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Portugal**

Portugal has introduced concrete actions to address the weaknesses of its education and training system:

- Improvement of curricula and learning outcomes
- Better evaluation and monitoring of schools and learning methodologies
- Better structure of the training proposal, including VET
- Global improvement of learning conditions through better training of teachers and infrastructures.

The Portuguese government recognises the need to upgrade the qualification of the population as one of the key factors for success to bring better competitiveness in the national economy, to assure sustainable development as well as to prevent social inequalities. As a matter of fact, the Portuguese government aims at reducing early school leaving, but also at improving significantly the education level of youth and adults.

Portugal has made a remarkable effort to change the skills profile of its labour force. In 2005, the majority of the working population had only completed basic education, while in 2012 it had gone completed the third cycle and/or secondary school. During this same period, Portugal observed a decline of the population with only second cycle education to the benefit of an increase of the population with higher level of qualifications.

The Government confirms its commitment to the objectives of Europe Strategy 2020 in order to address the qualification deficit of Portugal compared to its European partners, which has been one of the main factors of its limited economic progress. The Government intends to improve the quality of both higher and non-higher education by developing an information system that will allow them to obtain in timely manner the necessary data to assure effective decision making. During this mandate, VET has also gained a particular relevance together with the reorientation of the education proposal to the business sector.

### **Restructuring of VET guidance**

The legislation allowing the creation of a network of Centres for Qualifications and Vocational Training (CQEP) is in place and its implementation is foreseen for the first semester of 2013.

Those new centres foresee a new area of intervention that refers to the orientation of students with a particular focus in training and employment opportunities and in dual certification in an effort to promote a realistic approach that is able to address individual profiles, the diversity of educational paths and the current needs and perspectives of the labour market.

They will aim at setting up a more demanding and reliable system of certification and validation of competences (RVCC) on the basis of education and training structures that guarantee quality level in terms of qualification, employment and lifelong learning.

Under an inclusive perspective, the Centres will include the certification of people with disabilities aiming at assuring their integration in the labour market.

The actions related to Lifelong learning will also be implemented through the National Qualification and Vocational Training Agency (Agência Nacional para a Qualificação e o Ensino Profissional, I.P., ANQEP, I.P.), in the framework of the National Qualification Framework (Quadro Nacional de Qualificações), that intends to modify the qualification certificates in line with the European Qualifications Framework.

### 3. Findings from the Education and Training Monitor Country Fiche

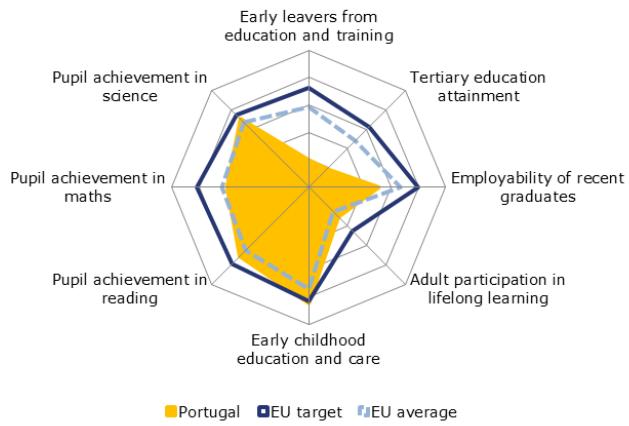
#### Key indicators and benchmarks

		Portugal		EU average		Europe 2020
		2009	2012	2009	2012	targets
<b>1. Early leavers from education and training</b> (age 18-24)		31.2%	20.8%	14.2% EU28	12.7% EU28	<b>EU target: 10%</b> National target: 10%
<b>2. Tertiary educational attainment</b> (age 30-34)		21.1%	27.2%	32.1% EU28	35.7% EU28	<b>EU target: 40%</b> National target: 40%
		Portugal		EU average		ET 2020
		2009	2012	2009	2012	Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)		88.2%	95.4% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	<b>95%</b>
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		82.6%	67.9%	78.3%	75.7%	<b>82%</b>
<b>5. Adult participation in lifelong learning</b> (age 25-64)		6.5%	10.6%	9.3%	9.0%	<b>15%</b>
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	17.6%	:	19.6%	:	<b>15%</b>
	Mathematics	23.7%	:	22.2%	:	<b>15%</b>
	Science	16.5%	:	17.7%	:	<b>15%</b>
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	59.9% <sup>11</sup>	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	27.0%	29.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	47.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	30.3% <sup>11</sup>	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	84.1%	72.6% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country		3.4% <sup>11</sup>	7.0% <sup>11</sup>	
		b. Erasmus inbound students as % of student population in host country		2.2% <sup>11</sup>	1.1% <sup>11</sup>	
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3		0.5%	0.5% <sup>11</sup>	0.6% 0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	38.4%	42.4% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	17.2%	:	19.1% EU28	
	Medium qualification	:	39.3%	:	4.6% EU28	
	Low qualification	:	-16.1%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	6.8%	6.3% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 4,224 <sup>08</sup>	:	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>	
		€ 5,764 <sup>08</sup>	:	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>	
		€ 7,240 <sup>08</sup>	€ 7,742 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>	
Position in relation to highest (outer ring) and lowest performers (centre)						

Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6

Notes: <sup>07</sup> = 2007, <sup>08</sup> = 2008, <sup>09</sup> = 2009, <sup>10</sup> = 2010, <sup>11</sup> = 2011, e= estimate, a= unweighted average b= break, p= provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27  
<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

Although Portugal still performs below or close to the EU average in several of the most important indicators, including ESL and tertiary attainment, its progress in recent years has been quite significant and consistent. The main challenge it faces is to continue to improve organisational effectiveness and increase performance in a context of fiscal consolidation entailing stable or reduced funding. It should continue to aim at: reducing early school leaving; restructuring of secondary education including VET; and, finally, improving the qualifications levels of the adult population.

## Investing in skills and qualifications

### Investing in education and training in a context of economic crisis

General government expenditure on education as percentage of GDP in Portugal has been above EU 27 level for the last few years, varying from 6.1% vs. 5.1% in 2007, to 7.1% vs. 5.5% in 2010, and to 6.3% vs. 5.3% in 2011. However, given the trend in GDP growth, this has been estimated to correspond to cuts in the education budget of around 5 % in 2011 and 2012 at constant 2010 prices, which is mainly the result of cuts in salaries, as well as through the reorganisation of the schools network with mergers and closures. In 2009, 81.6% of its total expenditure in public educational institutions (ISCED 0 to 6) concerned personnel, one of the highest percentages in the EU. Another estimation points to a reduction of 11.2% from 2010 to 2011 in expenditure by the Ministry of Education (excluding higher education). Like other countries, Portugal anticipates to further reduce spending by 3.5%.

### Skills

Regarding basic skills, Portugal has progressed as illustrated by 15-year olds' performance on PISA tests which has evolved positively in the last decade. While in the PISA 2000 and 2006 surveys the percentage of low achievers was significantly higher than the EU average in all three areas assessed, in 2009 that percentage for reading and science literacy was already lower than the EU average. Only in mathematics did Portugal fail to perform better than the EU average, despite the significant progress achieved.

[...]

Portugal has successfully completed the referencing of the Portuguese Qualifications Framework to the European Qualifications Framework (EQF), in force since October 2010, and will now proceed with the inclusion of the EQF levels in diplomas and certificates awarded for qualifications.

## Tackling early school leaving and raising the bar in school education

Tackling school dropout has been a permanent concern of governments in the last few years. Measures which have contributed to secure the positive trend include: diversification of supply in secondary education, especially regarding VET offers; intervention initiatives to fight low achievement; rationalisation of the schools network; compensation measures under the ESF- supported New Opportunities initiative; specific intervention programmes to raise basic skills in Mathematics and Portuguese; curricula review and reorganisation. Work is on-going regarding teaching quality, school autonomy and management, assessment of schools and strengthening and modernising VET.

## **Facilitating the transition from education to work**

Youth unemployment is particularly high in Portugal, at 42.5% in April it was the third worst rate in the EU 27, at the same time the employment rate of graduates has been decreasing since 2005 but the trend has accentuated in the last three years to well below the EU average (67.9 vs. 75.7). In order to fight youth unemployment, the programme 'Youth Impulse' (Impulso Jovem) was launched in 2012 to support a number of on the job training activities such as the 'Passport for jobs' six-month internships in companies, nationally or internationally, in social-economy institutions, in youth and sports associations, in agricultural exploitations and in public sector bodies. Also, the programme 'Stimulus 2012' (Estímulo 2012) aims at promoting the return to the labour market of the unemployed through support to companies hiring and providing adequate training to those with higher employability difficulties.

The government has also been working on a major restructuring of the VET system, which accounts for about 40% of secondary education students, including: a review of current VET offers and curricula to eliminate overlaps and to adapt them to future labour market needs, in particular by increasing learning and training in a work based context; the creation of professional schools of reference in economic sectors relevant to employment creation and in partnership with private stakeholders; the development of incentives for companies to create openings for on the job training and apprenticeships; the implementation of a network of vocational centres aimed at providing education and training guidance to both youngsters and adults and at liaising with companies at local level.

## **Upgrading skills through lifelong learning**

In 2012, adult participation in lifelong learning (10.6%) although slightly lower than in 2011 (11.6%) was still above EU average (9.0%). However, Portugal still has a low qualified workforce. In 2011, 59% of the employed population between 15-64 years old had only attained ISCED 2 or below, while only 19.7 completed tertiary education (ISCED 5-6). This is relevant as employment in high qualified jobs in Portugal up to 2020 is forecast to increase somewhat less than the EU average, while in medium qualified jobs a stronger increase is expected.

The need to invest in raising the skills levels of the population is strengthened by the extremely difficult financial and economic situation leading to the loss of low qualified jobs and their expected replacement in the near future by medium qualified ones.

The recently created network of Centres for Qualification and Vocational Training (*Centros para a Qualificação e o Ensino Profissional*) will support the recognition, validation and certification of non-formal and informal competences and will provide guidance on school, professional or double certification training, as well as labour market integration.

## **Major policy initiatives and reforms**

In 2010/2011, the government has started implementing a curricular reform with the aim to strengthen teaching and learning of the following subjects: Portuguese, foreign languages, mathematics, and natural and social sciences. It introduces significant changes in the curricular structure of the 2<sup>nd</sup> and 3<sup>rd</sup> cycles of basic and secondary education, reducing curricular dispersion, reinforcing the teaching of the above subjects and defining for each of them and for each cycle a set of learning outcomes and their development by grade. External assessment and monitoring of the learning process is ensured through the introduction of nationally standardised tests and examinations in more grades and subjects.

[...]

The government has also initiated a major restructuring of the VET system including a review of current VET offers and curricula to eliminate overlaps and to adapt them to future labour market needs; the creation of professional schools of reference in economic sectors relevant to employment creation and in partnership with private stakeholders; the development of incentives for companies to create openings for on the job training and apprenticeships and the implementation of a network of vocational centres aimed at providing education and training guidance to both youngsters and adults and at liaising with companies at local level.

In order to fight youth unemployment, the programme 'Youth Impulse' (*Impulso Jovem*) has recently been launched and supports a number of on the job training activities such as the 'Passport for jobs' six-month internships in companies, nationally or internationally, in social-economy institutions, in youth and sports associations, in agricultural exploitations and in public sector bodies. Finally, the programme 'Stimulus 2012' (*Estímulo 2012*) aims at promoting the return to the labour market of the unemployed through support to companies hiring and providing adequate training to those with higher employability difficulties.

## **4. Refernet VET in Europe Country Report on Portugal**

The VET in Europe – Country Report from 2012 is to be found for Portugal at [http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_PT.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_PT.pdf)

## **ROMANIA**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Romania**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Romania**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR4: Improve labour market participation, as well as employability and productivity of the labour force, by reviewing and strengthening active labour market policies, to provide training and individualised services and promoting lifelong learning. Enhance the capacity of the National Employment Agency to increase the quality and coverage of its services. To fight youth unemployment, implement rapidly the National Plan for Youth Employment, including for example through a Youth Guarantee. (...)**

**CSR5: Speed up the education reform including the building up of administrative capacity at both central and local level and evaluate the impact of the reforms. Step up reforms in vocational education and training. (...)**

### **Education policies**

Weak labour market participation continues to be a challenge for Romania. The insufficient institutional capacity and low quality and coverage of the national employment services, an inadequate level of basic skills acquired during compulsory education and a high early school leaving rate, the persistent mismatch between the qualifications offered by the education sector and the requirements of the labour market, difficult transitions from school to work, a low rate of participation in life-long learning and education for adults and the underinvestment by businesses in continuous vocational training are all likely to have a negative impact on employment.

**A number of measures have recently been undertaken to address the difficult labour market situation of young people.** While the law on apprenticeship in the workplace was amended, the results of its implementation are rather modest and could be further improved by providing incentives to employers to hire apprentices. Moreover, the Romanian authorities financed programmes dedicated to improving young people's entrepreneurial skills and helping young entrepreneurs to set up microenterprises. The government is currently preparing the National Plan for Youth Employment, which is a starting point for the introduction of the Youth Guarantee. The measures focus on improving the entrepreneurial culture among youth and support the SMEs, as well as on adapting education and vocational training to the labour market needs. To facilitate youth transition from school to labour market, the plan proposes various measures, such as: granting mobility bonuses and job subsidies, offering professional guidance and entrepreneurship counselling, business simulation, supporting apprenticeships, higher graduates' traineeships, developing partnerships between schools, universities, companies and other organizations, and monitoring the labour market insertion of young graduates. The plan's effectiveness may benefit from improved coordination and partnership across policy fields for ensuring quality jobs, apprenticeships and traineeships. Better targeted employment measures and services to young people could help improving their labour market integration. The European Social Fund will remain the main source of funding for youth employment policies, in particular through the support of the EU Youth Employment Initiative, which should deliver measures targeted to young people not in employment, education or training.

**Mismatches between skills and labour market demands are characteristic of a large proportion of vocational and tertiary education, with the poor level of vocational skills being a specific challenge.** There are a number of national programmes that aim to improve vocational training but the overall vocational training system remains largely embryonic. Completing upper-secondary general or vocational education is a prerequisite for skilled employment and access to higher education. The employment rate of recent graduates has declined further during the economic crisis and is well below the EU average. This situation reflects, at least in part, a significant mismatch between the education offered by universities and the needs of the labour market. The links between higher education and business could be strengthened through the inclusion in the university curricula, in addition to core competencies, of critical skills needed for a knowledge-based economy, such as entrepreneurship as well as transversal skills like communication,

marketing and management. For the 20-24 age group, 29.4 % of tertiary graduates were unemployed in 2011 compared to 22.9 % of secondary graduates. Attracting more students from lower-income families, particularly those from rural areas, to higher education remains an important challenge. While the legal framework on adult training has been reformed, adult participation in lifelong learning remains stagnant at very low levels (1.6 % in 2011), significantly lower than the EU average (8.9 %). Participation rates are particularly low among low-skilled adults. According to CEDEFOP skill forecasts, Romania will have a deficit of medium and high-level skills by 2020. Initiatives to strengthen the national qualification framework and to encourage the recognition of informal learning would facilitate labour mobility. Romania lacks an adequate skills forecasting system which could provide better guidance to individuals and to industry as to the future needs of the labour market but a lifelong learning strategy that has been long delayed is currently under preparation.

## 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Romania

In order to **improve the vocational skills of the labour force**, as a result of the implementation of the *Programmes of continuous vocational training (CVT) for jobseekers* financed by UIB, 91,670 persons participated in training courses, out of which 33,933 persons were employed. Complementary, ESF provided funding to improve the workers' adaptability. By March 2013, according to the data reported by the beneficiaries, 154,832 workers participated in CVT programmes, out of which 89,686 women.

As regards the **integration of the young people into the labour market**, the consolidated State Budget financed programmes dedicated to improve youth entrepreneurial skills and set up of microenterprises by young entrepreneurs, so that 8,000 new jobs were created and the young entrepreneurs set up 464 start-ups.

In 2012, the Ministry of Labour elaborated the *National plan to stimulate youth employment – 2013*. The measures focused on implementing *youth guarantee* type programmes, improving the entrepreneurial culture among youth and SMEs developing, and adapting education and vocational training to the labour market requests, as well. European Social Fund, Unemployment Insurance Budget, and State Budget provided funding to **facilitate youth transition from school to labour market** through mobility bonuses, job subsidies, professional guidance and entrepreneurship counselling, business simulation, apprenticeship at work, higher graduates' traineeships, partnerships between schools, universities, and companies and other organizations, and monitoring the labour market insertion of the young graduates. The plan is currently subject to the inter-ministerial approval procedure. In addition, the Ministry of Labour drafted the *Law on traineeships for the higher education graduates* aiming at ensuring both the social security and on-the-job training for youth. The law is currently subject to the inter-ministerial approval procedure.

The **reform of the legal framework on employment stimulation and adult training** aimed at amending the *Law No 76/2002 on unemployment insurance system and the employment stimulation*. The draft law includes new measures regarding the free assessment of non-formal acquired skills, mobility bonuses for long-term unemployed, reduced conditionality for companies hiring unemployed belonging to vulnerable groups<sup>11</sup> and young graduates, job subsidies for unemployed who are five years up to the anticipated or standard retirement age and for young people at risk of social exclusion.

The Ministry of Labour drafted the *Law No 279/2005 on apprenticeship at work*. In December 2012, the Romanian Government approved both these draft laws and submitted them to the Parliament.

In the school year 2012-2013 the ministry **re-launched the 2 years Vocational Education and Training (VET)** system based on contracts concluded with business enterprises/public bodies, the latter providing internships for VET students. By GD No 106/2012 the students are granted monthly scholarships (approx. 45 Euro/student). Roughly 12,500 students enrolled in the current VET school year).

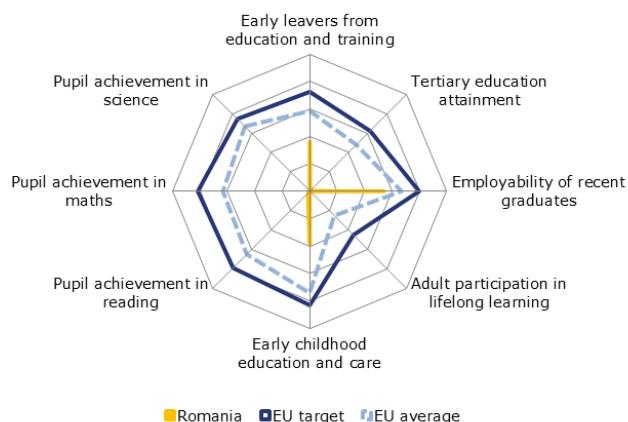
### 3. Findings from the Education and Training Monitor Country Fiche

#### Key indicators and benchmarks

	Romania		EU average		Europe 2020 targets
	2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)	16.6%	17.4%	14.2% EU28	12.7% EU28	EU target: 10% National target: 11.3%
<b>2. Tertiary educational attainment</b> (age 30-34)	16.8%	21.8%	32.1% EU28	35.7% EU28	EU target: 40% National target: 26.7%
	Romania		EU average		ET 2020 Benchmarks
	2009	2012	2009	2012	
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)	82.3%	82.0% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year	77.6%	69.4%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)	1.5%	1.4%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	40.4%	:	19.6%	15%
	Mathematics	47.0%	:	22.2%	15%
	Science	41.4%	:	17.7%	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	37.8% <sup>11</sup>	60.7% <sup>07</sup> 64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	9.0%	8.0%	25.0% 26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	27.0%	38.0%	42.3% <sup>a</sup> 42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	:	:	43.5% <sup>11</sup>
	b. ISCED 2 students learning two or more foreign languages	96.0%	95.5% <sup>11</sup>	58.6% 60.8% <sup>10</sup>	
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country	1.8% <sup>11</sup>		7.0% <sup>11</sup>
		b. Erasmus inbound students as % of student population in host country	0.2% <sup>11</sup>		1.1% <sup>11</sup>
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3	0.2%	0.3% <sup>11</sup>	0.6% 0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	63.7%	63.1% <sup>11</sup>	49.6%	50.3%
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	23.1%	:	19.1% EU28
	Medium qualification	:	-1.8%	:	4.6% EU28
	Low qualification	:	-11.5%	:	-20.2% EU28
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October	
	Numeracy	Data available on 8 October		Data available on 8 October	
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October	
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	4.1%	4.1% <sup>11</sup>	5.5%	5.3% <sup>11</sup>
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 2,221 <sup>08</sup>	€ 1,674 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>
	ISCED 1-2	€ 2,106 <sup>08</sup>	€ 1,680 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>
	ISCED 3-4				
	ISCED 5-6	€ 3,673 <sup>08</sup>	€ 2,956 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>

Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b

### Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

Romania faces a major challenge in raising the quality of education and training. The new education law adopted in 2011 is a major reform of the entire education system, setting a long term agenda for upgrading the quality of education at all levels. In order to be an effective and successful reform, implementation needs to be continued, with building up of administrative capacity and evidence-based policymaking at both central and local level.

Early school leaving is significantly above the EU average. Problems persist especially in rural areas and for Roma people. Access to quality and affordable early childhood education and care remains problematic. Mismatches between skills and labour market demand are characteristic of a large proportion of vocational and tertiary education programmes, with the poor level of vocational skills being a specific challenge. The high unemployment rate among tertiary graduates and the rate of over-qualification make a further alignment of tertiary education with the labour market a high priority.

The country-specific recommendation (CSR) on education and training in the 2013 European Semester thus recommends speeding up the education reform, including the building up of administrative capacity at both central and local level, and evaluating the impact of the reforms. Furthermore it is proposed to step up reforms in vocational education and training, further align tertiary education with the needs of the labour market and improve access for disadvantaged people and implement a national strategy on early school leaving focusing on better access to quality early childhood education, including for Roma children.

## Skills and qualifications

According to the OECD PISA tests there has been an improvement from 2006 to 2009 in pupil achievement in reading, maths and science. However Romania still remains with 41.4% of low achievers the worst performer in science, and with 40.4% and 47.0% in reading and maths respectively the second worst performer in the EU.

At 8% in 2012 Romania has the lowest share of individuals aged 16-74 with high computer skills. The average level of foreign languages learnt per pupil at ISCED level 2 in Romania has been constant over the last years and is above the EU average. Upgrading of skills is a big challenge that Romania is going to face, especially in the perspective of future economic changes which will have an impact on the labour market. According to CEDEFOP skill forecasts, Romania will register a deficit of medium and high level skills in 2020.

Romania has developed a comprehensive learning outcomes-based national qualifications framework. This brings together nationally recognised qualifications from both initial and continuing VET, apprenticeship at the workplace, general and higher education, and helps integrate the validation of non-formal learning into the national qualification system. The National Qualifications Framework in Higher Education which describes 573 qualifications in terms of competences is related to the European Qualifications Framework for Higher Education. The National Qualifications Framework in Higher Education will be integrated in the National Qualifications Framework which is being elaborated.

## **Facilitating the transition from education to work**

To address youth unemployment, the Romanian government amended the law on apprenticeships in the workplace, implemented measures to monitor the insertion of higher education graduates on the labour market, as well as measures for job subsidising and training for young people. Information campaigns were also carried out in educational establishments.

The authorities are currently preparing the National Jobs Plan focused on the situation of youth in order to translate the main actions mentioned in the Youth Opportunities Initiative and the Youth Employment Package (in particular the implementation of the Youth Guarantee). However, the effectiveness of the Plan may benefit from better coordination and partnership across policy fields for ensuring quality jobs, apprenticeships and traineeships and an improved cooperation between schools/universities, enterprises and employment agencies, including through practical training in companies.

Quality issues and skills mismatches with labour market demand affect a large share of vocational and tertiary education. The main challenge in increasing the supply of skills remains the underfinancing of the sector. In the school year 2012-2013 there was the re-launch of the 2 years Vocational Education and Training (VET) system based on contracts concluded with business enterprises/public bodies, the latter providing internships for VET students. The students are granted monthly scholarships (approx. 45 Euro/student). Roughly 12,500 students are enrolled in the current VET school year.

## **Upgrading skills through lifelong learning**

Adult participation in lifelong learning remains stagnant at very low levels, registering a significant gap compared to EU average (1.4% vs. 9% in 2012). Participation rates are particularly low among low skilled adults. With regard to lifelong learning and the issue of skills mismatch, Romania also lacks an adequate skills forecasting system which could provide better guidance to individuals and industry as to the future needs of the labour market.

Efforts are being made to re-launch the development of the National Lifelong Learning Strategy by means of an EU funded project for which the terms of references are currently being elaborated. The strategy will be elaborated by January 2014.

## **4. Refernet VET in Europe Country Report on Romania**

The VET in Europe – Country Report from 2012 is to be found for Romania at [http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_RO.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_RO.pdf)

## **SLOVAKIA**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Slovakia**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Slovakia**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR 4. "Step up efforts to address high youth unemployment, for example through a Youth Guarantee. [...] In vocational education and training, reinforce the provision of work-based learning in companies[...]"**

### **Overall assessment**

Progress has also been achieved in implementing the CSRs on labour market policies, education and the public administration. The youth action plan has been launched, amendments to the acts on vocational education and training (VET) and higher education (HE) have been adopted in 2012 [...]. Despite the progress made, more needs to be done in all of these areas and the challenges identified in July 2012 remain. [...] In the medium term, continuing efforts to improve the quality of education [...] will be instrumental in fostering and sustaining economic and employment growth.

### **Challenges**

**As high unemployment persists amid clouded labour market prospects, the risk that the recent cyclical surge in unemployment becomes a structural one is sharply increasing, with young people among those most affected.** School-to-job transition is weak and the education system does not respond readily to labour market needs. Long-term unemployment remains among the highest in the EU, partly reflecting large regional disparities.

[...]

With regard to human capital, the per capita funding of education favours quantity over quality and the proportion of funding allocated to teaching activities (teachers, material, and equipment) is low by international comparison. Better use could be made of EU funds available to finance educational reforms and improve the quality of the science and technological base.

### **Labour market**

In autumn 2012, two projects (worth EUR 70 million) co-financed by the European Social Fund were launched in the framework of the Youth Action Plan. They aim to create 13 000 jobs mainly for young people. Through the Youth Employment Initiative, the ESF will reinforce its action targeted at young people not in employment, education or training. The implementation of a Youth Guarantee would help to set a more coherent framework to address youth employment.

### **Education**

**High youth unemployment partly reflects the low quality of the education and training systems and their limited relevance to labour market needs.** Relatively low public expenditure in education and the low attractiveness of the teaching profession exacerbate this problem. Recently adopted and proposed reforms go in the right direction. Notably, the NRP sets the objective of gradually increasing public expenditure on education to 6 % of GDP by 2020 while increasing efficiency by adjusting the number of schools and teachers to demographic developments. However, much of the planned increase in education is likely to be outside the current government's mandate. The NRP also announces several measures for teachers. Improved initial training of teachers and continuous monitoring of the recently introduced career system for teachers could contribute to improving the quality of educational outcomes, which strongly depends on the role of teachers, by increasing the attractiveness of the profession and encouraging teachers

to participate in in-service training. It will be essential to ensure that the courses offered respond to the needs of teachers and that the status of teachers and the overall system of incentives for them are sufficient to make the teaching profession attractive to graduates.

[...]

A revised law on vocational education and training (VET) was adopted in 2012. It creates a more flexible and closer link between VET institutions and the labour market. Pilot projects creating new apprenticeships in companies have been introduced. The authorities are working on further developing work-based learning in VET and reinforcing the involvement of social partners.

## **2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Slovakia**

The education system cannot respond to the needs of the labour market flexibly enough, which turns out to be one of the causes of high structural unemployment. Moreover, the labour market will increasingly demand higher-level skills which will call for an enhanced flexibility of the educational system.

[...]

Slovakia has one of the lowest rates of public spending on education in the EU. One of the underlying topics of the current economic policy is to find out how to invest into education while complying with the set fiscal targets. The Slovak Government intends to increase expenditures on education to 6% of GDP by 2020.

[...]

Structural changes in the education system notably focus linking vocational education and training with practice.

### ***Vocational schools***

The Government will ensure a closer linkage between vocational schools and practice. In particular, the Government will adjust the competencies of individual entities participating in vocational education and training for the labour market. Engagement of employers and employer associations in the system of vocational education and training will be improved. Incorporation of the elements of dual education into the vocational education and training system at vocational schools will ensure that practical training will to a greater degree be provided directly in companies so as to ensure a smooth transfer of school graduates to practice. The system of normative financing will be adjusted to make sure that the network of vocational schools is able to flexibly respond to labour market requirements and to the demand for higher-level education in a knowledge-based economy.

### 3. Findings from the Education and Training Monitor Country Fiche

#### Key indicators and benchmarks

	Slovakia		EU average		Europe 2020 targets
	2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)	4.9%	5.3%	14.2% EU28	12.7% EU28	EU target: 10% National target: 6%
<b>2. Tertiary educational attainment</b> (age 30-34)	17.6%	23.7%	32.1% EU28	35.7% EU28	EU target: 40% National target: 40%
	Slovakia		EU average		ET 2020 Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)	77.9%	76.9% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year	74.4%	68.6%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)	2.8%	3.1%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading Mathematics Science	22.3% 21.0% 19.3%	: : :	19.6% 22.2% 17.7%	15% 15% 15%
<b>7. Digital competences</b>	% of pupils in 4th grade using computers at school	46.7%	:	60.7% <sup>07</sup>	:
	% of individuals aged 16-74 with high computer skills <sup>1</sup>	21.0%	24.0%	25.0%	26.0%
<b>8. Entrepreneurship competences</b>	% of 18-64 old population who believe to have the required skills and knowledge to start a business	:	50.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>
<b>9. Languages</b>	Average number of foreign languages learned per pupil at ISCED 2	1.2	1.5 <sup>11</sup>	1.5	1.5 <sup>10</sup>
	% of students reaching B1 level or higher in the first foreign language at the end of lower secondary educ. <sup>2</sup>	:	:	:	43.5% <sup>11</sup>
<b>10a. Mobility (higher education)</b>	Inbound - Degree mobility Inbound - Erasmus mobility Outbound - Degree mobility Outbound - Erasmus mobility				
<b>10b. Mobility (IVET)</b>	Leonardo da Vinci outbound				
<b>11. Vocational education and training</b>	Students at ISCED level 3-VOC - as % of all students at ISCED level 3	71.6%	70.9% <sup>11</sup>	49.6%	50.3% <sup>11</sup>
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification Medium qualification Low qualification	:	38.0% -4.5% -12.6%	:	19.2% 4.7% -20.2%
<b>13. Adult skills</b>	PIAAC				
<b>14. Investment in education and training</b> Public spending on education, % of GDP	Primary education and lower secondary (ISCED 1-2) Upper and post secondary education (ISCED 3-4) Tertiary education (ISCED 5-6) All levels of education				
		4.3%	4.0%	5.5%	5.3% <sup>11</sup>

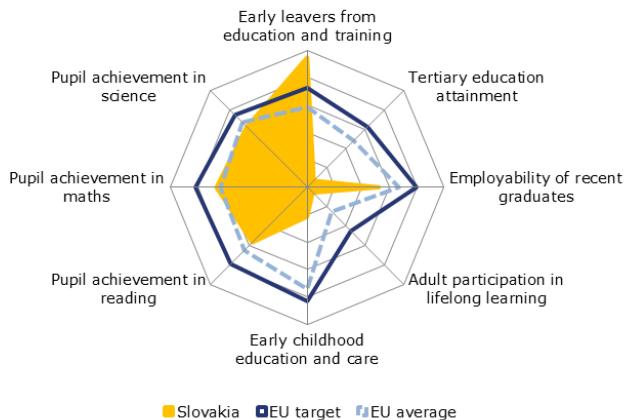
Source: Eurostat (LFS): 1, 2, 5  
Eurostat (UOE): 3, 9a, 11, 14  
Eurostat (ISS): 7b  
*Sources for 10 and 13 to be clarified*

CRELL (based on Eurostat LFS): 4  
OECD (PISA): 6  
Eurydice (based on IEA TIMSS): 7a

Global Entrepreneurship Monitor: 8  
European Survey on Language Competences (ESLC): 9b  
Cedefop: 12

<sup>08</sup> = 2009? <sup>09</sup> = 2009, <sup>10</sup> = 2010, <sup>11</sup> = 2011, e = estimate, a = unweighted average b = break, p = provisional  
Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13  
<sup>1</sup> = having carried out 5-6 specific computer related activities, <sup>2</sup> = average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main VET-related challenges

Recent and on-going reforms to improve the quality and labour-market relevance of education at all levels need to be stepped up to further ease school-to-job transition. Youth unemployment raised to 34% in 2012 while companies report skills shortages. Global public expenditure in education as well as its share for teaching activities (teachers, material, equipment) are low. The attractiveness of the teaching profession is very low. Systematic forecasts of future labour market needs remain insufficient. The announced measures in vocational education and training (VET) towards "flexible" dual education and higher education (HE) (focus on employability, promotion of studies in certain fields more needed on the labour market) are positive and require support notably in terms of funding and better quality of teaching staff.

## Skills and qualifications

Education expenditure as a share of GDP remains among the lowest in the EU in 2011 at all levels of education and has decreased from 4.5% of GDP in 2010 to 4% in 2011 (EU average was 5.3% in 2011)<sup>16</sup>. In addition, funding mechanisms favour quantity more than quality and adapt insufficiently to local needs. [...] Funds to schools are not allocated according to the needed number of classes but according to the number of students. The 2013 National Reform Programme (NRP), based on the "Report on the situation in education in Slovakia for public discussion" issued in March 2013 by the Ministry of Education, sets the objective of gradually increasing public expenditure on education to 6% of GDP by 2020. It also aims at increasing efficiency by adjusting the number of schools and teachers to demographic developments and to better reflect the employability of (VET) graduates. It announces that funding of vocational schools will be updated to reflect higher costs.

[...]

ICT skills of the population are slightly below EU average. The provision of ICT infrastructures in schools remains significantly below the EU average, especially at primary and lower secondary schools. Supply of quality digital learning content including Open Educational Resources seems insufficient. Development of the knowledge society, computerisation and digitalisation are among the key objectives of the "Programme Declaration 2012-2016". Education to entrepreneurship is integrated in the curricula and supported notably through State and NGO projects. The share of the population believing to have the required skills and knowledge to start a business (50%) is comparatively high. The average number of foreign languages learned per pupil is still close to EU average level; however the obligation to learn a second foreign language in compulsory education has been suppressed from September 2013, even if the openness of the Slovak economy would justify continuing the emphasis on language skills.

<sup>16</sup> COFOG data, Eurostat.

Anticipation of changes in employment till 2020 point to a sharp increase in high qualifications skills. The National Qualifications Framework (NQF) is still under development, after several postponements. In 2011, a set of level descriptors for a comprehensive NQF for lifelong learning was approved by the Ministry of Education; it will include qualifications from all subsystems of formal education and training. A national register of qualifications – the backbone of the national qualification system and the NQF – is being established with the aim of including all national full and partial qualifications with qualifications and assessment standards. Referencing to the European Qualifications Framework is planned for 2014.

## **Facilitating the transition from school to work**

Youth unemployment rate was 34% in 2012 and had risen by more than 76% since 2008, employment of graduates in 2012 being at 68.6%, comparing to the 75.7% EU average. Structural mismatches partly explain these rates. While the proportion of work-based learning in initial VET is rather high (41%), the involvement of companies in providing apprenticeships is low; reforms adopted in 2012 have created legal framework for systematic involvement of social partners in view of improving labor market relevance of VET (VET concerns more than 70% of secondary pupils). This has notably led to the creation of more than 20 pilot projects in the automotive sector, the aim being to mainstream such schemes in the most suitable sectors. Law amendments adopted in 2012 also introduce regulation of number of students/classes in various fields, stricter conditions for accessing VET, publication of employability of graduates twice a year. It will be essential to make sure that the definition of skills needs is appropriately carried out in a comprehensive way by the labor sector and that the cooperation with the education sector and incentives for employers to recruit apprentices are efficient. The decentralization of curricular development at school level, based on national curricula, should enable a better reflection of local and regional labor market needs. A national quality assurance scheme is still missing. There are no short-term VET schemes allowing for certification of vocational skills for simple works (crafts) only, while these could contribute helping low-achievers entering the labour market<sup>17</sup>. Slovakia signed in December 2012 a Memorandum on European cooperation in vocational education and training, calling for concrete actions to enhance i.a. VET quality and labor market relevance.

## **Upgrading skills through lifelong learning**

The findings of Survey of Adult Skills (PIAAC) reveal that adults (aged 16-65) in Slovakia perform above the EU average in the literacy and numeracy proficiency tests. However, young people aged 16-19 with upper secondary education perform below the EU average in the literacy proficiency tests and not better than older cohorts with similar qualifications. The gap in proficiency skills for literacy between the generations aged 25-34 and 55-65 is low in Slovakia (between 12 and 15 points only, i.e. equivalent to skills usually acquired with 2 years of education), while in the EU it is on average equivalent to skills usually acquired with 5 years of education.

While employed people have on average higher skills than unemployed people at EU level, the gap is even more pronounced in numeracy for Slovakia (27 points, i.e. equivalent to skills usually acquired with 4 years of education). In parallel, Slovakia also has a large proportion of inactive people among the high skilled population (about 24%). The difference between native- and foreign-born adults is one of the lowest across EU countries in both literacy and numeracy skills.

About 20% of adults (aged 16-65) have no computer experience. However young people perform better than the older generations and closer to the EU average.

The share of low-skilled people (those with at most level 1) is close to 11% for literacy and 13% for numeracy, much better than the EU average. However, low skilled people are much less likely to participate in job-related learning compared to high skilled people.

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<sup>17</sup> VET in Slovakia 2012, Refernet.

Participation in lifelong learning is among the lowest in the EU and is decreasing (3.1% vs. 9% EU average in 2012), in particular among the long-term unemployed population. Still, the 2010 Continuous Vocational Training Survey points to a higher share in Slovak enterprises offering continuous training to their employees than EU average (69% vs. 66%), together with a higher share of employees in these companies taking part in the courses than EU average (58% vs. 48%). The law on lifelong learning was amended in September 2012, creating an alternative way for adults to enter the labour market based through retraining within accredited short practice-oriented courses. Financial incentives for individuals and employers are missing. Validation of non-formal learning is announced to be included in the law in the near future<sup>18</sup>. Due to the absence of quality data on future skills needs, a career oriented guidance and counselling for pupils, students and adults is absent.

#### **4. Refernet VET in Europe Country Report on Slovakia**

The VET in Europe – Country Report from 2012 is to be found for Slovakia at [http://www.refernet.sk/images/news/files/VET\\_in\\_Slovakia\\_in\\_2012.pdf](http://www.refernet.sk/images/news/files/VET_in_Slovakia_in_2012.pdf)

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<sup>18</sup> 2013 NRP.

## **SPAIN**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Spain**
- 3. Findings from the Education and training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Spain**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR6:** *Implement the Youth Action Plan, in particular as regards the quality and labour market relevance of vocational training and education, and reinforce efforts to reduce early school-leaving and increase participation in vocational education and training through prevention, intervention and compensation measures.*

### **Main challenges**

The main challenge for the education and training system in Spain is linked to the high rate of youth unemployment, both for people with low level of qualifications and for highly qualified university graduates. This shows the difficulties in transition from education and training to an extremely fragile labour market. The early school leaving (ESL) rate, although on a declining trend since 2009, remains very high, with marked regional disparities.

In the context of fiscal consolidation, public expenditure in education has been significantly reduced in recent years, mainly affecting teachers' salaries. Uncertainty remains as regards financial resources available to implement the compulsory education reform currently under discussion,<sup>19</sup> as well as the work-based vocational training system. The challenge is therefore to preserve growth-enhancing investment in education while ensuring its efficiency.

### **Analysis of response to the CSR**

[...]

As regards CSR 6 on ESL, in spite of hard budget constraints due to fiscal consolidation efforts, the fight against ESL remains a policy priority in Spain. In 2011 the ESL has diminished to 26.5% from 28.4% in 2010. Since 2009, this decreasing trend is also due to the effect of the economic crisis that favours the permanence of young people in the education and training system. The Spanish Ministry of Education, Culture and Sports aims to avoid having any Spanish Region with an ESL rate above 28% by 2015<sup>20</sup>.

The Spanish Government has maintained in 2012 the "Specific Program to fight against ESL" at national level in cooperation with the regions, with a budget of EUR 40.8 million.

[...]

In mid-September, the Cabinet approved the draft project of Organic Law for Improvement of the Quality of Education (LOMCE). The objective of this reform is to increase flexibility at the end of compulsory education to allow choices of different itineraries which may lead to further education and training possibilities and to improve the employability and skills of young people. The reform aims to reduce ESL and to increase the percentage of students getting general upper secondary and initial and intermediate vocational education and training (VET) Certificates. The Draft text is now under discussion with the Autonomous Communities regarding both content and how to finance the reform, which would provide more resources for enhancing basic VET. While the general principles go into the right direction, at this stage it is too early to assess the possible impact of the reform plans on the fight against ESL.

As regards CSR 6 on VET, the Spanish government has undertaken a reform which aims at increasing the total number of students enrolled in post-compulsory secondary education. For 2019/20, the objective is to have 49.38% of students enrolled in general upper secondary programmes and 50.62% in intermediate

<sup>19</sup> Draft project of the Organic Law for Improvement of the Quality of Education (LOMCE).

<sup>20</sup> In 2011 some Spanish Regions such as Navarra (12.0%) and País Vasco (13,0%) have a ESL rate below the EU average, whereas others such as Ceuta and Melilla (32,2%) and Andalucía (32,5%) are far above.

vocational training. This is planned to be achieved mainly by completing the Catalogue of Vocational Qualifications, designing new specialised courses and introducing dual vocational training (Royal Decree 1529/2012 Nov). The objective of this type of training is to combine teaching and learning processes in enterprises and in the educational institutions, enabling students to work and study at the same time. The Royal Decree foresees five modalities of work-based training system in order to adapt to the needs of the different productive sectors and their capacity of involvement in the process. Discussions on the development of a national qualifications framework covering all levels and types of qualifications are still on-going.

Given the necessary involvement that a work-based training system demands from the productive sector (partnership, resources, pedagogical competence of trainers in firms etc.), difficulties in the implementation of the Royal Decree can be foreseen. Taking this into account, the role of the European Social Fund in supporting work-based education and training will be key.

#### ***Other relevant developments:***

In 2012 the global consolidated budget of the ministry of Education, Culture and Sports reached EUR 3,107 million, a decrease of 20.79% compared with the 2011 budget. In 2013 the approved budget is EUR 3,062 million (i.e. 1.5% lower than in 2012). However this central budget represents only around 6% of the overall financial resources spent in education and diverse situations exist in the different Autonomous Communities. At this stage there is no available comparative information on 2013 budget of the Autonomous Communities. Total public expenditure in education decreased from EUR 53,092 million in 2009 to EUR 51,056 million in 2012 (estimated). The ratio of total public expenditure in education to GDP fell from 5.07% in 2009 to 4.81% in 2012 (estimated).

[...]

#### **Key findings on benchmarks and skills levels**

Concerning the Europe 2020 targets, despite some progress since 2008 Spain still underperforms the EU average in the area of early school leaving (ESL), with 26.5% compared to 13.5% in 2011, and with striking differences between the regions (from 13% to 37%). The analysis of sub-indicators shows an unfavourable family background of the population aged 18-24. Spain's tertiary attainment rate however has already reached the 2020 European target (40.6% in 2011, with 35.7% for men and 45.9% for women). As regards the other ET 2020 benchmarks, Spain performs above the benchmark on participation in early childhood education (99.4% in 2010), which is relevant for prevention of ESL. School education in Spain produces medium results in terms of basic skills: despite some recent improvements in the three fields concerned (reading, mathematics and science) 15-year olds' performance on PISA tests remains slightly below the EU average, coupled with big regional disparities. In addition, females perform much better in reading, ten points difference in percentage, males perform better in mathematics, five points difference in percentage, and the two are close to equal in science. The employment rate of graduates is below the EU average (66.4% in 2011) and declined significantly in recent years due to the on-going economic crisis. Participation of adults in lifelong learning is 10.8% vs. 8.9% in the EU in 2011.

ICT skills of the population are somewhat above the EU average. As regards entrepreneurship, the share of the population believing to have the required skills and knowledge to start a business (51%) is one of the highest in the EU. As regards the distribution of tertiary graduates by field compared with the EU average, Spain shows a high share of graduates in education and training and services, as well as a low share of graduates in social science, business and law. Employment in medium and high qualification jobs in Spain up to 2020 is forecast to increase faster than the EU average, in medium qualifications (32.2% vs. 4.8%) and in high qualification (26.2% vs. 19.7%). Public spending on education in Spain increased over the last decade and was getting closer to the EU average (5.01% vs. 5.41% of GDP in 2009).

## **2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Spain**

The following measures have already been adopted or will be adopted in order to **improve the results of the educational and training system:**

**Education reform** (CSR 6.2.11 and CSR 6.2.14). The main aim of this future reform, which will begin to be applied in the 2014/15 academic year, will be to reduce the school drop-out rate to 15% by 2020. To do so, different measures will be adopted: measures to **detect learning problems early** and implement improvement programmes, to help students to **choose the training pathway that is best suited to their profile**; **increase teaching hours in key skills** for academic development; and provide greater autonomy for educational centres to develop result-orientated education projects.

A new **Basic Vocational Education diploma** will also be created. It will be accessed without the need to complete compulsory secondary education, but the students will continue to be provided with the classes needed to retake these studies or access Middle Level Vocational Education.

In 2012, two **specific action plans** were implemented to tackle **the school drop-out rate** (CSR 6.2.12 and CSR 6.2.13): one is targeted at preventing leaving school early and promoting a return to the education system; the other is for meeting educational needs associated with the social and cultural environment that has an impact on the drop-out rate.

Other measures that may help improve the results in education and training are as follows: a programme of grants allowing young unemployed people who left compulsory education early to return to it (CSR 6.2.8); a new form of **part-time work** aimed at people who want to **combine work with training** (CSR 6.2.10); a new **training and apprenticeship contract** that gives people the chance to receive an occupational training diploma, and the establishment of a **dual vocational training** system (CSR 5.1.4 and CSR 5.2.9); a **new system of training for workers and the unemployed** with the aim of promoting competences and detecting the priorities of productive sectors (CSR 5.2.8); the provision of access to vocational training studies through **online education** (CSR 6.2.15); a **revision of the contents of the different occupational training diplomas** to adapt them to the new occupational realities and needs of the productive sectors (CSR 6.2.17 and CSR 6.2.18); the implementation of a plan to boost **lifelong learning**; the efficiency increase of the policy of scholarships and financial aids for studies (CSR 6.2.20); and a future reform of university legislation to boost the **excellence, competitiveness and internationalisation of the university system** (CSR 6.2.19).

### **3. Findings from the Education and Training Monitor Country Fiche**

## Key indicators and benchmarks

		Spain		EU average		Europe 2020 targets
		2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)		31.2%	24.9%	14.2% EU28	12.7% EU28	EU target: 10% National target: 15%
<b>2. Tertiary educational attainment</b> (age 30-34)		39.4%	40.1%	32.1% EU28	35.7% EU28	EU target: 40% National target: 44%
		Spain		EU average		ET 2020 Benchmarks
		2009	2012	2009	2012	
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)		99.3%	100.0% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		72.6%	62.4%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)		10.4%	10.7%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	19.6%	:	19.6%	:	15%
	Mathematics	23.7%	:	22.2%	:	15%
	Science	18.2%	:	17.7%	:	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	:	60.7% <sup>11</sup>	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	28.0%	35.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	48.0%	50.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	26.7% <sup>11</sup>	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	38.7%	40.3% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country		3.2% <sup>11</sup>	7.0% <sup>11</sup>	
		b. Erasmus inbound students as % of student population in host country		1.9% <sup>11</sup>	1.1% <sup>11</sup>	
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3		0.1%	1.0% <sup>11</sup>	0.6% 0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	42.9%	45.3% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	23.2%	:	19.1% EU28	
	Medium qualification	:	27.1%	:	4.6% EU28	
	Low qualification	:	-34.4%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	5.1%	4.7% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 6,227 <sup>08</sup>	€ 6,207 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>	
	ISCED 1-2	€ 8,680 <sup>08</sup>	€ 7,938 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>	
	ISCED 3-4	€ 10,440 <sup>08</sup>	€ 10,301 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>	
	ISCED 5-6					

Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b

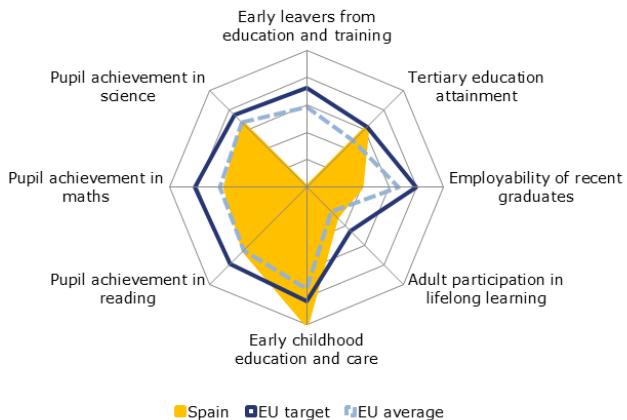
Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6

Notes: 07 =2007, 08 =2008, 09 =2009, 10 =2010, 11 =2011, e= estimate, a= unweighted average b= break, p= provisional

Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27

1= having carried out 5-6 specific computer related activities, 2= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

The major challenges in the Spanish education system are the transition from education and training to the labour market, a persistently high rate of early school leavers with big regional disparities, and skills mismatches, including in higher education. Those challenges are aggravated by the economic situation in Spain demanding significant fiscal consolidation efforts, with budgetary cuts in education since 2011 at national and regional level.

Early school leaving and vocational education and training (VET) have been at the core of the European Semester country-specific recommendations (CSRs) since 2011. Progress has been made in both fields. Nevertheless, they still remain a major cause of concern and thus are also addressed in 2013 CSRs, which recommend that Spain continue with efforts to increase the labour market relevance of education and training, to reduce early school leaving and to enhance life-long learning, namely by expanding application of dual vocational training beyond the current pilot phase and by introducing a comprehensive monitoring system of pupils' performance by the end of 2013.

## Investing in skills and qualifications

In the context of fiscal consolidation, investment in education and training in Spain has suffered significant cuts at national and regional level. General government expenditure on education as a share of GDP declined from 5.1% in 2009 to 4.7% in 2011. Expenditure on educational institutions per student has also declined, but remained above the EU average.

In April 2012, a Royal Decree Law set urgent measures to rationalise public expenditure in education. These measures concerned the use of all resources available in education, and were implemented in the school year 2012-2013: increasing the number of teaching hours per teacher; reviewing class-sizes (which are low compared to the EU and OECD average) and therefore the student/teacher ratio; adjusting the offer of upper secondary education and first-cycle university degrees to real demand; reviewing the university fees in order to bring them closer to the real cost of higher education.

Total budgetary allocations for education (central and regional level) decreased by 4.1% in 2012 and by 7.3% in 2013. Regarding the central level (Ministry of Education, Culture and Sports), the decline was 22% in 2012 and 25.8% in 2013 (estimated)<sup>21</sup>. Important cuts were also done at the level of Autonomous Communities.

<sup>21</sup>

It has to be taken into account that the central administration budget stands approximately for less than 6% of the total education budget and from this budget more than 60% is allocated to scholarships. Source: Spanish Ministry of Education, EVOLUCIÓN DEL GASTO EN EDUCACIÓN DE LAS ADMINISTRACIONES EDUCATIVAS SEGÚN LOS PRESUPUESTOS INICIALES Información elaborada en el marco de la Estadística del Gasto Público en Educación.

## **Skills**

Despite some recent improvement in the three fields concerned (reading, mathematics and science), 15-year olds' performance on the PISA tests close to the EU average, coupled with big regional disparities.

A specific program for the improvement of foreign language learning was approved by the Government at end-2012 and is being implemented by the Autonomous Communities. 40.3% of pupils in lower secondary education learn a second foreign language (2010-2011 school year).

ICT skills of the population are above the EU average. At present, 89% of the schools have broad band connection to internet. The promotion of digital competences has been developed by means of the Territorial Cooperation Programmes for the integration of information and communication technologies (ICT) in publicly-funded schools.

Regarding entrepreneurship competences, the percentage of 18-64 old population who believe to have the required skills and knowledge to start a business is above the EU average. The Spanish Government presented on 12 March 2013 the Entrepreneurship and Youth employment Strategy 2013-2016. In this context, in May 2013 the Government approved a draft Law to incentivise the creation of enterprises and jobs and to provide measures to support entrepreneurs as autonomous workers to start new activities particularly in the difficult context of the economic crisis.

The elaboration of the National Qualification Framework (MECU), is pending. The Ministry of Education, Culture and Sport is currently updating the MECU website (to be ready by end-2013) and plans to present a report on the links between its national framework and the European Qualifications framework in the 4th quarter of 2013.

## **Tackling early school leaving and raising the bar in school education**

Despite a reduction from 31.2% in 2009 to 24.9% in 2012, the early school leaving (ESL) rate is far above the EU average (12.7%), with big regional disparities (from 11.5% in País Vasco to 32.2% in Extremadura). It is also far from the national target of 15% by 2020. Measures to fight ESL were put in place at national and regional level in recent years, including the 'Plan to fight ESL' (preventive and intervention measures such as analysis, awareness raising, follow up of early school leavers to support their reintegration into the education and training system), PROA (guidance and support programme) and PCPI (initial professional qualification programme). The ministry of education is currently carrying out an evaluation of these measures. The national programmes referred to above are not funded by the regions anymore since 2012, and also not included in the 2013 national budget.

Given the financial difficulties, the Government's efforts concentrate on normative measures; the reduction of ESL is the first main objective stated in the draft Organic Law for the Improvement of the Quality of Education (LOMCE), approved by the Government on 17 May 2013 and currently undergoing the legislative procedure in the Spanish Parliament. Amongst a series of measures, LOMCE in particular offers flexibility in pathways and aims to increase the percentage of students completing upper secondary education and obtaining initial vocational training diplomas.

Regarding participation rate in Early Childhood Education and Care (ECEC), Spain reached 100% in 2011. Finally, Spain is now elaborating a Non-University Teaching Staff Statute to regulate the teaching profession, including access to the teaching profession within public service, provision of teaching position, teachers' rights and obligations.

## **Encouraging participation in tertiary education and modernising higher education**

Spain established a 2020 national target of 44% for the tertiary attainment rate. At present, the rate is above the EU average (40.1% vs. 35.7 in 2012), although it has been stagnating over the last three years.

[...]

Spain has completed the integration into the Higher Education European Area and within this framework the Spanish authorities have announced important measures to increase excellence, innovation, competitiveness and internationalization of the university system.

[...]

### **Facilitating the transition from education to work and reshaping vocational training**

Effective measures linking study and work practice will be key for enhancing the employability of young people. Spain lacks a comprehensive strategy to effectively match changes in its productive structure; in particular, training and skills are not sufficiently updated and adapted to market needs particularly on those sectors with better economic development prospects. In this context, increasing the proportion of tertiary VET education in the total tertiary attainment rate could be particularly relevant and dual VET, combining study and practice/work, could also be applied to some fields in higher education.

The youth unemployment rate (53.2% in 2012) is particularly worrisome, both because of its magnitude and the risk of becoming structural. There are also large regional differences, which tend to mirror those in early school leaving: the Autonomous Communities with the highest youth unemployment rates are the Canary Islands (62.6%), Andalucía (62.3%) and Extremadura (61.6%) and, while those with the lowest are Navarra (40.6%), Cantabria (41.5%), País Vasco and Aragón (42.5%). These inter-regional differences in unemployment rates testify to the need for stimulating workers' mobility nationwide, especially skilled young people.

Spain has initiated a reform of the VET system to better adapt the skills of young people to labour market needs and to make VET more attractive: first, the draft Organic Law for the Improvement of the Education (LOMCE) includes the setting up of a two-year course of Basic Vocational Training and, secondly, Royal Decree 1529/2012 introduced measures to develop the training and apprenticeship contract and establish the bases for dual vocational training (work-based training with different modalities). The Royal Decree has been agreed between the Ministries of Education and Labour; however the competences on their implementation remain within the 17 Autonomous Communities. During 2012, 4000 students, 500 enterprises and 140 schools participated in pilot projects. The measures concerning VET seem adequate, but in the present economic and labour market situation their full implementation remains a challenge. Further continued efforts jointly involving public authorities, education providers and employers will be required to extend and consolidate the dual VET system in Spain to implement work based learning and increase apprenticeship opportunities.

### **Upgrading skills through lifelong learning**

The Survey of Adult Skills (PIAAC) shows that adults (aged 16-65) in Spain perform far below the EU average in the proficiency tests on literacy and numeracy. This holds also true for young adults (aged 16-24). Young adults (16-29) with at most lower secondary education have low scores compared to the EU average. Moreover, the performance of young people with tertiary education is not far from that of young people with upper secondary education.

The gap in proficiency skills for literacy between the generations aged 25-34 and 55-65 is significant (i.e. equivalent to skills usually acquired with about 5 years of education). This might be due to improvements in the education system in recent decades and / or a decline in skills over the working life.

Close to 30% of adults have low literacy and numeracy skills (at level 1 or below) compared to the EU average of 19% for literacy and 24% for numeracy. Moreover, low-skilled people are 6 times less likely to participate in job-related learning than high skilled people.

Adult participation in lifelong learning in Spain is slightly above the EU average (10.7% as against 9% in 2012). Regarding continuing vocational training, Eurostat data for 2010 shows that in Spain 75% of all enterprises provide training (compared with an EU average of 66%).

The Spanish Government has announced in its 2013 National Reform Programme that the Ministry of Education, Culture and Sport is elaborating a National Strategic lifelong learning framework (MENAP). Its starting point is a former Action Plan for lifelong learning, which resulted from a wide consultation process among Ministries, Autonomous Communities and other concerned stakeholders; the economic crisis made it necessary to revise the content of this Plan. MENAP addresses the whole population in order to increase personal, social and professional skills complementing those acquired in the education system. It will present in a systematic way the necessary measures to increase access to information, guidance and advice for citizens to participate in lifelong learning, improve the quality of training, promote innovation, individualise the learning process and favour flexible learning pathways.

#### **4. Refernet VET in Europe Country Report on Spain**

The VET in Europe – Country Report from 2012 is to be found for Spain at [http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_ES.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_ES.pdf)

## **SWEDEN**

- 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)**
- 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Sweden**
- 3. Findings from the Education and Training Monitor Country Fiche**
- 4. Refernet VET in Europe Country Report on Sweden**

## 1. Country-specific recommendation (CSR) adopted by the Council in 2013 and excerpt from the 2013 Commission Staff Working Document (SWD)

**CSR4: Reinforce efforts to improve the labour-market integration of low-skilled young people and people with a migrant background by stronger and better targeted measures to improve their employability and the labour demand for these groups. Step up efforts to facilitate the transition from school to work, including via a wider use of work-based learning, apprenticeships and other forms of contracts combining employment and education. Complete the Youth Guarantee to better cover young people not in education or training. Complete and draw conclusions from the review of the effectiveness of the current reduced VAT rate for restaurants and catering services in support of job creation.**

### ***Employability of young people, education and skills***

**The main policy challenges for the labour market are still broadly the same as in the 2011 and 2012 assessments.** The labour market participation of young people and people with a migrant background remains weak as compared with that of the rest of population. The unemployment rate for young people increased from 22.8 to 23.7%<sup>22</sup> between 2011 and 2012, which is still above the EU average. Although this figure is somewhat overstated by a high share of students and temporarily high inflows into the labour force, the ‘non-student’ unemployment rate is still high compared to other EU Member States with a similarly good labour market performance for the 25-64 age group. This points to a particular challenge for low-skilled young people, typically those who have not completed upper-secondary education.

[...] In 2012, the Council Recommendations for Sweden contained a CSR concerning the need to improve the labour market participation of young people and people with a migrant background. [...] Some of the policies currently in place contribute to underperformance of the labour market for these groups. A lack of work-based vocational education hinders the transition from school to work and, together with the design of upper-secondary education, leads to an expanding pool of people with insufficient or inappropriate skills, prone to being trapped in temporary jobs or long-term unemployment.<sup>23</sup> [...]

The 2001 reform of student support has pushed more university students into work alongside their studies and they may be crowding out low-skilled people from temporary or part-time low-paid jobs. The matching process has deteriorated with skill mismatches increasing after the 2008/2009 crisis and an inflexible housing supply increasingly hindering matching between job-seekers and job-providers from various regions.

**Following the 2012 CSR, the Swedish government has taken a number of new measures, most of which were presented in the Budget Bill for 2013 and the National Reform Programme.**

**A smoother transition from school to work was already the main objective of the reform of upper secondary education in 2011.** The reform involved further differentiation of the general education and vocational tracks and the introduction of apprenticeships as an alternative route to obtaining a vocational diploma. However, both the vocational path and apprenticeships struggle with a lack of interest both from the part of students and employers due to little recognition and difficulties in organising the apprenticeships.<sup>24</sup> Within the 2013 budget, the use of apprenticeships has been further promoted by extending allowances to employers of apprentices in both upper-secondary and adult education.

<sup>22</sup> Youth is understood as the 15-24 age group. The overall population covers the 15-74 age group.

<sup>23</sup> Indeed, the lack of work-based education appears to be the main institutional feature distinguishing Sweden from other countries with high employment rates, such as Germany, Austria, Denmark or the Netherlands.

<sup>24</sup> In fact, the number of apprenticeships has declined since 2008. It is also explained by the fact that ‘an education contract’ was introduced in 2011, putting more responsibility on the organisers of the apprenticeship training.

Furthermore, tripartite negotiations are taking place on ‘work introduction agreements’,<sup>25</sup> which combine employment at 75% of working time and vocational training at 25%, at a wage that is at least 75% of the current entry wage. The government intends to support these agreements between the social partners by providing wage subsidies and sector-adapted vocational courses for young people employed under the agreement.<sup>26</sup> The government is also investigating a possible new employment format with educational content for young people (‘apprentice probation employment’). Furthermore, an extra 18 000 temporary student places in adult vocational education, higher vocational education and universities should be funded under the ‘youth package’ presented in connection with the 2013 Budget Bill. Additional funds for vocational training and work experience programmes were allocated in the 2013 Spring Fiscal Policy Bill.

[...]

**The Commission comes to the conclusion that Sweden has made some progress with the measures taken to address the CSR.** The Swedish government has taken a large number of new, relevant and robust measures within the different areas listed in the CSR. [...]

There are no noticeable effects yet for young people. However, a number of promising measures have been put in place or are in the pipeline. For instance, the support for agreements on vocational introduction is a promising move to foster demand for young labour and to overcome the barrier of high-entry wages in some sectors, within the context of the Swedish model for wage setting by fully independent social partners. The efforts to strengthen apprenticeships and other types of work-based vocational education are totally appropriate for facilitating a smooth transition from school to work and reducing unemployment among young people who have completed post-secondary education. Nevertheless, more ambition will be required to reach the desired impact. There is a case for continued progress in reviewing employment protection legislation and implementing a Youth Guarantee<sup>27</sup>, building upon the current job guarantee for young people. Previous measures often covered the entire labour market segment showing weakness (e.g. all young people, all immigrants). However, preference should be given to more narrowly-defined measures targeting the most disadvantaged individuals from these segments in relation to general subsidies which typically involve high fiscal costs and a high risk of a deadweight loss.

## 2. Excerpt from the National Reform Programme (NRP) for 2013 presented by Sweden

### Government priorities

**The transition to working life from education must progress faster and be simpler.** Many young people do not have sufficient competence and experience for it to be profitable to employ them. It may also be difficult for employers to assess the productivity of a young person lacking previous work experience. To facilitate young people’s transition from school to working life and to safeguard long-term skills supply for companies, the partners in several labour market agreement areas have signed what are known as **work introduction agreements**. Most of these agreements build on the principle that young people lacking professional experience are offered coaching and training during part of their working time. This portion of the individual’s working hours is not included in the calculation of salary. To date, relatively few people have been employed within the framework of such agreements. For this reason, the Government seeks, together with the social partners, to work for additional such agreements being signed and for more people to be employed within these agreements. The Government is preparing proposals that aim, through wage subsidies and economic support for coaching, to stimulate the recruitment of young people through work introduction agreements signed by the parties. The Government is also examining what support is needed

<sup>25</sup> These contracts were introduced in some sectors after the 2008-09 crisis following an agreement by the social partners. Negotiations between the social partners at national level stalled in January 2013, but are continuing at sector level.

<sup>26</sup> These courses correspond to up to 16 weeks of tax-financed full-time studies and are free of charge for the beneficiaries. A pilot assignment has been given to the Public Employment Services (PES) for the manufacturing industry sector, for the period Feb 2013-Dec 2014, to provide such training for up to 800 young people between 16 and 25.

<sup>27</sup> Council Recommendation of 22 April 2013 on establishing a Youth Guarantee (2013/C 120/01) to ensure that all young people under the age of 25 years receive a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education.

and what it and/or the social partners can contribute to strengthen **workplace-based learning**. The Government has also resolved to support a pilot scheme involving **sector-tailored vocational training during introductory employment**.

[...]

A number of measures, described by the Government in previous reform programmes, have been undertaken in recent years in the areas of education, labour market and tax policy. [...]

The Government has also **implemented reforms in the regular education system aimed at improving students' skills and, consequently, their future employability. Reformed upper secondary education and apprenticeship training represent important reforms in counteracting students dropping out of upper secondary school and facilitating young people's entrance into the labour market.**

Unemployment among young people aged between 15 and 24 was slightly above 22 per cent in December 2012. Slightly less than half of unemployed young people are full-time students who have sought employment. The fact that young people become unemployed is often associated with their transition between school and working life. However, compared with other age groups, unemployed young people generally have good opportunities to find employment, which means that most young people experience relatively short periods of unemployment. For certain groups of young people, it often takes considerably longer to gain a firm foothold in the labour market than for young people on average. This is particularly true of young people with incomplete grades from primary or secondary education and for young people born outside Europe. In its 2013 Budget Bill, the Government proposed a number of temporary and permanent measures to improve the function of the labour market and to counter the weakening economy. Therefore, temporary increases were made in places in adult vocational training, apprentice training, higher vocational training, folk high schools and certain tertiary programmes. The 2013 Spring Fiscal Policy Bill proposes measures providing a further total of 14,000 places in adult vocational training, a further total of 8,000 places in practical work experience and labour market training, and an additional 2,800 tertiary education places on master and graduate engineer programmes and nursing programmes during 2013 and 2014. Vocational training was also allocated increased funds with the purpose of enhancing quality. In 2013, the level of financial support for studies will be raised for those not registered with the job guarantee for young people.

[...]

In 2012, the Government also tasked a special investigator with preparing proposals as to how efforts for young people between 16 and 25 who neither work nor study could be developed and strengthened.

The Government also assigned a special investigation to examine and propose solutions for a new employment format with educational content for young people – known as apprentice probation employment. A report on the assignment was presented in November 2012. In addition, the Government Offices are preparing for the introduction of a special employment format for apprentices within upper secondary schools.

## **Government reforms**

### Improved quality in work introduction

Within work introduction measures, students not qualifying for national programmes can gain an introduction to concrete tasks in the labour market. The Government provides support incentives for organisers to develop the quality of work introduction measures – for example developing support for the documentation of professional skills. However, subjects in compulsory schooling and motivation-raising efforts based on students' needs can also be included to increase the share of students who continue their studies on a national programme or another introduction programme.

### Improved quality in workplace-based learning

The Government provides special incentive funds for heads of schools to further develop quality in workplace-based learning. The organisers also receive a subsidy to provide upper secondary apprenticeship programmes. The portion targeting the employer has been raised by SEK 15,000 to a total of SEK 30,000 per student per year to encourage additional workplaces to offer apprenticeships. The Government is also implementing measures to design and make available support for supervisors at workplaces, and, for example, a national supervisor training programme is being planned.

#### Development of efforts for young people who neither study nor work

The Government also tasked a special investigator with proposing how young people between 16 and 25 who neither study nor work could be developed. An interim report has been submitted to the Government. The interim report focuses on 16–19 year-olds covered by the municipal responsibility of information for young people below 20 years of age who have not begun nor completed upper secondary school. Among other things, the investigator has submitted a draft statute clarifying the municipalities' responsibilities vis-à-vis this group of young people. The investigator is to submit his/her final report in August 2013.

### 3. Findings from the Education and Training Monitor Country Fiche

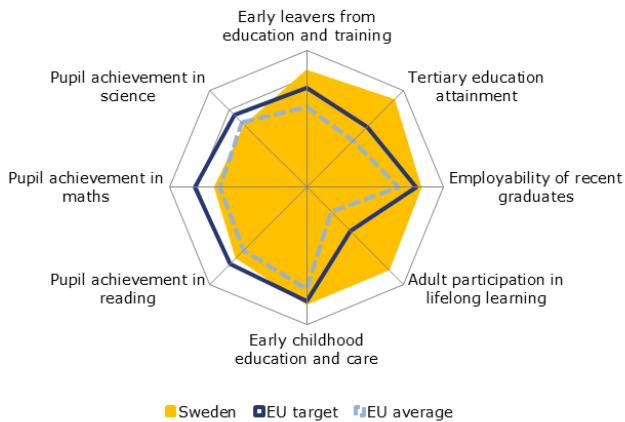
#### Key indicators and benchmarks

		Sweden		EU average		Europe 2020 targets
		2009	2012	2009	2012	
<b>1. Early leavers from education and training</b> (age 18-24)		7.0%	7.5%	14.2% EU28	12.7% EU28	EU target: 10% National target: <10%
<b>2. Tertiary educational attainment</b> (age 30-34)		43.9%	47.9%	32.1% EU28	35.7% EU28	EU target: 40% National target: 40-45%
		Sweden		EU average		ET 2020 Benchmarks
<b>3. Early childhood education and care</b> (4 years old - year before start of compulsory primary)		94.7%	95.3% <sup>11</sup>	91.7%	93.2% <sup>11</sup>	95%
<b>4. Employment rate of graduates</b> (age 20-34) having left education 1-3 years before reference year		81.6%	83.2%	78.3%	75.7%	82%
<b>5. Adult participation in lifelong learning</b> (age 25-64)		22.2%	26.7%	9.3%	9.0%	15%
<b>6. Basic skills</b> Low achievers (15 year-olds; Level 1 or lower in PISA study)	Reading	17.4%	:	19.6%	:	15%
	Mathematics	21.1%	:	22.2%	:	15%
	Science	19.1%	:	17.7%	:	15%
<b>7. Digital competences</b>	a. Pupils in grade 4 (ISCED 1) using computers at school	58.5% <sup>07</sup>	66.8% <sup>11</sup>	60.7% <sup>07</sup>	64.7% <sup>11</sup>	
	b. Individuals aged 16-74 with high computer skills <sup>1</sup>	21.0%	35.0%	25.0%	26.0%	
<b>8. Entrepreneurial competences</b>	Individuals aged 18-64 who believe to have the required skills and knowledge to start a business	:	37.0%	42.3% <sup>a</sup>	42.0% <sup>a</sup>	
<b>9. Languages</b>	a. ISCED 2 students at proficiency level B1 or higher in first foreign language <sup>2</sup>	:	82.3% <sup>11</sup>	:	43.5% <sup>11</sup>	
	b. ISCED 2 students learning two or more foreign languages	68.0%	76.4% <sup>11</sup>	58.6%	60.8% <sup>10</sup>	
<b>10. Mobility</b>	Higher education	a. Inbound degree mobile students as % of student population in the host country		7.9% <sup>11</sup>	7.0% <sup>11</sup>	
		b. Erasmus inbound students as % of student population in host country		1.2% <sup>11</sup>	1.1% <sup>11</sup>	
	Initial vocational training (IVET)	c. Students participating in Leonardo da Vinci programs as a share of vocational students at ISCED 3		0.4%	0.6% <sup>11</sup>	0.6% 0.7% <sup>11</sup>
<b>11. Vocational education and training</b>	Share of vocational students at ISCED 3	56.4%	56.3% <sup>11</sup>	49.6%	50.3%	
<b>12. Skills for future labour markets</b> Projected change in employment 2010-2020 in %	High qualification	:	8.6%	:	19.1% EU28	
	Medium qualification	:	3.1%	:	4.6% EU28	
	Low qualification	:	3.4%	:	-20.2% EU28	
<b>13. Performance in the survey of Adult Skills (PIAAC)</b>	Literacy	Data available on 8 October		Data available on 8 October		
	Numeracy	Data available on 8 October		Data available on 8 October		
	Problem solving in technology rich environments	Data available on 8 October		Data available on 8 October		
<b>14. Investment in education and training</b>	a. General government expenditure on education (% of GDP)	7.2%	6.8% <sup>11</sup>	5.5%	5.3% <sup>11</sup>	
	b. Annual expenditure on public and private educational institutions per pupil/student in € PPS	€ 7,314 <sup>08</sup>	€ 7,634 <sup>10</sup>	€ 5,732 <sup>08</sup>	€ 6,021 <sup>10</sup>	
		€ 7,813 <sup>08</sup>	€ 7,945 <sup>10</sup>	€ 6,964 <sup>08</sup>	€ 7,123 <sup>10</sup>	
		€ 15,702 <sup>08</sup>	€ 15,068 <sup>10</sup>	€ 9,309 <sup>08</sup>	€ 9,168 <sup>10</sup>	

Source: Cedefop: 12 / EAC: 10b,c / European Survey on Language Competences (ESLC): 9a / Eurostat (LFS): 1, 2, 4, 5 / Eurostat (ISS): 7b  
Eurostat (UOE): 3, 9b, 10a, 11, 14 / IEA TIMSS: 7a / Global Entrepreneurship Monitor: 8 / OECD (PISA): 6

Notes: <sup>07</sup>=2007, <sup>08</sup>=2008, <sup>09</sup>=2009, <sup>10</sup>=2010, <sup>11</sup>=2011, <sup>a</sup>=estimate, <sup>b</sup>=unweighted average <sup>p</sup>=break, <sup>p</sup>=provisional  
Number of countries included in EU average: PISA=25, Entrepreneurship=18, Language skills=13, ICT/Computers at school=13, others: EU27  
<sup>1</sup>= having carried out 5-6 specific computer related activities, <sup>2</sup>= average of skills tested in reading, listening, writing

Position in relation to highest (outer ring) and lowest performers (centre)



Source: DG EAC calculations on the basis of data from Eurostat (LFS 2012 and UOE 2011) and OECD (PISA 2009). Note: all scores are set between a maximum (the highest performers visualised by the outer ring) and a minimum (the lowest performers visualised by the centre of the chart).

## Main challenges

Youth unemployment constitutes one of the main challenges in Sweden. The unemployment rate for young people<sup>28</sup> has remained at high levels since 2008, with 23.7% unemployed in 2012 compared to the EU27 average of 22.8%. While this figure is somewhat overstated, as up to 50% of unemployed young people in Sweden are full-time students searching for jobs<sup>29</sup> and contrary to a large majority of Member States, Swedish youth tend to spend comparatively short periods unemployed<sup>30</sup>, ‘non-student’ unemployment rate is still high compared to other EU Member States with a similarly good labour market performance of the working age population. This points to a particular challenge for those young unemployed, who are low-skilled and left school without having completed upper-secondary education.<sup>31</sup>

Hence lack of adequate education appears to be one of the main obstacles for young people to become established at the labour market. Consequently, the 2013 European Semester country-specific recommendation (CSR) on education continues to focus on improving the labour market integration of low-skilled young people, by stepping up efforts to facilitate their transition from school to work, including via a wider use of work-based learning, apprenticeships and other forms of contracts combining employment and education.

## Skills and qualifications

Despite high funding levels, there is evidence that learning outcomes in compulsory school as measured by international student assessments are worse than in the early 2000s. 15-year olds' performance in OECD's PISA tests worsened between 2006 and 2009 in all three areas, even if Sweden still performed better than the EU average in reading and in mathematics in 2009. There is however a significant gender gap in reading, with 24.2% of boys being low-achievers compared to 10.5% of girls. Moreover, the relationship between socio-economic background and performance has become stronger, and differences between schools have increased<sup>32</sup>. The 2011 TIMSS & PIRLS studies on fourth and eighth grade pupils, conducted by the International Association for the Evaluation of Educational Achievement (IEA), also show rather mixed results in international comparison, in particular in mathematics.

ICT skills of the adult population are far above the EU average. Although schools in Sweden are very well equipped with new technologies, this does not seem to translate into high level of use in the classrooms.

<sup>28</sup> Youth is understood as the 15-24 age group.

<sup>29</sup> Source: Statistics Sweden (2012)

<sup>30</sup> For university students the spell of unemployment is short. Moreover, as students often have temporary, short-term jobs, there is a high probability that they are between jobs at the moment when statistics for Eurostat's LFS are gathered.

<sup>31</sup> Employment rate (15-64) of people with maximum lower secondary education is 46.3%, while the employment rate of higher education graduates is 87% (Eurostat, LFS, 2012).

<sup>32</sup> Source: OECD Reviews of Evaluation and Assessment in Education, Sweden, 2011

Secondary school teachers' confidence in using ICT is close to the EU average while their participation in ICT professional development is lower than the EU average<sup>33</sup>. Entrepreneurship education has been built into the school curriculum and entrepreneurship skills are taught in teacher education. With regard to language skills, figures indicate excellent skills in the first foreign language, English.

The Swedish national qualifications framework (SEQF) is expected to be adopted in 2014, in the form of a decree (*Förordning*). The framework aims to include non-formal education and training as well as the extensive field of continuing and popular education and training run by the private sector and non-governmental organisations.<sup>34</sup>

The overall success of the framework will depend on the extent to which the SEQF is seen as relevant to stakeholders outside formal, initial education and training.

## Facilitating the transition from education to work

While participation of upper secondary students in vocational education and training (VET) has been above the EU average (56.3%<sup>35</sup> as against 50.3% in 2011), the system has been characterised by a weak vocational content. Cooperation between schools and workplaces has been underdeveloped. Furthermore, the matching process has deteriorated which has led to increasing skills mismatches since the 2008-2009 economic crisis.<sup>36</sup>

Improving transition from school to work was already identified as the main objective of the 2011 school reform. As part of the reform, at upper secondary level the general education and the vocational education pathways have been further differentiated. Since autumn 2011 in the vocational path more time has been devoted to vocational subjects, and apprenticeships were introduced as an alternative route to attain a Vocational Diploma<sup>37</sup>. In addition, an institutionalised structure is being developed between schools and working life, with the introduction of national councils and local programme councils.<sup>38</sup> To this end, the 2013 Budget Bill contains increased financial support for apprenticeships and vocational training programmes. Funding will be largely devoted to creating additional study places<sup>39</sup> and to stimulating employers to provide apprenticeship positions.

Funding is also meant to strengthen and raise the quality and attractiveness of VET through more adequate training for VET teachers and nationally organised training for trainers.

However, as first data shows and employer organisations point out<sup>40</sup>, the attractiveness of the vocational path has dropped since the reform and there is a decreasing interest in apprenticeship programmes both from

<sup>33</sup> Source: European Schoolnet & University of Liège (2013): Survey of Schools: ICT in Education, Benchmarking access, use and attitudes to technology in Europe's schools. EUN, Brussels

<sup>34</sup> [http://www.cedefop.europa.eu/EN/Files/NQF\\_developments\\_2012-SWEDEN.pdf](http://www.cedefop.europa.eu/EN/Files/NQF_developments_2012-SWEDEN.pdf)

<sup>35</sup> In 2011, 59.5% of male upper secondary students and 53.4% of female upper secondary students participated in vocational education and training (VET).

<sup>36</sup> [http://ec.europa.eu/economy\\_finance/publications/country\\_focus/2013/pdf/cf\\_vol10\\_issue1\\_en.pdf](http://ec.europa.eu/economy_finance/publications/country_focus/2013/pdf/cf_vol10_issue1_en.pdf)

<sup>37</sup> In the 2011/2012 academic year, a large majority of pupils in vocational track studied in vocational schools, where at least 15 weeks (12.5%) of the curriculum is work-based learning and 5-6% in apprenticeship schemes, where 50% of the curriculum is work-based learning.

<sup>38</sup> Guidance has been strengthened in the Education Act and a systematic tracking of vocational graduates is under preparation.

<sup>39</sup> The 'Youth Package' ('Ungdomspaket'), presented in connection with the 2013 Budget Bill, has a total budget of 1.8 billion krona for 2013 to create in total 18,300 temporary study places in secondary and adult vocational education, post-secondary vocational education, municipality adult education and higher education. The majority of places, close to 13,000 will be created in vocational education. In the period 2013-2016, a total of 5.17 billion krona will be devoted to finance additional study places.

<sup>40</sup> <http://www.regeringen.se/content/1/c6/19/82/65/4e285b8b.pdf>

[http://www.svd.se/opinion/brannpunkt/stoppa-yrkesprogrammens-forfall\\_7766908.svd](http://www.svd.se/opinion/brannpunkt/stoppa-yrkesprogrammens-forfall_7766908.svd)

the part of students and employers.<sup>41</sup> In any case, since reforming the vocational training system requires time, it will take several years before the true effects of the reform have an impact on the labour market.

At post-secondary level, higher vocational education programmes of 2 years have been developed since 2009 to meet the needs of the labour market for qualified labour. The main innovative feature of the system is the close collaboration between labour market actors and education providers. Education programmes are financed by the Swedish National Agency for Higher Vocational Education, based on short-term skills forecasting, labour market needs analysis as well as graduate tracking. First results have shown that the newly established programmes have high demand and high insertion rates on the labour market for graduates<sup>42</sup>. However, the programmes' impact will need to be assessed also in the long run to decide if they can be viewed as a viable alternative to university higher education.

### **Upgrading skills through lifelong learning**

The Survey of Adult Skills (PIAAC) shows that adults (aged 16-65) in Sweden perform above the EU average in all three domains: literacy, numeracy and problem solving in technology-rich (ICT) environments. In fact, Sweden has the largest share of adults scoring at the highest level in problem solving in technology-rich environments in the EU. The share of low-skilled adults (scoring at level 1 or below) is about 13% in literacy and 15% in numeracy; far below the EU average (19% and 24%, respectively).

Young adults (aged 16-24) score significantly above the EU average in both literacy and numeracy. Furthermore, they have higher proficiency in literacy and problem solving but slightly lower proficiency in numeracy compared to the overall population. While employed people have on average higher skills than unemployed people at EU level, this gap is even more pronounced in Sweden, for both literacy and numeracy. The gap in literacy proficiency between the foreign- and native-born is also rather large compared to the EU average.

Participation of adults in lifelong learning has been traditionally high. The participation rate has been further increasing in the past 5 years and remains one of the highest in the EU (26.7% vs. 9% in 2012<sup>43</sup>). Nevertheless, high participation rates mask great gender differences; while participation rate for women is 31.9%, it is only 18.4% for men. Whereas foreign-born participation is at the same level as for natives (25.5%), participation of low-educated, who would benefit the most from further education, is lagging behind (16.9%). In 2010, 87% of Swedish enterprises provided vocational training to their staff, as against an EU average of 66%. Nevertheless, enterprises provided just about a quarter (26.6%) of all non-formal learning activities to adults in 2011.

Adult learning is deeply rooted in the Swedish society and is characterised by effective structures, flexible pathways and adequate financial means to implement targeted policies. A high quality adult learning and opportunities for further education and training in different occupational fields are both government priorities. While taking part in basic education is a legal right of all adults, municipalities also have the obligation to offer upper secondary education that meets the needs of both the adults and the labour market. Moreover, since 2012 individuals who complete vocational upper secondary programmes have been given the right to attend complementary courses offered by municipality adult education to qualify for higher education<sup>44</sup>.

<sup>41</sup> There are fewer apprentices today than in the pilot scheme in 2008. This is largely explained by the fact that an 'educational contract' was introduced in 2011, putting more responsibility on the organisers of apprenticeship training.

<sup>42</sup> 9 out of 10 students who graduated in 2011 had found employment by autumn 2012, with approximately 6 out of 10 graduates having employment that fully or mostly corresponded to their education programme.

Source: <https://www.myh.se/Publikationer/Employment-of-graduates-from-Higher-Vocational-Education-and-Advanced-Vocational-Education-and-Training-in-2012/>

<sup>43</sup> Source: Eurostat: LFS 2012

<sup>44</sup> Following the 2010 education reform, completion of vocational upper secondary programmes no longer gives direct access to higher education studies.

To improve skills matching in the labour market, in 2010 the Government tasked actors responsible for regional development in each county with setting up skills platforms for coordinating skills provision and short- and long-term education and training planning. Skills platforms have now been all set up and are proving to be important tools in securing skills supply to business and the public sector. Regional skills platforms are to be strengthened and further developed during 2013-2016, contributing to enhanced competitiveness and sustainable national and regional development.

#### **4. Refernet VET in Europe Country Report on Sweden**

The VET in Europe – Country Report from 2012 is to be found for Sweden at

[http://libserver.cedefop.europa.eu/vetelib/2012/2012\\_CR\\_SE.pdf](http://libserver.cedefop.europa.eu/vetelib/2012/2012_CR_SE.pdf)