

IPA National Programme 2010 for Albania

Project Fiche 7: Human Resources Development

1. BASIC INFORMATION

1.1 CRIS Number: 2010/022-530

1.2 Title: Human Resources Development in Albania

1.3 ELARG Statistical code: 02.19 – Economic criteria/Social policy and employment

1.4 Location: Albania

Implementing arrangements:

1.5 Contracting Authority: The European Union represented by the European Commission on behalf of the beneficiary country.

1.6 Implementing Agency: Delegation of the European Union to Albania in joint management with International Labour Organisation (ILO)

1.7 Beneficiaries:

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Financing:

1.8 Overall cost (VAT excluded)¹: EUR 3 330 000

¹ The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated.

1.9 EU contribution: EUR 3 000 000

1.10 Final date for contracting: Two years following the date of the conclusion of the Financing Agreement

1.11 Final date for execution of contracts: Two years following the end date of contracting. These dates apply also to national co financing.

1.12 Final date for disbursements: One year following the end date for the execution of contracts

2. OVERALL OBJECTIVE AND PROJECT PURPOSE

2.1 Overall Objective

The overall objective of the project is to have improved labour market functioning and quality of human capital.

2.2 Project purpose:

Improving the capacity of labour market institutions, mainly the State Labour Inspectorate (SLI) and the National Employment Service (NES) and promoting employment by enhancing the employability of Albanian workforce

2.3 Link with AP/NPAA / EP/ SAA

According to the European Commission recommendations established in the European Partnership² Document with Albania, the following priorities are stated in the area of:

Employment and social policies:

- Improve social protection systems and combat social exclusion.
- Adopt measures to increase school enrolment rates at secondary level and among children in rural areas, in particular girls, and in vocational schools.

Education and Training:

- Improvement of education and training system in order to increase the offer of required skills of the market for encouraging employment and long-term economic growth.
- Continue efforts to improve the quality of education and to create a modern vocational education and training system, promote regional cooperation in the field of higher education.

To implement the European Partnership recommendations, Albania adopted in July 2006, a National Action Plan. Progress on these reform priorities are monitored by the European Commission mainly through the annual EU Progress Reports.

² The European Partnership Document for Albania adopted by Council Decision of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Albania and repealing Decision 2006/54EC.

Based on the 2009 EU Progress Report, the findings suggest that the employment services at national level should be strengthened in terms of quality, capacity and outreach. Moreover, employment promotion schemes should be in place, in order to incentive job seekers and ease their entry into the job market; such schemes should be monitored closely in order to assess their impact on the employment rates.

With respect to Vocational Education and Training (VET), the 2009 EU Progress Report makes reference to the Albanian Qualification Framework, which was endorsed by the Albanian Parliament in March 2010. At this stage, the Report recommends that links between VET and the labour market should be strengthened and harmonised, in order to train VET graduates and prepare them to best respond to contemporary labour market needs.

The Stabilisation and Association Agreement (SAA) between EU and Albania, provides a framework for mutual commitments on political, trade and economic issues while encouraging regional cooperation. It was signed on 12 June 2006 and came into force on 1 April 2009 following its ratification by EU Member States and by the Albanian parliament. This opened the green light to Albania to submit the application for candidate country status.

Based upon the provisions of the SAA, Albania has to perform the following tasks in the areas covered by the present project fiche:

Working Conditions

Albania shall progressively harmonise its legislation to that of the EU in the fields of working conditions, notably on health and safety at work.

Social cooperation

Reform of Albanian employment policy, in the context of strengthened economic reform and integration.

Education and training

Raising the level of general education and vocational education and training, as well as youth policy and youth work. The relevant Community programmes and instruments shall contribute to the upgrading of educational and training structures and activities in Albania. Cooperation shall take due account of priority areas related to the EU *acquis* in this field.

The comprehensive dimension of the European integration process in the Albanian Education System is better reflected with the instrument of obligations' implementation, which Albania should meet during this process - the "National Plan for the Stabilisation Association Agreement Implementation". This document reflects the progress in implementing government and public institutions' responsibilities on the development of professional education and training levels, non-discriminatory provision of access into all educational and training levels, improvement of the educational and training structures, and the promotion of harmonisation between SAA countries through educational, social and cultural development.

2.4 Link with MIPD

The Multi-annual Indicative Planning Document 2009-2011 for Albania, indicates that *IPA will assist the Albanian authorities in improving public finances, implementing structural reforms and developing the functioning of the labour market through increased flexibility and better links with the education system.*

The MIPD 2009-2011 indicates the following areas for assistance (Section 2.3.1.2- Economic criteria):

Employment and labour market: Develop labour market measures to combat unemployment, in particular long-term, youth unemployment and promote women's participation in the labour market.

Education: Reform education and vocational and educational training (VET) system and research policy to create better links between the education system, research needs and the labour market; improve teacher training and education infrastructure; promote better involvement in Tempus programme and use of Seventh EU research framework programme.

2.5 Link with National Development Plan

In March 2008, the Albanian Government has adopted the National Strategy for Development and Integration (NSDI) 2007-2013, in which for the first time the perspectives for sustainable economic and social development, integration into the European Union and NATO structures, as well as achievement of Millennium Challenges Goals are harmonised in a single strategic document.

The NSDI document, consists of 24 sector strategies and 8 cross-sector strategies, where also education, vocational education and training, employment policy and labour market, social policy, as well as migration policy, where one of the major issue is to fight the brain drain phenomenon through cooperation with international institutions to develop programmes that will attract students in order to utilise their skills in the country.

The adoption of the Sectoral Strategy on Employment and Vocational Training (2007-2013) by the Government of Albania in 2007 represents an important step forward in the development of an employment policy framework. The Strategy – building on the overarching goal of full and productive employment – centred on the promotion of an active policy on employment through the establishment of a modern system of employment services, development of employment promotion programmes, improvement of the vocational education and training system and reduction of informal sector. Another important step forward in promoting an active policy on employment is the ratification, at the end of 2008, of the Employment Policy Convention (C122), 1964 and the Employment Service Convention (C88), 1948."

The adoption of Document of Strategic Policies for Safety and Health at work, taken with decision of Council of Ministers nr 500, in May 2009 represents an important step forward in the development of safety and health promoting an active policy for safety and health at work through a modern system of inspection at work which will bring safety at conditions of work of and will reduce occupational accidents and occupational diseases.

2.6 Link with national/sectoral investment plans

N/A

3. DESCRIPTION OF PROJECT

3.1 Background and justification

Component 1: *Modernisation of the State Labour Inspectorate (SLI)*

Labour Inspectorate was established in 1993 as Directorate within the Ministry of Labour. In 2006 has been transformed in an independent body. The current staff of 167 units is not sufficient for fully perform the tasks committed by law. The current structure, based upon 12 regional Directorates and 1 local Office, will be further expanded covering areas where the presence of State Labour Inspectorate (SLI) is highly needed.

The EU Progress Report 2009 recognises that some “progress has been made in the area in the area of health and safety at work. In March 2008 the Council of Ministers adopted a decision on the determination of dangerous substances. Cards Programme has supported the preparation of the National Strategic Policies on Occupational Safety and Health 2009 – 2013 that has been approved by the Parliament in September 2009.

The law on Occupational Safety and Health has been approved by the Parliament on 18 February 2010.

In the framework of obligations arising from the implementation of the SAA, reported on March 2010 to Stabilisation and Association Committee and based on the EU's recommendations the measures mentioned below were taken by the State Labour Inspectorate.

A new structure at centre and local level is prepared to be set up for institutional capacity building and the effectiveness of inspections at work of Modernisation of the State Labour Inspectorate (SLI). Thanks to CARDS 2006 support, the SLI has now its own web site: www.sli.gov.al

It is foreseen to set up a new Directorate of Programming and Analysis near the Directorate General of Institute of Public Health (IPH). This directorate is going to collect process and analyse the statistical data coming out of the inspections at work, under the requirements of Regulation EC 1338/2008 of 16 December 2008 on Community Statistics on Occupational, Public Health and Safety. Component part of this directorate is IT work as a direct obligation deriving from SAA, which among others, will digitalise and insert in net the whole system of IPH.

A programme for the training of labour inspectors and controllers is going to be set up with the aim to increase their professional capacity building according to the identified needs. It is under completion the preparation of a guiding manual for the labour inspectors, which will enhance the quality and effectiveness of inspection.

The first of the foreseen 24 local inspectorates to strengthen the SLI was established in April 2009. Enforcement of occupational health and safety remains poor and the number of accidents at the workplace is high, particularly in the construction, mining and mineral processing sectors. The agricultural sector is not covered by the labour inspection system. Further efforts are required to increase the human, physical and financial resources of the SLI and to improve the transparency of its personnel policy. Therefore, the main problems remain the lack of adequate capacity to assess rights at work and the poor technical resources.

At regional level, the SLI offices share the premises with National Employment Service (NES) and have borrowed some furniture and equipment from them. There is a lack of computers: only 17 are available up to now. There is a need to create a reliable database of enterprises. Albania has made some efforts for the modernisation of its services according to EU standards and is currently supported in the field of employment and Health and Safety at Work (OSH) through CARDS 2006 and ILO projects. Further assistance is needed for the approximation of the Albanian legislation to the EU standards in the field of Occupational Safety and Health (OSH), including 11 EC Directives that need to be integrated within the Albanian legislation.

Concerning the impact of the new legislation, it appears very important to launch an appropriate information campaign not only for public opinion, but mainly for employers and workers' organisations. In order to enforce the rules of OSH there is also the need to have professionals who can support the enterprises in the risk assessment and Safety Management Systems. It would be also very important to train, in cooperation with Trade Unions, workers who can contribute to prevention of occupational accidents and diseases. The provision of appropriate equipment and software will be necessary in order to share the experiences in the network of SLI and improve the capacity in data analysis and elaboration of statistics.

Component 2: *Modernisation of the National Employment Service (NES)*

The Employment and Vocational Training Sectoral Strategy for 2007-2013 has been adopted and the National Employment Service has recently prepared an internal Changes Strategy in order to fulfil the requirement of the mentioned National Strategy. The main objective is to reduce the level of unemployment to a level comparable to the EU average by 2013. New employment promotion programmes have been adopted, providing subsidies to employers for training and/or hiring unemployed job-seekers. One of the programmes specifically targets unemployed women job-seekers.

The Ministry of Labour, Social Affairs and Equal Opportunities (MoLSAEO) is developing (under ILO project) a National Action Plan for Youth Employment (NAPYE). The main goal of Albania's action plan is the effective promotion of employment opportunities for young Albanians in their own country. The NAPYE is linked to the National Strategy for Development and Integration and contributes to the achievement of the objectives set out in the Sectoral Strategy on Employment and Vocational Training (2007-2013).

The policy mix identified envisages both preventive and curative measures. These measures will address both demand and supply side. The three main objectives are: 1. To improve the level of education and qualification of the young people in the labour force; 2. To improve the link between the world of work (business community) and the education and VET systems; 3. To support the social inclusion of young people (particularly those affected by multiple vulnerabilities) through the design, implementation, monitoring and evaluation of innovative youth programmes.

According to EU Progress Report 2009, monitoring and assessment of the impact of employment promotion programmes are still lacking. Further effort is required to improve labour market data. This should include support to carry out statistical analysis of labour market information both within National Employment Service (NES) and Ministry of Labour Social Affairs and Equal opportunities (MoLSAEO"). A computer-based information system is being developed in the head office of NES and in two regional offices: Tirana and Korça. Databases on vacancies, jobseekers and employers register have been established, but not yet

extended to all offices. Since the beginning of the 2010, a new website page is installed www.kerkojpune.gov.al publishing job vacancies in the country. The link between the vocational training offered and labour market demand is not sufficient, and the capacity of the labour offices to carry out labour market surveys is not strong enough. Also the capacity of regional labour offices remains limited.

Social dialogue is still at a developing stage and the position of trade unions and employers' organisations still remains weak.

In the framework of obligations arising from the implementation of the SAA, reported on March 2010 to Stabilisation and Association Committee and based on the EU's recommendations, the following measures were taken by the National Employment Service.

As regards employment, work is proceeding to offer vocational courses demanded by the labour market in order to help unemployed job-seekers and integrate them in the labour market. Vocational training courses offered so far have not been very much linked with the labour market needs. A change of approach has started to improve the weak relation between vocational training courses and the needs of the labour market. Lesson learned from different projects, including labour market needs analysis done by Cards project (VET II and III) and ILO project 2008-2009), has been used to improve the relation between vocational training courses and the needs of the labour market. The focus now is to deliver courses in the tourism sector, building sector, service sector, and so on.

Priority is given also to employment promotion programmes supported by State funds. 2 342 persons benefited in 2009 from these programmes developed in line with the Law on State Aid.

In 2003 the Albanian Council of Ministers approved the strategy for improving the living conditions of the Roma minority (vkm nr 633 09/18/2003). The main aim of the strategy is the integration of roma and Egyptian community in the society, giving special emphasis to the education of young children and the employment of adults.

The main areas in which IPA support is requested are:

- Improving the quality of services provided to jobseekers and employers, in line with the EU Employment service standards;
- Increasing understanding of labour market needs;
- Flexibility of the Active Labour Market Measures and their adaptation at all levels;
- Employment services for vulnerable groups, with special attention to be devoted to people with disabilities. In that respect, the National Strategy on People with Disabilities largely not implemented should be the reference;
- Monitoring and evaluation of the activities performed by NES including Impact evaluation of the implementation of Active Labour Market Policies (ALMPs)";
- Quality and adequacy to labour market needs of the training provided by the 10 VT public centres;
- Improved social partnership, at all levels;
- Implementation of Active Labour Market Measures targeting youth.

There is a clear need to reinforce the organisation of the NES at regional level through a consistent deconcentration process, at the beginning and then with a real decentralisation, involving regional and local authorities.

Another important issue is the capacity of the NES to plan and deliver effective staff training. Some staff training are organised but still not in a structured and regulated based on internal resources. There are no dedicated staff training resources and many of the staff who have been trained as trainers have either left or taken other jobs.

Component 3: Vocational Education and Training (VET) Reform

As recognised by the EU Progress Report 2009, there are some progresses in the area of education. The education budget for 2008 was increased by 12% and this trend is expected to continue in the future. Also the development of the Albanian Qualifications Framework (AQF) has continued. Anyhow, it is noted that the synergies between Vocational Education and Training (VET) and the Labour Market (LM) remain weak. The improvement of such links may be facilitated by using the broad availability of computer facilities with internet connections existing at school level.

Efforts need to be done to make vocational education and training (VET) more attractive and to involve potential employers in the preparation of programmes.

Despite the efforts of government and donors for reform in VET in Albania, the expected growth of participation in VET by 2013 up to 10% of enrolled students in secondary education relatively to the current numbers. Currently, the participation in VET of the age cohort 15 – 18/19 is still less than 20 %, while in other European countries is around 60 %. The low participation in VET and the poor quality of VET in Albania has not a positive impact on the percentage of qualified and qualitative labour force on the labour market and leads to a growing skills gap.

Among the identified problems, the followings appear to need to be addressed with priority

- a. There is little evidence to suggest that the skills provided by the VET system are in line, both in term of quantity and quality, to the labour market (LM) requirements. This implies that more and more the training courses should be linked to LM demand. Therefore, it will be necessary to increase social partners involvement in VET and the adaptation of existing regulations and legal framework in order to facilitate SP involvement and practical training in companies and, therefore, increasing employability of students.
- b. Parents and students are tending to choose for general secondary education with clear pathways to higher education instead of VET in the formal education system. This tendency could be balanced by improving the attractiveness of VET by providing a pathway to further education and training at a higher level and creation of more alternatives and flexibility in VET. In that direction, the National VET Agency (NAVETA) has prepared a draft strategy for post secondary aimed at providing qualification at level 5 of the Albanian Qualification Framework. Integrated with the inputs from the LM analysis from the IPA VET 2008, the strategy can be implemented for some selected profiles.
- c. Financing VET requires the establishment and implementation of solid partnerships public/private, which can result extremely useful also for addressing the quality issues and the relevance of skills to the labour market demands.

- d. The assessment and monitoring of impact of training programmes needs to be further strengthened. Therefore, evaluation studies (e.g. tracer studies) need to be systematically carried out and results disseminated through an efficient Management Information System.
- e. In line with the EU policies in education and training, it is necessary to support the establishment a lifelong learning system. The first step will be the preparation of a Lifelong learning (LLL) strategy, covering all qualification levels and looking at initial and continuing VET, Higher Education, formal and non-formal education.
- f. The Quality Assurance System needs to be further reinforced, by finalising the Albanian Qualification Framework (AQF) and establishing procedures for accreditations of VET programmes and courses.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

The traditional bureaucratic procedure-oriented approach will gradually be switched to a more result-oriented approach with defined indicators of performance and increased liability of the civil servants. Monitoring and evaluation will become normal routine.

The basic principles, which will inspire the public administration in Albania, will be: transparency, increased efficiency and effectiveness, involvement of civil society in the decision making and implementation processes.

The development of institutional and administrative capacity of the Operational Structures involved in the project will give a consistent contribution to the achievement of the above mentioned results and contribute to the sustainability of the results, as they will be embedded in a more functional system. In particular:

The project will improve the absorption capacity of Albania in the perspective of access to ESF by developing the administrative and technical capacity of the involved institutions.

When legal requirements concerning working conditions and health and safety at work issues are appropriate and actually met, employees will feel an impact of this project by the reduction of occupational diseases and accidents contributing to a rise in their life expectancy. For employers standardised inspections provide security regarding the requirements to be met and thus provisions and/or investments to be made. In addition, standardised and regular inspections will promote fair competition by establishing the basis for a fair labour market. The components 3 and 4 will together contribute to enhance the quality of labour force in Albania and facilitate the employability of young people, easing the transition from school to work and adapting the skills to the labour market demand.

3.3 Results and measurable indicators

Activity 1:

3.3.1 Results for Component 1: Modernisation of the State Labour Inspectorate

- The Albanian legislation in the field of OSH is adopted in line with the EU Acquis
Indicators of achievement: All (of 19) missing Individual Directives of the Framework Directive 89/391/EEC, concerning minimum requirements for OSH transposed to the Albanian legislation system as by-laws;
- Capacity of SLI is enhanced in line with the National OSH strategy and EU principles

Indicators of achievement: Labour Inspection Policy, Human Resources Improvement Strategy and other strategic documents has been prepared and adopted.

- Improved awareness on OSH by public opinion and employers.

Indicators of achievement: Two national campaigns, focused to the OSH awareness raising of employers and employees and public have been performed, production of 20,000 leaflets and 10,000 posters, one TV spot and two conferences and four workshops

- Improved and strengthened human and technical capacities of the SLI in order to ensure the implementation of the legislation

Indicators of achievement: At least 150 labour inspectors and other SLI staffs is trained to support the effective implementation of the new harmonised legislation on OSH; - A tailored user manual for labour inspection has been prepared and distributed to all staff; - Increased quality of inspection visits by discovering about 20% more limitations in the OSH area as compared to the figures from 2009.

3.3.2 Results for Component 2: Modernisation of the National Employment Service

- Counselling services improved and applied in all offices

Indicators of achievement: A monitoring system of counselling service is in place for different targets; at least 200 employees of the public Employment Offices serving in all the regions are trained on the new approach and on the management of the Individual Employment Plan (IEP).

- Monitoring and evaluation capacities improved

Indicators of achievement: indicators set per each activity and monitoring done at least twice a year and at once a year a customer satisfaction assessment is done.

- Employment Promotion measures are increased in quality and quantity:

Indicators of achievement: 4 more Active Labour Market Measures are fully used in all NES

- Quality indicators according to EU PES developed and implemented.

Indicators of achievement: At least 200 service staff trained on counselling, monitoring, evaluation and Active Labour Market Measures; 12 regional workshops in all regions are organised with employers, Trade Union organisations, CoC, Regional Councils, VET Councils and other actors in the LM, in order to discuss the results of the LM surveys and improve cooperation with NES services.

- Reinforced decentralisation of NES

Indicators of achievement: Directors of Regional office trained on delegated management; all staff of the regional and local office are trained in Management by Objectives.

3.3.3 Results for Component 3: Vocational Education and Training (VET) Reform

- The existing VET strategy is reviewed and updated accordingly, incorporating 3 strategic elements: life-long learning, post-secondary education, and public-private partnership.

Indicators of achievement: The visionary VET strategy is endorsed for 2013-2020; legislation adaptations introduced; 1 consultancy company subcontracted to train the Ministry of Education and Science (MoES), the Ministry of Labour, Social Affairs and Equal Opportunities (MoLSAEO), the National Employment Services (NES) and the National Agency for Vocational Education and Training – Albania (NAVETA) staff during all of the

stages of strategic planning and strategic implementation of this project; 3 training sessions scheduled; 45 staff trained; 10 public consultations organised with 50 participants (including key stakeholders) registered in each round-table; 3 documents published (VET grand strategy; lifelong learning (LLL) strategic document; public-private partnership (PPP) guidelines); 2 promotional campaigns carried out (LLL & PPP).

- Albanian Qualification Framework – Agency: AQF agency staff at central office in Tirana and at local offices across Albania trained to effectively implement AQF.

Indicators of achievement: a pool of trainers is equipped with the know-how, able to deliver quality services in AQF [training of trainers- ToT]; 7 three-day training courses; 1 guideline and 1 manual produced (reproduced in multiple copies and 2 working languages).

- LLL public awareness and promotion of concept [implementing stage]

Indicators of achievement: 1 nation-wide promotional campaign carried out by the VET agency; 6 workshops [round-tables] on LLL promotion with social partners and local authorities; 2000 number of leaflets published.

- Public-private partnership is established

Indicators of achievement: Approximately 40 trained staff in Ministry of Labour, Social Affairs and Equal Opportunities, National Employment Service and Regional Public Vocational Training Centers on implementing PPP in education [at large]; 2 training sessions scheduled; 1 exchange visit in an EU member state to absorb practical methods on the ground [learn by observing from best practices].

- Post-secondary education – program extension in Albania [implementing stage]

Indicators of achievement: 1 feasibility study carried out; 5 curricula produced for post-sec VET education programs extending to 5 branches across Albania; 3 labs set up in these branches; 50 teachers and instructors are trained; 2 experts (local & foreign) release a review report on the 2 pilot programs on post-sec VET education in Albania; 1 exchange visit for 15 staff members to an EU member-state [reputable in applying post-sec VET education].

3.4 Activities

Activity 1

Contract 1.1: Contribution Agreement – EUR 3 000 000

The project will be implemented in joint management through a contribution agreement with ILO according to Article 53 of the Financing Regulation and the corresponding provisions of the Implementing Rules.

ILO is already providing significant assistance to the Ministry of Labour and Social Affairs of Albania and the organisation's expertise in the field of labour market and employment is considered of added value to this project.

Through the contribution agreement technical assistance will be provided for the following components:

Component 1- Modernisation of the State Labour Inspectorate (SLI)

- Assistance on harmonisation process of Albanian legislation on OSH, transposing individual Directives of the Framework Directive 89/391/EEC.

- Development of strategic documents of State Labour Inspection, such as State Labour Inspection Policy and Human Resources Improvement Strategy providing the vision and mission, general principles and mainstreaming of SLI based on the National OSH Strategy and EU principles.
- Development of information and communication system of labour inspection, creating the labour inspection network, supporting inspection planning, performance, accident investigation and statistics. The information system should allow sharing information with other bodies and organisations. Establishment of an enterprises database in cooperation with other relevant partners (e.g. Registration Centre, Chambers of Commerce).
- Development of other tailored user manuals for labour inspection – methodology, guidelines, checklists and other documents supporting inspection performance in new legislative conditions (the new OSH law and harmonised legislation has implemented many new principles, rules, duties and preventive tools) as well as supporting to development and implementation of intervention programmes (such as Safety Management System, Fight Against Black Labour, Enforcement of Risk Assessment, etc).
- Training for 150 labour inspectors and other SLI staff to support an effective implementation of new legislation on OSH; to support prevention strategies in particular sectors (e.g. construction, agriculture, quarries, metal industry), new procedures (Risk assessment, Safety management system) and on particular hazards (chemical substances, carcinogens, noise, electromagnetic field, explosive atmosphere, working on height, stress, etc.). Training may also include study visits to EU countries.
- Organisation of public national campaigns, aimed at awareness raise of employers and employees on OSH issues, but also positively influencing public opinion on these important matters.
- The maintenance and running costs of material support for adequate equipment and infrastructure to carry out an effective performance of State Labour Inspectorate and the Regional Directorates will be financed from the State Labour Inspectorate's Budget. In the running costs are included the vehicles, petrol, logistical equipment (PC, printers, work desks, telephones, fax, etc.).
- Support SLI for the preparation and publication of manuals; organising an awareness campaign covering topics of health and safety at work and influencing the public opinion on these important matters.

Component 2- Modernisation of the National Employment Service

- Best practices and EU standards presented in workshops with NES staff and partners in Albania;
- Training on job counselling;
- TA for designing , implementing and monitoring Active Labour Market Measures for special groups: youth, women, long term unemployment, people with disabilities;
- TA for further support decentralisation functions at regional and local levels, including LM information system;
- Job description of NES staff and performance indicators and job assessment;
- Monitoring and evaluation functions Methodology and implementation of customer satisfaction survey; set of indicators for monitoring and on the job assistance for carrying out monitoring activities;

- Support for methodology and implementation of analysis of LM needs at sector and regional level;
- Support NES for the implementation of job counselling and targeted active measures.

Component 3- Vocational Education and Training (VET) Reform

- Feasibility of Life-Long Learning (LLL), with attention to adult learning and post secondary VET education;
- Technical assistance (TA) to be provided to the Working Group, made of representatives from MoES, MoLSAEO, Ministry of Economy, Ministry of Finance, social partners, training providers, aimed at drafting the Country LLL strategy. The Working Group will also draft a Master-Plan in order to incorporate the National Employment Strategy and the VET strategy into LLL;
- Updating the existing VET strategy: TA to the working group appointed by the MoES for overlooking at the Labour Market information and propose the appropriate changes to the strategy in the perspective of the LLL;
- Albanian Qualification Framework (AQF) – Capacity building at the level of the AQF executing Agency and across regional offices – training of trainers. Appropriate manuals and guidance brochures to be produced;
- Technical assistance (TA) for the development of quality assurance linked to the AQF, by the creation of the general frame for the quality assurance in the vocational education and training; Development of the procedures for accreditation of the programs/modules; Development of the standards for accreditation of the programs/modules; Development of the procedures and standards for validation of the previous learning;
- Implementation of the National Strategy on Post Secondary, including the design of curricula in agreement with University and VET providers in order to ensure credit transfer, and Teachers’ training. TA to be provided to an ad-hoc working group established by the MoES;
- Methodology for employability assessment of post VET training and implementation of tracer studies and other identified tools;
- A feasibility study is carried out, throughout a consultative process with the relevant stakeholders, for the identifications of bases and mechanisms for an improved cooperation of the MoES and dependent institutions with social partners and civil society. A draft strategy is prepared in line with the best European practices; 3 information workshops are prepared on the outcomes of the feasibility study;
- Support MoES for installing 3 laboratories in post-secondary VET education, to make these labs fully operational and adopt their function to the post-secondary curricula.

Activity 2

Supply contract 2.1, EUR 330 000 (covered by National Contribution)

Supplies for National Employment Service office

- 80 PC for 4 staff training meeting rooms, by area (Tirana, Shkodra, Elbasan and Fier) - (Total cost 0.05 million);
- 80 flat screens monitors for 4 staff training meeting rooms which goes together with PCs - (Total cost 0.012 million);

- 4 beamers for the staff training rooms, and 4 flip charters, etc. - (Total Cost 0.01 million);
- 36 copy machines (one for each regional and local employment office) and equipments for one workshop - (Total Cost 0.158 million);
- Digitalisation and IT system of State Labour Inspectorate (laptops, server, printers) - (Total Cost 0, 1 million).
- 36 copy machines (one for each regional and local employment office) and equipments for one workshop - (Total Cost 0.158 million);
- Digitalisation and IT system of State Labour Inspectorate (laptops, server, printers) - (Total Cost 0, 1 million).

3.5 Conditionality and sequencing

- A political commitment from the government to maintain the technical staff is needed combined with sufficient financial resources for activities covered by the national budget;
- In this process, it is essential that the government adopts the law for the Albanian National Qualifications Framework, in order to further assist VET reforms in Albania;
- The tender for the supply contract should be launched together with the start of the contribution Agreement contract 1.1 in order to facilitate the implementation of services that needs to have equipment in place;
- The Albania Government and the Beneficiary will assure adequate financial and human resources in order to allow proper maintenance and functioning of the facility/equipment provided in the context of the present project"
- For both SLI and NES, the concerned institutions have to provide concrete evidence, before the tenders are launched, that there resources allocated for running costs and maintenance for the equipment to be bought;
- The MoLSAEO and MoES have to provide appropriate and equipped working space for the Team Leaders and the experts that will be provided within the two components.

3.6 Linked activities

In 2008, EU VET CARDS 2006 programme - "Support to improved operation of pilot Vocational Schools and Vocational Training Centers" in Albania has provided interventions in the following areas:

- (i) VET policy makers in the country have updated their skills in VET policy design, implementation and monitoring of the VET reform policies in Albania;
- (ii) VET institutions and VET bodies have enhanced their capacities to deliver services in accordance to their mandate as given by Albanian legislation;
- (iii) Improved effectiveness of VET provision through updated programmes (curricula, teacher trained, Albanian Qualification Framework implemented) to correspond with emerging economic development and employment needs of the country.

The European Training Foundation (ETF), as an Agency of the European Union has actively supported initiatives in Albania to embed the EU Education and Training 2010 agenda within national system, through work on qualifications, quality assurance and career guidance and

wider support to the implementation of human resource development initiatives. Albania has participated also in peer review and peer learning activities of ETF, since 2003. In its activities in the country, ETF applies a principle of policy-learning through involvement of policy-makers and senior officials from the sector as peers in order to create the conditions for better targeted capacity building and to improve the conditions for policy implementation.³ In 2006 peer learning exercise on the issue of VET financing took place in Albania, while in 2007 peer learning exercise was related to implications of policies on schools and school management.

The Education Excellence and Equity Project jointly financed by the Government of Albania, the World Bank, BEI and CEB supports the National Education Strategy to be implemented based on Sector-Wide Approach and aims at:

- (i) maximizing support to teachers and school principals in order to improve the quality of teaching and learning;
- (ii) increasing opportunities of good education for all;
- (iii) targeting support to regions and populations that are most affected by poverty and lack of opportunities;
- (iv) recognising and encouraging local and regional initiatives to improve the quality of schools; and
- (v) raising efficiency and reducing corruption by participatory transparent review procedures of the sector performance.

IPA 2008 Project “Strengthening the Vocational Education and Training (VET) in Albania: Construction of new VET schools, rehabilitation of VET schools, provision for VET didactical tools for improving teaching and learning conditions in VET, and provision for support of the priorities in VET reform project aims at improving the quality of learning conditions for students in VET schools, and to provide better education and training opportunities for the poor communities/areas. The objective of this project is to support the implementation of Albania’s National Education Strategy with special focus on Pre-University Vocational Education and Training, supporting national socio-economic development and cohesion through a coherent VET system and a well skilled labour force.

The project purpose is meant to improve quality of learning conditions for students in VET schools, and to provide better education and training opportunities for the poor communities/areas through consolidation of the:

- network of VET schools and expand the opportunities for vocational education for poor, through upgrade of the VET school infrastructure;
- VET didactical equipment in selected VET schools;
- on-going VET reform through measures at national/ regional and/or local level: to support on-going VET curriculum reform and boost standards through Albanian Qualification Framework agenda, to further support implementation of new Regional VET Centre concept based on EU standards in order to allow for more rationalised usage of available schools space and VET didactical equipment.

³ Reports on recent initiatives in Albania of the European Training Foundation/ Agency of European Union are available on ETF Web page: <http://www.etf.europa.eu/>

The added value of IPA 2010 will consist of pushing forward the initiatives undertaken in the area of Vocational Education and Training, by consolidating and strategically sustaining over the long run the application of life-long learning, private-public partnership and post-secondary VET education in Albania.

In the field of Labour Market and employment

Since 1993 a number of technical cooperation projects have been implemented to improve the organisation and functioning of NES. The ILO project Technical assistance to the Ministry of Labour and Social Affairs of Albania, funded by the Swiss Government, provided advisory services to the Ministry in the period 1993-1999 to

- i) establish the public employment service and the labour inspectorate;
- ii) develop labour- and employment-related legislation; and
- iii) set up a labour relations system and social dialogue framework.

The ILO project Redeployment of redundant public employees (RPE), funded by the Italian Ministry of Foreign Affairs, field-tested, between 2001 and 2003, a system for contracting training, provided labour market training for over 1,300 redundant employees and trained employment service staff in job counselling and vocational guidance techniques. A new ILO project started in January 2008 with the aim to:

- i) strengthen the capacity of NES to provide targeted services to groups at risk of labour market exclusion; and
- ii) design and pilot-test a system for contracting training and other employment services.

Since 2001 the National Employment Agency of France (ANPE) has been assisting NES in strengthening its capacity to provide job search and counselling services to jobseekers for wage and self-employment. Activities also included the training of forty NES staff to implement action plans and the establishment of a core group of NES trainers (two in each of the regional offices of Tirana, Durrës, Korça and Shkodra).

Since 2005, the Swedish National Labour Market Board (AMS) has been providing advisory services to:

- i) introduce group working group methods-counselling;
- ii) develop an IT system comprising a vacancy bank and a job seekers' register, and
- iii) develop an information and communication model. The project – financed by SIDA – focuses on two pilot offices (Tirana and Korça). Project activities are expected to continue beyond the envisaged termination date (June 2008) through additional funding that SIDA will mobilise to upgrade the IT system and apply it to all regional employment offices.

The EU CARDS 2006 Programme on “Strengthening labour market structures in inspection and employment services” is providing assistance to the NES in order to:

- 1) enhance skills and capacities of the regional labour offices;
- 2) more effective and integrated counselling and guidance of jobseekers; and
- 3) improved participation of women in the labour market encouraged by activities based on gender analysis.

The CARDS projects which have already been completed by April 2010 are as following:

- “Strengthening the labour market and supporting the Labour Inspectorate Services and the Regional Labour Offices” in Albania.
- “Support for reform in the field of VET”.

3.7 Lessons learned

The lack of respect of rules on health and safety at work is at the basis of a lot of accidents and professional diseases, which represent a heavy burden for social security system and for the families. The lack of controls is also at the basis of a very large undeclared jobs for which emersion the incentives only are not sufficient,

Albania has benefited in the last years from an amazing growth of GDP that has not been translated into an increase of jobs. Therefore, two aspects need to be taken on board, based upon the experience: NES should become more effective in preparing the jobseekers to be prepared for skills that are requested by the labour market. At the same time, the lack of coherence with the LM needs has an impact on the enrolment in the secondary VET. This is measurable by the number of registered unemployed holding a secondary VET diploma and by the tendency to switch to general secondary to go to University.

Another area of need is the creation of a real social partnership which will be a solid basis for improving LM Intelligence and the employability of Albanian citizens.

4. INDICATIVE BUDGET (AMOUNTS IN EUR)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional / Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Activity 1			3 000 000									
<u>Contract 1.1</u> Contribution Agreement	X		3 000 000	3 000 000	100							
Activity 2			330 000									
<u>Supply Contract 2.1</u> Equipment		X	330 000			330 000	100	330 000				
TOTAL IB			3 000 000	3 000 000								
TOTAL INV			330 000			330 000						
TOTAL PROJECT			3 330 000	3 000 000	90	330 000	10					

Amounts net of VAT

- (1) In the Activity row use "X" to identify whether IB or INV
- (2) Expressed in % of the Total Expenditure (column (a))

5. INDICATIVE IMPLEMENTATION SCHEDULE (PERIOD S BROKEN DOWN PER QUARTER)

[Only refer to EU funded contracts in consistency with Annex II]

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1 Contribution Agreement	N/A	1Q 2011	1Q 2013

All projects should in principle be ready for tendering in the 1st Quarter following the signature of the Financing Agreement.

6. CROSS CUTTING ISSUES

6.1 Equal Opportunity

Provisions of actions allow increased employability of young people (especially women) and reducing unemployment. The project will also impact the capacity of national and local actors to develop and implement responses to demands for change including the need to provide equal opportunities.

6.2 Environment

The project is expected to have a neutral impact on environmental issues.

6.3 Minorities

The project provides for further strengthening of all relevant national actors including the social partners, and the development of policies and measures that enhances the adaptability and employability of male and female labour force, minorities and other vulnerable groups. Special attention should be paid to develop employability of vulnerable people, namely: Roma and disabled people.

ANNEXES

- 1- Log frame in Standard Format
- 2- Amounts contracted and Disbursed per Quarter over the full duration of Programme
- 3- Description of Institutional Framework
- 4- Reference to laws, regulations and strategic documents:
- 5- Details per EU funded contract

ANNEXES

ANNEX I: Logical framework matrix

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number	IPA 2010
Human Resources Development		Contracting period expires Two years following the date of the conclusion of the Financing Agreement	Disbursement period expires: One year following the end date for the execution of contracts
		Total budget: EUR 3 330 000	IPA budget: EUR 3 000 000
Overall objective	Verifiable indicators	Sources of verification	Assumptions
To contribute and facilitate the accession process of Albania towards EU membership, by improving labour market working conditions, and quality of human capital.	Endorsement to the European Institutions of the relevant strategies and policies	Beneficiary assessment Impact evaluation studies EU Progress reports	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
To improve the capacity of labour market institutions, mainly the State Labour Inspectorate and the National Employment Service and promote employment by enhancing the employability of Albanian workforce		Albanian Government decisions Project Progress reports Annual implementation report Monitoring and evaluation reports	The Operational Structures continuously support the Project Team Leader and its staff in the implementation of the project activities. The Operational Structures make

			available the staff that will be involved during the project implementation.
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<p>Component 1: Modernisation of the State Labour Inspectorate</p> <p>The Albanian legislation in the field of OSH is adopted in line with the EU Acquis</p> <p>–</p> <p>–</p> <p>–</p> <p>Capacity of SLI is enhanced in line with the National OSH strategy and EU principles</p> <p>Improved awareness on OSH by public opinion and employers.</p> <p>Improved and strengthened human and</p>	<p>All (of 19) missing Individual Directives of the Framework Directive 89/391/EEC, concerning minimum requirements for OSH transposed to the Albanian legislation system as by-laws;</p> <p>Labour Inspection Policy, Human Resources Improvement Strategy and other strategic documents has been prepared and adopted.</p> <p>Two national campaigns, focused to the OSH awareness raising of employers and employees and public have been performed, production of 20,000 leaflets and 10,000 posters, one TV spot and two conferences and four workshops</p> <p>At least 150 labour inspectors and other SLI staffs is trained to support the effective implementation of the new harmonised legislation on OSH; - A tailored user manual for labour inspection have been prepared and</p>	<p>Reports from the Working Group</p> <p>Project Progress reports</p> <p>Albanian Council of Ministries Deliberations</p> <p>EU endorsement documents</p> <p>Project documents;</p> <p>Attendance sheets for training events</p> <p>Evaluation of trainings</p> <p>Mission reports for the study visits</p> <p>Manual and check-lists produced over the project</p> <p>Independent assessment report</p>	

<p>technical capacities of the SLI in order to ensure the implementation of the legislation</p>	<p>distributed to all staff; - Increased a quality of inspection visits by discovering about 20% more limitations in the OSH area (against the figures from 2009)</p>		
<p>Component 2: Modernisation of the National Employment Service</p> <p>Counselling services improved and applied in all offices</p> <p>Monitoring and evaluation capacities improved</p> <p>Employment Promotion measures are increased in quality and quantity:</p> <p>Vulnerable groups are receiving more effective support and services in order to increase their employability</p> <p>Effective partnership developed with employers and other actors in the LM in order to reinforce their role in the design and implementation of LM</p>	<p>A tiered system is in place for different targets; at least 200 counsellors are trained on the new approach and on the management of the Individual Employment Plan (IEP) Indicators set per each activity and monitoring done at least twice a year and customer satisfaction assessment done once a year.</p> <p>4 more Active Labour Market Measures are fully used in all NES Offices.</p> <p>At least 200 service staff trained on counselling, monitoring, evaluation and Active Labour Market Measures; 12 regional workshops are organised with employers, TU organisations, CoC, Regional Councils, VET Councils and other actors in the LM, in order to discuss the results of the LM surveys and improve cooperation with NES services;</p>		<p>Both parties (contractor and Operating Structure) mobilise appropriate human and financial resources.</p> <p>There is an adequate staff in the Operational Structure;</p> <p>Workspace/equipment are available and functional.</p>

<p>issues</p> <p>Reinforced decentralisation of NES</p>	<p>Directors of Regional office trained on delegated management; all staff of the regional and local office are trained in Management by Objectives</p>		
<p>Component 3- Vocational Education and Training (VET) Reform</p> <p>The existing VET strategy is reviewed and updated accordingly, incorporating 3 strategic elements: life-long learning, post-secondary education, and public-private partnership.</p> <p>Albanian Qualification Framework – Agency: AQF agency staff at central office in Tirana and at local offices across Albania trained to effectively implement AQF.</p> <p>Lifelong Learning (LLL) public</p>	<p>The visionary VET strategy is endorsed for 2013-2020; legislation adaptations introduced; 1 consultancy company subcontracted to train MoES, MolSAEO, NES and NAVETA staff during all of the stages of strategic planning and strategic implementation of this project; 3 training sessions scheduled; 45 staff trained; 10 public consultations organised with 50 participants (including key stakeholders) registered in each round-table; 3 documents published (VET grand strategy; LLL strategic document; PPP guidelines); 2 promotional campaigns carried out (LLL & PPP) A pool of trainers is equipped with the know-how, able to deliver quality services in AQF [training of trainers- ToT]; 7 three-day training courses; 1 guideline and 1 manual produced (reproduced in multiple copies and 2 working languages)</p> <p>1 nation-wide promotional campaign carried out by the VET agency; 6 workshops [round-tables] on LLL promotion with social partners and local authorities; 2000 number of leaflets published</p>		

<p>awareness and promotion of concept [implementing stage]</p> <p>Public-private partnership (PPP) is established</p> <p>Post-secondary education – program extension in Albania [implementing stage]</p>	<p>Approximately 40 trained staff in Ministry of Labour, Social Affairs and Equal Opportunities, National Employment Service and Regional Public Vocational Training Centers on implementing PPP in education [at large]; 2 training sessions scheduled; 1 exchange visit in an EU member state to absorb practical methods on the ground [learn by observing from best practices]</p> <p>1 feasibility study carried out; 5 curricula produced for post-sec VET education programs extending to 5 branches across Albania; 3 labs set up in these branches; 50 teachers and instructors are trained; 2 experts (local & foreign) release a review report on the 2 pilot programs on post-sec VET education in Albania; 1 exchange visit for 15 staff members to an EU member-state [reputable in applying post-sec VET education]</p>		
Activities	Means	Costs	Assumptions
<p>Component 1: SLI</p> <ul style="list-style-type: none"> Assistance on harmonisation process of Albanian legislation on OSH, transposing individual Directives of the Framework Directive 89/391/EEC. 	<p>Activity 1</p> <p>Contract 1.1 Contribution Agreement</p> <p>Activity 2</p> <p>Contract 2.1</p>	<p>EUR 3 000 000 (EU funds)</p> <p>EUR 330 000 (Albanian fund)</p>	

<ul style="list-style-type: none"> • Development of strategic documents of State Labour Inspection, such as State Labour Inspection Policy and Human Resources Improvement Strategy providing the vision and mission, general principles and mainstreaming of SLI based on the National OSH Strategy and EU principles • Development of information and communication system of labour inspection, creating the labour inspection network, supporting inspection planning, performance, accident investigation and statistics. The information system should allow to share information with other bodies and organisations. Establishment of an enterprises database in cooperation with other relevant partners (e.g. Registration Centre, Chambers of Commerce) • Development of other tailored user manuals for labour inspection – methodology, guidelines, checklists and other documents supporting inspection performance in new legislative conditions (the new OSH law and harmonised legislation has implemented many new principles, rules, duties and preventive tools) as well as supporting to development 	<p>Supply Contract</p>		
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<p>and implementation of intervention programmes (such as Safety Management System, Fight Against Black Labour, Enforcement of Risk Assessment, etc),</p> <ul style="list-style-type: none"> • Training for labour inspectors and other SLI staff to support an effective implementation of new legislation on OSH; to support prevention strategies in particular sectors (e.g. construction, agriculture, quarries, metal industry), new procedures (Risk assessment, Safety management system) and on particular hazards (chemical substances, carcinogens, noise, electromagnetic field, explosive atmosphere, working on height, stress, etc.). Training may also include study visits to EU countries. • Organisation of public national campaigns, aimed at awareness raise of employers and employees on OSH issues, but also positively influencing public opinion on these important matters. • Material support for adequate equipment and infrastructure to carry out an effective performance of State Labour Inspectorate and its Regional Directorates, such as vehicles, logistical equipment (PC, printers, 			
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<p>work desks, telephones, fax, etc.)</p> <ul style="list-style-type: none"> • Best practices and EU standards presented in workshops with NES staff and partners in Albania 			
<p>Component 2: NES</p> <ul style="list-style-type: none"> • Best practices and EU standards presented in workshops with NES staff and partners in Albania • Training on job counselling • TA for designing and implementing Active Labour Market Measures for special groups: youth, women, people with disabilities • TA for further support decentralisation functions at regional and local levels, including LM information system • Job description of NES staff and performance indicators and job assessment • Monitoring and evaluation functions (activities?) Methodology and implementation of customer satisfaction survey; set of indicators for monitoring and on the job assistance for carrying out monitoring activities • Support for methodology and implementation of analysis of LM needs at sector and regional level 			

<p>Component 3: VET</p> <ul style="list-style-type: none"> • Feasibility of Lifelong Learning (LLL), with attention to Adult Learning and post secondary • Technical Assistance to be provided to the Working Group, made of representatives from Ministry of Education and Science (MoES), Ministry of Labour, Social Affairs and Equal Opportunies (MoLSAEO), Ministry of Economy, Ministry of Finance, social partners, training providers, aimed at drafting the Country LLL strategy. • Transfer know-how and best European best practices (including Adult learning) • Albanian Qualification Framework (AQF) – capacity building and teachers’ training • Technical Assistance for the development of a quality assurance linked to the AQF, by the creation of the general frame for the quality assurance in the vocational education and training; Development of the procedures for accreditation of the programs/modules; Development of the standards for accreditation of the programs/modules; Development of the procedures and standards for 			
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<p>validation of the previous learning.</p> <ul style="list-style-type: none"> • Implementation of the National Strategy on Post Secondary, including the design of curricula in agreement with University and VET providers in order to ensure credit transfer, and Teachers' training • Methodology for employability assessment of post VET training and implementation of tracer studies and other identified tools • A feasibility study is carried out, throughout a consultative process with the relevant stakeholders, for the identifications of bases and mechanisms for an improved cooperation of the MoES and dependent institutions with social partners and civil society A draft strategy is prepared in line with the best European practices; • 3 information workshops are prepared on the outcomes of the feasibility study. 			
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ANNEX II

Amounts (in million EUR) Contracted and disbursed by quarter for the project

Contracted	3thQ 2011	4thQ 2011	1thQ 2012	2thQ 2012	3thQ 2012	4thQ 2012	1thQ 2013	2thQ 2013	3thQ 2013	4thQ 2013	1thQ 2014
Contract 1.1 Contribution Agreement	3										
Cumulated	3										
Disbursed											
Contract 1.1 Contribution Agreement		0.6		0.6		0.6		0.6		0.6	
Cumulated		0.6		1.2		1.8		2.4		3.	

**Contracts covered by the National Contribution*

ANNEX III

Description of Institutional Framework

The Mission of the MoLSAEO is development, coordination and implementation of effective employment systems, promotion of labour market opportunities, social insurance and social assistance, in harmony with the European Union Standards. MoLSAEO aims at accomplishing its mission through the following measures;

- a) Strengthening the stability of the workforce by increasing workers productivity, developing national human resources in order to increase the overall capacity of the workforce leading to improved country's competitiveness;
- b) Guaranteeing fair labour remuneration and benefit by promoting social safety as a must for the overall socio-economic development;
- c) Improving social services for families in need, the disabled, the elderly, women and children as well as other social organisations and associations.

At the national level, The Ministry of Labour, Social Affairs and Equal Opportunities is the main authority administrating labour and social matters, including labour inspection.

Institutional responsibilities of the MoLSAEO are defined in the following fields:

- Labour market and professional qualification
- Provision of social services
- Promotion of labour relations and social dialogue
- Organised migration for employment purposes
- Occupational Safety and Health
- Promotion of labour market mechanisms

In the field of employment and Vocational Training, the Ministry of Labour elaborate the policies, and for the implementation of the above mentioned policies is functioning of the Public Employment Service (National Employment Service), NES.

NES is created based on the Law No. 7995, date 20 September 1995, For the Promotion of Employment," and with Decision Nr. 42, of the Council of Ministers, date 17 January 1998, which is the Statute of the NES. National Employment Service is an executive agency offering public service and it bears the status of a central governmental administration that reports to the Minister" of Labour, Social Affairs and Equal Opportunities.

The National Employment Service carries out activities that aim at:

1. Enabling every residents of Albania to enjoy the right to services that assist in finding profitable work that is compatible with the individual characteristics and professional qualifications.
2. Effective implementation and administration of the governmental programs and projects, which the NES is made responsible for through specific laws and decisions.
3. Providing services that assist unemployed jobseekers to find employment.
4. Providing career guidance and training to jobseekers in order to help them find employment or become self-employed.
5. Providing unemployment benefits to those entitled.

6. Subsidising employers who create new jobs or who employ individuals who have just graduated from school.
7. Providing incentives to employers who employ persons with limited capabilities.
8. Providing vocational training and retraining to jobseekers.
9. Implementing international agreements, or parts of such agreements, which it is made responsible for.
10. Gathering, registering, reporting, and using information on the labour power, in general, or on unemployment, employing activities and companies, individuals or groups that seek services, etc.

The Organisation:

NES is organised at Central level, regional and local level.

At Central level the Tripartite Administrative Council (the Council) is the highest decision-making body of the NES. The Council is headed by the Minister of Labour, is made up of 13 members who represent the Ministry of Finance, the Ministry of Economy, the Ministry of Education and Science, the National Employment Service, the Social Security Institute, and the Social State Service General Administration for Social Assistance and Services. Three of the 13 Council members come from employee organisations that are best represented in the National Labor Council and three members come from the most represented employer organisations.

- At Central level is the General Directorate of NES with a total staff of 45 persons.
- At Regional Level there are 12 regional employment offices with a total staff of 180 persons that offer services to jobseekers and employers.
- At local level there are 24 local employment offices with a total staff of 127 persons and
- 10 public vocational training centres with a total staff of 109 persons (regional directorate of vocational training centres).

The government is obliged to set up the inspection system for all workplaces. In this framework, the State Labour Inspectorate (SLI) was established in 1993. In 2006 has been established as an independent body.

The general mission of the SLI is monitoring, control, counselling, notification, formulation, conflict mitigation, prevention and sanctions for legal violations.

State Labour Inspectorate is the competent institution that covers occupational safety and health in public and private companies, promotes the International Labour Standards and their ratification and implementation, drafts and monitors the implementation of policies in the field of labour inspection, by taking all the necessary measures for accomplishing the governmental program in this field.

Law No. 9634/2006 “On the Inspection and the Labour Inspectorate” improves and updates the previous law. The purpose of the law is to guarantee implementation of the labour legislation by entities, which fall under this law and ensure that this legislation is implemented in conformity with the procedures of labour inspection. This law is implemented for legal or natural persons, private or public, foreign or domestic ones, which undertake profit or not-for-profit economic activity within the territory of the country.

SLI provides cooperation with other public and private institutions that are always regulated by Council of Ministers Decrees.

The current staff of SLI is 167 units. The current structure based upon 12 regional offices needs to be expanded covering areas where the presence of SLI is highly needed.

In the realm of vocational and education training, the Ministry of Education and Science is responsible for the policy-making in a national level, for drafting programs and for guaranteeing quality in the education service. With respect to the development of vocational education, the responsible unit within the Ministry is the Sector for Vocational Education Development, subordinate to the Directorate of Pre-University Education. This unit is in charge of drafting teaching programs and overseeing all of the activities related to vocational education.

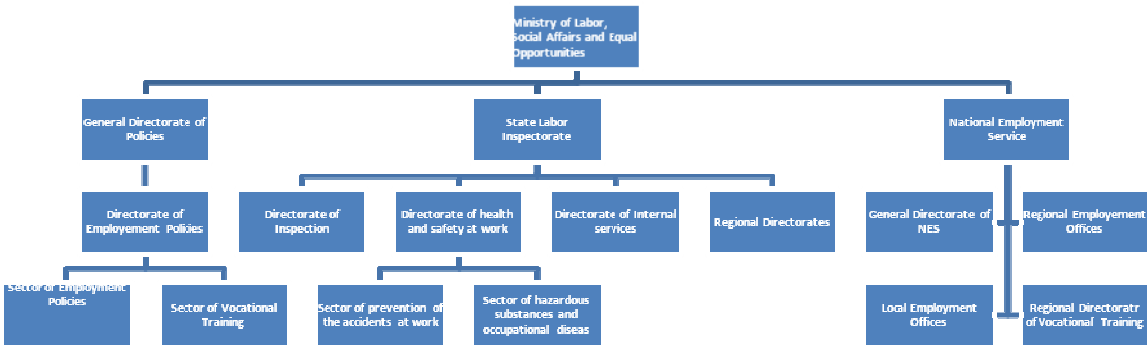
Expanding on the institutional framework, the National Agency for Vocational Education and Training (NAVETA), which operates under the auspices of the Ministry of Education and Science, carries out its mission in strengthening and further modernising the VET system, in accordance with European standards and labour market demands

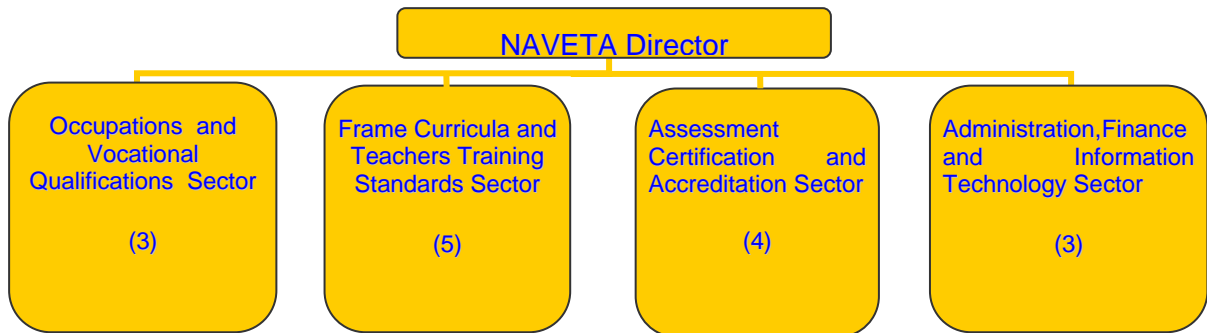
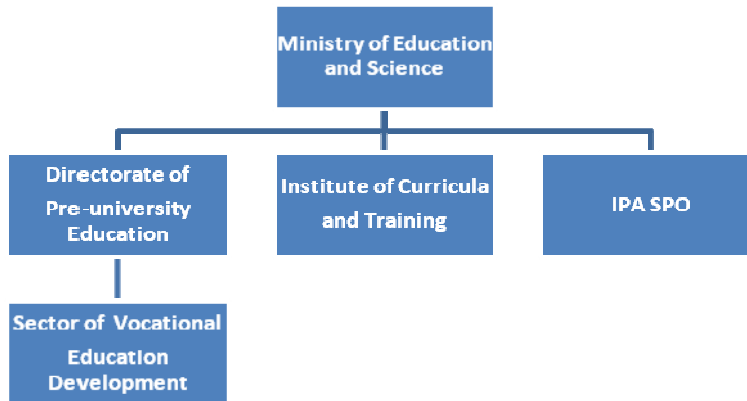
- The NAVETA is responsible for drafting the frame-curricula;
- It is responsible for ensuring social partnerships at all levels;
- It is responsible for intertwining VET with the labour market and the life-long learning process;
- It is also responsible for ensuring transparency during the qualification process, in compliance with European standards

Furthermore, another institutional body is the Institute of the Curricula and Training, responsible for managing and coordinating teachers’ training.

In addition, there is the National VET Council that operates as an advisory body to the Council of Ministers on VET policies.

With relevance and of strategic importance is another institutional element: the Directorate of Analysis, Policy Planning and Statistics, within the Ministry of Education and Science, which is responsible for drafting, planning and monitoring policies, by and large.





ANNEX IV

Reference to laws, regulations and strategic documents

State Labour Inspection

- Labour Code of the Republic of Albania (Law No. 7961/1995), which has been amended, by Law No. 8085/1996 and Law No. 9125/2003.
- Law No. 9634/2006 “On the Inspection and the Labour Inspectorate”. The purpose of the law is to guarantee implementation of the labour legislation by entities, which fall under this law and ensure that this legislation is implemented in conformity with the procedures of labour inspection. The law provides the clauses related to the functioning of the labour inspection system.
- Law Nr. 8549, date 11.11.1999 "Status of Civil Servant"
- Stabilisation and Association Agreement (SAA).
- EU-OSHA, Strategy 2009-2013.
- Decision of the Council of Ministers nr. 500, 06/05/2009, on the Approval of the “National Strategy on Occupational Safety and Health”.
- Council Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work.
- Convention ratified by the Republic of Albania (Convention 81 and its recommendations) as well as Conventions on the occupational safety and protection of minors etc.

National Employment Service and VT

- Law Nr. 7995, date 20.09.1995, on “Promotion Employment Law in the Republic of Albania” published in the official journal: year 1995, date 6 October 1995, nr. 22, page 949, amended on law 8444, date 21.01.1999, on law 8862, date 7.03.2002, and on law 9570, date 3.07.2006.
- Decision of Council of Ministers nr. 42, date 17.01.1998, for approval of the statute (charter) of National Employment Service” published on official journal “extra” year 2002, date 10 January, page 7.
- Law Nr. 8872, date 29.03.2002 “On vocational education and training in Republic of Albania”.
- Decision of the Council of Ministers Nr. 751, date 7.11.2007 “On the approval of the “Sectoral Strategy on Employment and Vocational Training 2007 – 2013”.
- Decision of the Council of Ministers Nr. 675, date 25.09.2003 “On define the procedures for establish, reorganisation and close the public vocational training institutions, under the Ministry of Labour and Social Affairs”.
- Decision of the Council of Ministers Nr. 47, date 16.01.2008 “On employment promotion program of unemployment jobseekers, through on the job training”.
- Decision of the Council of Ministers Nr. 48, date 16.01.2008 “On measures and criterion of profit from employment promotion program of unemployment jobseekers in difficulties”.
- Decision of the Council of Ministers Nr. 632, date 18.09.2003 “On employment promotion program of women jobseekers unemployment”.
- Decision of the Council of Ministers Nr. 873, date 27.12.2206 “On measures of financing, criterion and procedures of implementation of professional practices programme for unemployment jobseekers, who have finished higher education inside or outside country”.

- Law No 8872, dated 29.3.2002 on “Education and Vocational Training in the Republic of Albania” [published in the Official Journal: year 2002, No 11, page 320, 18.04.2002] amended on 30.10.2008 in Law nr. 10011
- Law No 7952, date 21.06.1995 on “Pre-university education system”, amended on 30.7.1998 in Law 8387 [published in the Official Journal: Year 1995, No 15, page 619; 17-07-1995]; amended on 11.09.2008 in Law No. 9985 [published in the Official Journal: Year 2008, No 143, page 6386; 22-09-2008]
- Decision of the Council of Ministers on the Approval of the “National Strategy on Pre-university Education”, DCM No 799, dated 22.07.2009 [published in the Official Journal: Year 2009, No. 133, page 6201; 10-10-2009]
- Decision of the Council of Ministers on the Approval of the “National Strategy for Development and Integration”, DCM No 342, dated 12.03.2008
- Decision of the Council of Ministers on the Approval of the “National Plan for the Implementation of the Stabilisation and Association Agreement”, DCM No 463, dated 5.07.2006
- Decision of the Council of Ministers on the Approval of the Sectoral Strategy for Employment and Vocational Training” DCM No 751, date 7.11.2007

- Reference to AP /NPAA / EP / SAA
 - ❖ Stabilisation and Association Agreement between the European Communities and the Republic of Albania. Council of the European Union, Brussels, 22 May 2006 (8164/06) [art. 100, pg 90]
 - ❖ National Plan for the Implementation of the SAA 2009-2014 [short-term priorities 2009-2010 on vocational education and training, 3.1 pg. 591; mid-term priorities 2011-2012 in the labour market and vocational training, 3.2 pg. 521]
 - ❖ Council Decision on the principles, priorities and conditions contained in the European Partnership with Albania and repealing Decision 2006/54/EC. Commission of the European Communities, Brussels, 6/11/ 2007 (COM 2007-656) [pg 18-19]
 - ❖ Albania 2009 Progress Report, Commission of the European Communities, Brussels, 14/10/ 2009 (SEC 2009 / 1337 / 3) [pg. 32-34]

- Reference to MIPD
 - ❖ Commission Decision C (2009) 5911 of 31/07 2009 on a Multi-annual Indicative Planning Document (MIPD) 2009-2011 for Albania. [socio-economic requirements, pg. 5; economic criteria, pg. 13; reforms in education, pg. 16]

- Reference to National Development Plan
 - ❖ National Strategy for Development and Integration 2007-2013, Council of Ministers of the Republic of Albania [free movement of workers, pg. 21; vocational education, pg. 64-66]

- Reference to national / sectoral investment plans

N/A

ANNEX V

Details per EU funded contract

The project will be implemented in joint management through a contribution agreement with ILO according to Article 53 of the Financing Regulation and the corresponding provisions of the Implementing Rules