

Project Fiche – IPA National programmes / Component I

1 IDENTIFICATION

Project Title	Support to employment-oriented Vocational Education and Training
CRIS Decision number	2013 / 024-935
Project	05
MIPD Sector Code	Social Development
ELARG Statistical code	02.26 – Education and Culture
DAC Sector code	11330 - Vocational training
Total cost (VAT excluded)¹	EUR 3 450 000
EU contribution	EUR 3 000 000
Management mode	Decentralised
Implementing Agency	<p>The Central Finance and Contracting Unit (CFCU) within the Ministry of Finance will be the contracting authority and will be responsible for all administrative and procedural aspects of the tendering process, contracting matters and financial management, including payment of project activities. The Head of the CFCU will act as Programme Authorising Officer (PAO) of the project.</p> <p>Ms. Anila Boshnjaku (Tanku) General Director of the CFCU/ Ministry of Finance Email: atanku@minfin.gov.al Tel: 00355 4 245 1180 Address: Blvd. “Deshmoret e Kombit”, No. 3, Tirana</p>
Implementation management	<p>Ministry of Education and Sports (MoE) Mr. Ermal Elezi Director of the Department for Policies and International Programmes / IPA Senior Programme Officer Phone: ++ 355 4 2230462 Email: ermal.elezi@mash.gov.al</p> <p>Mrs. Dorina Rapti Head of VET Sector Phone: ++355 4 2222260 Email: dorina.rapti@mash.gov.al Address: Rr. “e Durrësit”, Nr.23, AL-1001, Tiranë, Albania. Web: www.mash.gov.al</p>

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

Implementing modality	Stand-alone project
Project implementation type	One service contract for technical assistance with IPA funds and one supply contract with IPA funds and national contribution (joint co-financing).
Zone benefiting from the action(s)	Country-wide Albania

2 RATIONALE

2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED

Albanian Vocational Education and Training (hereinafter VET) system, although already on a path of modernisation, is still quite traditional and rigid and doesn't offer flexible courses, with the aim to use existing capacities of schools and/or to support the principle of Life-Long Learning. At present adult learning participation and the concept of Life Long Learning is not well introduced and developed in the education and training reforms in Albania and the awareness about it is still low at all levels of governance as well as among the population. Currently, the vocational education schools, acting under the supervision of the Ministry of Education (MoE), are only focused on formal education, putting aside all other forms that in developed countries represent already a substantial part of acquired skills and knowledge of the population. There are still missing more diverse offers of VET qualifications and courses. Especially the ones for which the demand coming from the regional and national labour market is growing, such as ICT skills, entrepreneurial skills and similar. To rise up the participation rates, which is in constant decline in the last years (with exception of those VET schools who have already undergo a modernisation process) concrete selected actions in terms of modernisation need to be taken. The Albanian VET system is supposed to address the needs deriving from labour market more quickly, paying special attention to the inclusion of specific groups threatened by social exclusion and gender equality, as well as to the participation of adults in education and training, thus materialising the concept of Life Long Learning in Albania.

There has been already quite substantial amount of different projects for the modernisation of the VET system in Albania performed by the EU and other donors. The latest big step forward at the institutional level was the adoption of the new VET Law in 2011, which gave legal ground to establish multifunctional VET centres which will provide a range of courses with different duration periods for different categories of students, participants and customers.

The project will improve the internal efficiency of the VET system through improved soft infrastructure as well as better qualified staff. Technical assistance and capacity building for efficient and effective management, monitoring and evaluation is an integral part of the project, which involves labour market institutions and VET providers. The need for new short term and practical courses, highly responsive to labour market needs, will be addressed by developing and introducing new curricula.

The project will thus increase the quality of the existing VET system by introducing Multifunctional VET centres, making the system more accessible and more attractive to all targeted groups, including those threatened by social exclusion, and more flexible and adjustable to labour market changes.

This project has taken into consideration the findings and relevant needs as identified and described in the second draft of the Operational Programme for Human Resources Development (IPA Component IV), priorities which were defined according to a detailed analysis and several consultations with all the stakeholders.

2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES

MIPD 2011-2013: The main objective of MIPD for the social development sector is to prepare Albania for the implementation and management of the European Social Fund and to better align Albanian policy with EU policies, by strengthening employment and education policy development and building institutional and administrative capacity. This proposal is therefore fully in line with the Multi-Annual Indicative Planning Document (MIPD) 2011 - 2013 which specifies the need to create better links between the education and training system and the labour market; to strengthen social integration through employment and training, in particular of women, youth, vulnerable groups; and to prevent social exclusion and to develop social inclusion policies/measures for the most vulnerable.

The project is in line with several national sector strategies and main laws the Government has adopted in recent years to improve employment oriented education and training, among them:

- The sector **Strategy of Employment and Vocational Training 2007-2013** plans to apply active employment policies, based on the establishment of a modern system of employment services, the development of employment promotion programmes, as well as the reduction of informal employment;
- **2011 VET Law** enforces important changes and additions to the previous 2002 VET Law i.e. it introduces the definitions for a number of concepts such as formal, informal and non-formal learning, lifelong learning, the role of social and other partners, the implementation of the Albanian Qualifications Framework (AQF), dual form VET programs, accreditation, licensing and post-secondary education and the introduction of Multifunctional VET Centres;
- The **National Strategy for Pre-university Education 2009 - 2013**, aims to accelerate the integration of the Albanian university education into the European education and training system in order to consolidate important reforms successfully implemented in Albania;
- Furthermore, Albania is in the process of implementing a **National Strategy for Higher Education 2008 - 2013**, in line with the EU Bologna process for higher education. A **Crosscutting Strategy on Social Inclusion 2007 - 2013** has been approved by the Council of Ministers, Decree No 218, dated 12 March 2008;
- Significant steps have been undertaken to address the problems and challenges in terms of employment, education and social protection of the Roma community – based on a **National Roma Action Plan**, adopted in 2009;
- Albania's vision towards its future development path is further reinforced and reiterated in the **National Strategy on Science, Technology and Innovation 2009 - 2015** which makes a meaningful and logical connection between education, research and the labour market. Good quality education and training leads to breakthrough and innovative research, which open up new frontiers leading to new market products, new business ventures, and new jobs.

2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENT (SAA) / ANNUAL PROGRESS REPORT

The **Stabilisation-Association Agreement (SAA)** emphasises the need to reform the education and training system and research policy in order to create better links between the

education system and the labour market. Hence the project proposed addresses this need developing and reforming in practice the VET system making it more linked and responsive to labour market needs.

The **EU Progress Report 2012** recognizes that there has been good progress in the areas of education, training and youth. Further efforts to build up the capacity of the vocational education and training (VET) sector at secondary level have been made. The capacity of the Ministry of Education has been strengthened. Some curricula have been reformed to reflect the needs of the labour market better. Four VET schools were constructed. All this gives a perfect ground for further development and strengthening of VET, making it more attractive and responsive to labour market needs as reflected in the purpose of this project.

Furthermore, the goals, priorities and measures of this project are fully in line with the objectives of the **European Strategy for Smart, Sustainable and Inclusive Growth 2020**, which emphasises the importance of investing in skills and improving the quality of education and training to ensure that innovative ideas will create growth and quality jobs.

This project is also linked with the **EU Strategy for equality between women and men 2010-2015**, EU Plan of Action 2010-2015 on Gender Equality and Women's Empowerment in Development and the Bruges Communiqué on enhanced European Cooperation in Vocational Education and Training for the period 2011-2020

2.4 PROBLEM ANALYSIS

As a result of the recent socio-economic development and of the openness to global markets, Albania needs better educated and more skilled labour force. The existing VET system hardly copes to reach this challenge.

Public expenditure on education in Albania being around 3% of the GDP is far below the level of other developed and/or fast growing economies, where the investments in education represent 5% and more of their GDP. The need is even more urgent taking into consideration the young population of Albania and its need for skilled labour force. The situation raises particular concerns in the field of VET, accounting for 6% of the overall amount invested in education, thus inevitably suffering from poor physical infrastructure, limited equipment, outdated programmes and low quality of teaching methods and approaches, with teachers in urgent need for updated management, professional and didactic skills and competences.

In the last years some progresses have already been achieved thanks to the support provided by the donor community, which invested in the modernisation of the VET system. Therefore, the enrolment of new pupils in vocational education schools has increased already in the years 2010 and 2011 and is continuing in 2012 (increase of 23% against the previous year).

The above figures clearly demonstrate that the interest for VET exists if and when the offer is there, based on modern standards, with high quality of physical and didactical infrastructure and with modern techniques and approaches in education with updated and responsive programmes and curricula performed by well-trained teachers. On the other side, also the demand from the economy for competent, well trained and skilled people is growing. Recent figures are showing that young people with secondary VET education have a regular employment in 70% of the cases (with male rate being over 80%). Taking into account that in the last years positive economic growth and the expansion of the private sector have not been followed by adequate employment creation in the formal economy, the above figures concerning regular employability of "VE youngsters" are even more important. This fact shows the strategic impact of investments in the education sector and in the modernisation of VET system with its direct link and responsiveness to labour market needs.

In recent years the VET system became fully aligned with the international classification standards, namely the International Standard Classification of Education (ISCED) and the European Qualification Framework (EQF). The other important change is that now vocational education is also provided in the frame of higher education. After 9 years of basic education, vocational education follows with specific technical and socio-cultural training. Technical vocational education is provided respectively in 41 public schools and 9 private schools, located mostly in main urban areas of the country with only three in rural areas. In parallel with the new structure the part-time system has also started to function.

Recent data² indicate that VET offered in vocational education schools under the Ministry of Education and Science reflects better quality parameters. Positive indicators, which confirm a better level of quality, consist of improved physical infrastructure of schools, improved teaching equipment and improved teaching methodologies (better trained VET teachers).

However, despite some progress, Albania has still many, poorly equipped vocational education and training providers (in terms of workshops, laboratories, computers, tools, furniture, teaching and learning materials, etc.) without a clear profile as centre of competence in their respective occupational areas. In addition, vocational education and training providers are supposed to offer short-term courses in specialized occupational areas allowing more targeted groups, such as socially excluded persons and the already employed workforce, to attend this kind of continuous VET courses as part of life-long learning.

The rigid set-up of the existing VET system, which doesn't offer flexible courses, is one of the institutional problems, which needs to be properly addressed. Albania has one of the lowest adult learning participation rates (around 2%). The concept of Life Long Learning is still not well introduced and developed in the education and training reforms. Therefore, this project is also oriented towards fostering participation of adults and early school leavers by upgrading existing vocation schools into multifunctional VET centres.

The vocational education schools, which will turn into multifunctional VET centres, are mainly those already reconstructed under IPA 2008:³

- “Karl Gega” school with 701 students (21 female) located in Tirana district;
- “Arben Broci” school with 585 students located in Shkodra district;
- “Sali Ceka” school with 433 students (33 female) located in Elbasan district;
- “Petro Sot” school with 555 students (38 female) located in Fier district;
- "Nazmi Rushiti" school in Peshkopi in the Diber district.

The multifunctional VET centres will be the entry gate to the labour market and also an important hub linking VET clients (youth, students, adults) and potential employers and businesses, through internships and practical work in the premises of such local businesses. The comparative advantage of multifunctional VET centres *vis-à-vis* vocational education schools, supervised by the Ministry of Education and Science, and other vocational training centres, supervised by the Ministry of Labour Social Affairs and Equal Opportunities, is that multifunctional VET centres will operate as a one-stop shop responding contemporaneously to the needs of beneficiaries and to the cross-cutting needs of the local community and labour

² “Research on the actual state of the Vocational Education”, MoE, February 2009

³ This is a preliminary decision. With the agreement of the parties, the schools can be subject of changes, considering equivalent vocational education schools according to the priorities of the Ministry of Education.

market. Multifunctional VET centres will offer education and training courses in textile apparel, mechanics, wood-processing, tourism management and information and communication technology as in these areas the market is now requiring increased skills and competences. Last but not least this project will contribute to reduce social exclusion by ensuring that local community marginalized resources, namely women, youth, vulnerable groups and returning migrants, will be involved in the activities proposed by the new multifunctional VET centres.

2.5 LINKED ACTIVITIES AND DONOR COORDINATION

The education and training sector enjoyed strong support from the donor community during the past two decades. Particularly the **European Union** has supported the VET sector through the PHARE, CARDS and IPA programs, complemented by bilateral projects mainly funded from the Governments of Germany, Switzerland and Austria. **Major EU funded projects since 2008** include technical assistance for VET reform and reconstruction of VET schools.

Bilateral donors generally fund complementary efforts aiming at technical assistance for VET schools, as well as social inclusion for Roma communities. The **Education Excellence and Equity Project** jointly financed by the Government of Albania, the World Bank, BEI and CEB supports the National Education Strategy.

An **IPA 2011** project is reconstructing three VET schools.

An **IPA 2010** project provides technical assistance for the reform of the VET system, in particular the preparation of the VET National Strategy and the strengthening of the services and measures provided by the National Employment Service (NES). This project is implemented with assistance from **ILO**.

An **IPA 2008** project support the construction of four new VET schools and implements the following six measures: (1) Capacity building of vocational education staff of the Ministry at regional and school level; (2) Support of implementation and monitoring of training programmes; (3) Support AQF Development; (4) Analyse of Facilitation of the further development for Network of Training providers; (5) Preparation of technical specification for the purchase of equipment and technologies for VET schools and (6) Analyse of students who graduated from VET schools in 2010. This project is implemented with assistance from **GIZ/InWent** until the end of 2012.

The **European Training Foundation (ETF)** has actively supported initiatives in Albania to embed the EU Education and Training 2010 agenda within the national system, through work on qualifications, quality assurance and career guidance and wider support to the implementation of human resource development initiatives. The **Government of Germany**, through the **GIZ**, is implementing a HRD/VET program (2012 - 2013) committing € 2 Million to promote the following three components: (1) National VET reform and regionalization; (2) Model multifunctional VET Centre at Kamza and Vocational Education and Training (VET) in North Eastern Albania. The **Government of Switzerland** supports the implementation of the ALBVET and CEFA programs with an overall budget of € 3 million. ALBVET and CEFA programs have four components (1) Formal VET systems reform; (2) Partnership for learning; (3) Decentralization and (4) Social inclusion. The **Government of Austria** supports the implementation of the ALBIZ project with a financial commitment of € 800.000 to develop proper (1) school management plans, (2) training of teachers and instructors, (3) development of teaching materials as well as (4) fostering the effective interaction between the schools and the business sector until 2013. Within the frame of the **ILO/UNDP** youth employment project a VET for social inclusion project has been kick-started recently with funds from the **Government of Austria**. The employment sector has

been supported strongly by **ILO** and some **bilateral donors** such as Italy, Switzerland and Sweden. Main activities have been focused on the National Employment Service and related areas such as Labour Inspectorates. The overall objective was to develop those agencies by providing technical assistance and capacity building, equipment and IT systems development.

The implementation of this IPA 2013 project will be of significant importance for further development of already invested sources in modernization of VET system providing significant contribution to the improvement of better access to employment and social inclusion of young people as of adults especially women, people with disabilities and vulnerable groups.

2.6 LESSONS LEARNED

A first criterion for success of any project is strong **political commitment to reforms and local ownership** of the proposed interventions. The Government's strong political commitment to employment and VET is showed through the substantial efforts that have been made in recent years to develop the policy and institutional framework for employment and VET and the increase in public resources that have been made available.

As skill shortages cannot be tackled at once through one project, it is essential to narrow the focus to priorities. Skills gaps exist throughout the Albanian economy on all levels and concern cognitive, catalytic/key competencies and vocational/technical skills. The design of the project was shaped according to the following considerations:

- The project's **focus is on employment-oriented VET**, as this is clearly a Government priority and this has already resulted in a strong policy and institutional basis that the program can build upon;
- Within VET, the project aims to **enable end-beneficiaries** to acquire employment-oriented vocational, catalytic/key competencies and entrepreneurial skills;

Strong **linkages with employers and the labor market** are an important prerequisite for success for the design and implementation of VET interventions. Private sector involvement is essential in qualifications development, curriculum, governance, and financing to make the **VET system demand-led**. Development of practical internships, industrial attachments and dual-form VET programs are a specific way to facilitate linkages between training providers and employers. However, one cannot assume the private sector will automatically be willing and able to be involved – engagement requires capacity and incentives.

VET is more expensive than general education and for the most part does not enjoy the same priority in allocation of public funds as do compulsory and secondary education. Ways need to be found both to diversify the financing sources for VET and make more efficient use of existing resources. For instance the merger of vocational education schools and vocational training centers under a common institutional and administrative framework. The project supports various studies which will identify resource generation options and alternative financing mechanisms to help the VET sector on a sustainable basis.

3 DESCRIPTION

3.1 OVERALL OBJECTIVE OF THE PROJECT

The overall objective is to increase access in education and employment and enhance social inclusion.

3.2 SPECIFIC OBJECTIVE(S) OF THE PROJECT

The specific objective of this project is to improve the effectiveness of the VET system through the modernisation of a number of existing schools as multifunctional VET centres.

3.3 RESULTS

Expected results are:

1. Improved teaching methodology, curricula and training programmes for VET system;
2. Increased access to VET schools by young, women, vulnerable groups and adults by applying the concept of Life-Long Learning;
3. Five multifunctional VET centres supplied with equipment and fully operational.

3.4 MAIN ACTIVITIES

Activities related to result 1 (Technical assistance – service contract with IPA contribution)

- 1.1 - Providing technical assistance for selected VET providers becoming multifunctional VET centres through training on teaching innovation;
- 1.2 - Develop internship programs for teachers and employees to learn from best practices and successfully manage the multifunctional centres;
- 1.3 - Design of technical specifications for equipment for VET Multifunctional Centres.

Activities related to result 2 (Technical assistance – service contract with IPA contribution)

- 2.1 - Drafting new curricula for new short-term and middle-term courses for youth and adults, with special focus on female, applying them in selected multifunctional centres and giving concrete follow-up to the principle of Life-Long Learning;
- 2.2 - Develop VET curricula with new profiles for most vulnerable groups as participants to a new education delivery concept.

Activities related to result 3 (Supply contracts with IPA and national contributions)

3.1 Purchase and installation of equipment for workshops and laboratories of selected VET providers becoming Multifunctional VET centre for education and training courses of textile apparel, mechanics, wood processing, tourism management, information and communication technology.

3.5 ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS BORDER IMPACT (WHERE APPLICABLE)

The project will have an impact in the labour market in Albania reducing low level of qualifications of the labour force, weak linkages between education and employment, as well as low participation rates for women, young people, people with disabilities and vulnerable groups.

The multifunctional VET centres will help accelerate smart growth through education, innovation and modern infrastructures and will encourage people to study and develop professional skills.

Adult Education and Training is also helpful to exploit the local community resources (principle of Life-Long Learning). Its importance is even higher considering the path and the pace of the economic reforms implemented during transition and the size, the structure and the development level of the private sector. Therefore, the project will help to engage adults, females and vulnerable groups to participate and integrate in these new modern centres of education and training.

The VET Multifunctional Centres will transform the schools in the regions of Tirana, Elbasan, Shkodra, Fier and Diber as catalyst for the education oriented to employment. The Centres will provide references to young, adults and vulnerable groups to link with local business companies in search for employee.

The new curricula will focus on female in area of hairdressing and textile apparel to increase enrolment and employment. Moreover, existing curricula will be updated with focus on vulnerable groups in the area of tourism management, mechanics, wood processing, and information and communication technology to better meet the labour market demands. These curricula will provide dynamic insights to student skills with the increase of employability and social inclusion.

3.6 SUSTAINABILITY

The Government's ownership and relevant policies are clear from the strong recognition in the NSDI of the need for employment-oriented VET development to support achieving Albania's economic growth objectives. It is also evidenced by current efforts to embark on a process to develop a National VET Implementation Strategy 2013 – 2020, in developing policy and an institutional framework resulting in the VET Law 2011 as well as the substantial increase in public resources that have been made available to the VET sub-sector, and the emphasis on VET in the Sector Strategy on Employment and Vocational Training 2007 – 2013 and the National Strategy of Pre-University Education 2009 – 2013. All project measures are well-aligned with the relevant existing Government strategies and policies in the area of employment, VET and social inclusion. Regarding measures related to the enhancement of the internal efficiency, sufficient resources will need to be allocated.

In addition, the relatively substantial 'start-up' costs of the development of curricula, assessment mechanisms, internship programs, etc. is justified since National Agency for Vocational Education, Training and Qualification (NAVETAQ) in cooperation with MoE intends to use the tools that are developed under the project - and the capacity that is built in the process – as a basis for scaling up its activities beyond the project.

On the short term continued VET funding would continue to originate from the government and/or development partners. However, considering the government's emphasis on employment-oriented VET development, it is likely that in the near future also the private sector will contribute to the expansion and improvement of the VET system

The Albanian Government and the beneficiaries will assure adequate financial and human resources in order to allow proper maintenance and functioning of the facilities provided in the context of the present project.

3.7 ASSUMPTIONS AND PRE-CONDITIONS⁴

Timely and satisfactory implementation of the project is based on the following:

- Continued governmental and other political support to VET reform processes;
- Staffs of new multifunctional VET centres are motivated to learn by doing;
- Continue coordination with other activities in the VET system supported by other development partners;
- Adequate financial resources for VET centres to cover maintenance and other operational costs;
- Responsible authorities represented through Senior Programme Officers and other officials will directly and continuously supervise project activities to guarantee quality and the respect of deadlines.

4. IMPLEMENTATION ISSUES

The project is going to be implemented under decentralised mode with one service contract for technical assistance, financed by IPA contribution, to cover activity 1 and 2 and with one supply contract, financed by IPA contribution and national contribution (joint co-financing), to cover activity 3.

4.1 INDICATIVE BUDGET

⁴ Assumptions are external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the implementation managers. Such factors are sometimes referred to as risks or assumptions but the Commission requires that all risks shall be expressed as assumptions. Pre-conditions are requirements that must be met before the sector support can start.

Indicative Project budget (amounts in EUR)

PROJECT TITLE			TOTAL EXPENDITURE	SOURCES OF FUNDING								
				IPA CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
	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 and 2			1,000,000									
contract 1	X			1,000,000								
Activity 3			2,450,000									
contract 2		X		2,000,000		450,000		450,000				
TOTAL IB			1,000,000									
TOTAL INV			2,450,000									
TOTAL PROJECT			3,450,000	3,000,000	86	450,000	14					

NOTE: DO NOT MIX IB AND INV IN THE SAME ACTIVITY ROW. USE SEPARATE ROW

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))

4.2 INDICATIVE IMPLEMENTATION SCHEDULE (PERIODS BROKEN DOWN BY QUARTER)

Contracts	Start of Tendering/ Call for proposals	Signature of contract	Project Completion
Service contract 1 (IPA contribution)	Q4 2013	Q1 2014	Q2 2016
Supply contract 2 (IPA and national contributions under joint co-financing)	Q1 2015	Q3 2015	Q2 2016

External expertise, covered by the IPA project preparation facility, may be required for drafting the terms of reference for the service contract.

The service contract should timely start to allow the preparation of the technical specifications for the supply contract so that the procurement procedures for this contract can be launched in due time.

4.3 CROSS CUTTING ISSUES

4.3.1 *Equal Opportunities and non discrimination*

The project will contribute to insuring equality and access for and to all the students in schools in the rural areas, mainly females. This will increase enrolment rate especially in the outskirts poor areas and reduce disparity of attendance between rural and urban areas as a major social issue in education. Moreover, the education-labour market integration through the VET schools will contribute also to improvement their employment opportunities. . The creation of new curricula with special focus on social inclusion is part of the activities to be implemented through the project.

4.3.2 *Environment and climate change*

The IPA 2013 project is putting forward the cross-cutting theme of environment and climate change to catalyse progress in order to help decouple economic growth from the use of resources, support the shift towards a low carbon economy, increase the use of renewable energy sources, modernise the transport sector and promote energy efficiency.

Environmental impact due to economic activity is discussed on a general level within the context of the curricula of VET programs.

4.3.3 *Minorities and vulnerable groups*

The project will strongly support and facilitate minorities and vulnerable groups in their access to education and employment. The creation of VET schools as multifunctional centres will serve also for the purpose of connecting these groups with their local community education and employment possibilities.

4.3.4 *Civil Society/Stakeholders involvement*

MoE management intends to ensure continued close coordination and alignment of the activities of development partners, allied to active participation of stakeholders in civil society and local government.

NGOs, foundations and philanthropic institutions are emerging as chosen partners by the Government in contributing towards informal education and training also as facilitators of formal education and training. Some of the best practices of civil society include providing VET for youth, technological support to classrooms so that children of a small school in a village may have access to the tools and technologies of today. Representatives of civil society will be involved in the Project Steering Committee as well as to become active members of workings groups within the various projects.

Stakeholders, including donors, have been consulted on the relevant topics related to the proposed project, mainly through the Sector Working Group and various consultation meetings related to the preparation of the OP Human Resources Development. MoE will ensure that consultation process will continue during the formulation phase with all relevant stakeholders.

ANNEXES

- 1. Log frame**
- 2. Description of Institutional Framework**
- 3. Reference list of relevant laws and regulations only where relevant**
- 4. Details per EU funded contract**
- 5. Project visibility activities**

ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche		Project title and number	Support to employment-oriented Vocational Education and Training	
		Contracting period expires three years following the date of conclusion of the Financing Agreement	Execution period expires one year following the end date for the execution of contracts	
		Total budget	3.4 mil EURO	
		IPA budget:	3.0 mil EURO	
Overall objective	Objectively verifiable indicators (OVI)	Sources of Verification		
Increase access in education and employment and enhance social inclusion	<ul style="list-style-type: none"> Increased links (%) of Albanian employment and VET education sector; Improved positive findings from monitoring into subsequent policies and MTBP cycle. Improved reinforcement of NSDI implementation. 	<ul style="list-style-type: none"> EU progress reports Reports from the Central Bureau of Statistics (INSTAT); Monitoring and Evaluation reports from NSDI implementation; 		
Specific objective	Objectively verifiable indicators (OVI)	Sources of Verification		Assumptions
Improving the internal efficiency of the VET system through the modernisation of VET school as multifunctional VET centres	<ul style="list-style-type: none"> Internships of which (%) are female as measured by the number of people trained. Employer satisfaction with occupational knowledge, skills and competence by trainees (disaggregated by sex, locality) and participating enterprises disaggregated by economic sectors; region; size (small, medium, large). Increase in investment by participating enterprises in VET development (disaggregated by economic sectors; skills level, small, medium and large enterprises). 	<ul style="list-style-type: none"> Household Surveys and Tracer Studies; Vocational Education and Training Statistics; Labour Market Statistics; Annual VET Development Report; Employer Surveys; <p>Internships VET Fund Statistics.</p>		Employers are willing to invest in continuous vocational education and training.

Results	Objectively verifiable indicators (OVI)	Sources of Verification	Assumptions
<p>1 Improved teaching methodology ,curricula and training programmes for VET system</p> <p>2 Increased access to VET schools by women, young and vulnerable groups</p> <p>3 Five multifunctional VET centres supplied with equipment and fully operational</p>	<ul style="list-style-type: none"> • Taylor-made short-term continuous VET programs for selected economic sectors (e.g. tourism, ICT and food industry, etc.) and specific target groups; • Rate of participation of women, young and vulnerable groups • Up to five multifunctional VET centres setting up; • Improvement of five schools in soft infrastructure. 	<ul style="list-style-type: none"> • Annual Vocational Education and Training Report; • List of Short-term continuous VET programs; • Employer Surveys; • Vocational Education and Training Statistics; • Monitoring and Evaluation Reports; 	<p>Continued governmental and other political support for reform processes.</p> <p>Staffs of new multifunctional VET centres are motivated to learn by doing.</p>
Activities to achieve results	Means / contracts	Costs	Assumptions
<p>1.1 - Providing technical assistance for selected VET providers becoming multifunctional VET centres through training on teaching innovation;</p> <p>1.2 - Develop internship programs for teachers and employees to learn from best practices and successfully manage the multifunctional centres;</p> <p>1.3 - Design of technical specifications for equipment for VET Multifunctional Centres.</p> <p>2.1 - Drafting new curricula for new short-term and middle-term courses for youth and adults with special focus on female, applying them in selected multifunctional centres and giving concrete follow-up to the principle of Life Long Learning;</p> <p>2.2 - Develop VET curricula with new profiles for most vulnerable</p>	<p>Service Contract</p> <p>Same service contract</p>	<p>EUR 1.000,000</p>	<p>Project to be delivered on time, within budget and with required quality.</p>

<p>groups as participants to a new education delivery concept</p> <p>3.1 Purchase and installation of equipment for workshops and laboratories of selected VET providers becoming Multifunctional VET centre for education and training courses of textile apparel, mechanics, wood processing, tourism management and information and communication technology</p>	<p>Supply contract (IPA and national contribution under joint co-financing)</p>	<p>EUR 2,450,000</p>	
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2. Description of Institutional Framework

Ministry of Education and Sports (MoE) is responsible for preparing and implementing education policy and for the management of education system, encompassing resource management of the public education system and supervision of the private education sector; discharges its responsibilities with the support of numerous stakeholders, including Regional Education Directorates; Local Education Offices; the National Institute for Educational Development; the National Agency for Examinations; the National Agency for Vocational Education, Training and Qualifications and the National Inspectorate for Pre-University Education. Within MoE, the **Department of Pre-University Education** oversees vocational education. The **National Agency for Vocational Education, Training and Qualification (NAVETAQ)** was formed in 2007 as the main VET institution through which might be established a unified VET system which could achieve international recognition. NAVETAQ prepares programs for VET development for approval by MoE and MoSW. Its main functions include preparation of the national list of professions and occupations, the Albanian Qualification Framework (AQF), VET frame curricula, accreditation of VET providers, establishment of standards for pre-service and in-service training for teachers and trainers, and establishment of VET evaluation and certification criteria.

The **Ministry of Social Welfare and Youth (MoSW)** is in charge of formulating labour market, vocational training and social policy, drafting related legislation as well as active and passive employment policies.

The **Albanian National Employment Service (NES)**, as the main institution for the implementation of the employment and vocational training policies (active and passive). NES functions through its headquarters located in Tirana with a staff of 45 people, a network of 12 regional employment offices with 184 staff, as well as 24 local employment offices with a staff of 126 people altogether. The total number of staff at NES is 364, of which 200 deal directly with clients (jobseekers and employers).

The **State Social Service (SSS)** is the responsible institution for implementing policies, legislation and programs in the social field. SSS operates as a separate institution under the supervision of the MoSW. To achieve its mission, the SSS has established depended structures in the regional levels, closer to other operators and local government.

The **DACH-Plus Group** is a voluntary non-formal union of VET projects managed by implementing agencies and their Albanian partners, particularly the National Agency for Vocational Education, Training and Qualifications. First it was composed by German, Austrian and Swiss Government financed projects (at that time the union was called DACH), lately other agencies joined this initiative with the same goal to manage and coordinate projects to prevent overlaps.

The IPA 2013 project will be implemented by NAVETAQ as implementing entity. A subsidiary agreement between the two ministries MoE and MoSW overseeing VET and employment will be duly executed and legally ratified to establish NAVETAQ/NES as the implementing entity.

The project cuts across different sectors, requiring different roles and responsibilities for various ministries and agencies. NAVETQA/NES will operate as an intergovernmental agency reporting to the ministries responsible for VET. At the moment, NAVETAQ budget is a line item under the budget of the Ministry of Education and Science.

PROJECT STEERING COMMITTEE

A group of high level policy makers from the MoE, MoSW, the Ministry of Economy, Trade and Energy (METE), the Ministry of European Integration and the Ministry of Finance (MoF) has to take a key role during the preparation of the program. Upon effectiveness, the Project Steering Committee (PSC) will provide cross-sectoral strategic oversight of program implementation. Given the inter-sectoral nature of the program, the PSC will include the Chief Directors of the affected ministries (as listed above) and it will also include representatives from the private sector/industry associations and the civil society. The PSC would review progress reports, advise on key implementation issues, strategic priorities including the validation of priority economic sectors to be targeted through the National VET Fund and ensure that agreed performance targets and timelines for activities under the different components are met.

The PSC will also oversee implementation more broadly of the other donor-supported activities relating to employment-oriented VET development to ensure harmonization among all agencies. The PSC will be assisted by a project support unit (PSU) located within NAVETAQ/NES and responsible for supporting the coordination, fiduciary management and monitoring and evaluation of program activities. The PSC is expected to meet twice a year to review progress reports to be submitted to the Government and to the funding Development Partners and once a year to set the strategic priorities. A Terms of Reference will be drafted by the Government and reviewed by the EU prior to launching the program activities.

All program components would be directly managed by NAVETAQ/NES. The MoE and MoSW will oversee the preparation of annual work plans detailing all institutional capacity building activities concerning VET providers, the NAVETAQ/NES, the NVF Division and the PSU. Some of these activities will be contracted to a qualified agency or agencies through a technical assistance package (or packages) to enhance the human resources capacity within NAVETAQ/NES, VET providers as well as other key agencies, etc. The VET Division at the MoE will be responsible for providing technical guidance for the implementation of Component I (internal efficiency), and institutional strengthening of multifunctional VET centres and MoE staff. The Labour Market Division at the MoSW will be responsible for providing technical guidance for the implementation of Component II (external effectiveness), and institutional strengthening of the Research and Skills Development Unit (RSPU) and NES staff.

PROJECT SUPPORT UNIT

The PSU will be embedded in the office of NAVETAQ/NES to support the coordination and fiduciary management of project activities and the reporting of project activities for all components. The PSU will also be responsible for overseeing and managing all VET development donor support managed by NAVETAQ/NES. This would ensure harmonization among development partner activities. The PSU will be under the supervision of the MoE and MoSW. The TOR for the PSU and its key staff will be outlined in the Program Implementation Manual (PIM).

The PSU will monitor and support all activities under the project until their completion and help ensure that the units responsible for the implementation of the various components execute their tasks satisfactorily and according to planned schedules. In particular, the PSU will monitor program-related activities in order to assist in the quick resolution of bottlenecks and in facilitating program implementation. The PSU will also provide comprehensive information concerning the progress and quality of program investments and the overall implementation situation of the program. The PSU will be charged with reviewing and monitoring the implementation of subprojects vis-à-vis their environmental and social impacts. The environmental and social management framework will provide guidance to the PSU and reports will be provided to the EU as necessary.

3. Reference list of relevant laws and regulations only where relevant

The Strategy and Action Plan for VET and LLL in Albania (2013-2020) it's coherently aligned with a set of strategic documents already prepared and endorsed by the Albanian government. In this scope it is important to highlight the most important strategic documents which frame the document here presented. They are the following:

- National Strategy for Development and Integration 2007-2013 (NSDI), updated (2013-2020);
- Strategic Coherence Framework (SCF);
- National Strategy on Pre-University Education 2009-2013, updated;
- Employment and Vocational Training Strategy for 2007-2013;
- National Strategy on Gender Equality and Reduction of Gender Based Violence 2011-2015;
- National Strategy for Higher Education 2008-2013;
- Strategy on Social Inclusion 2007-2013;
- National Strategy on Science, Technology and Innovation 2009-2015.

4. Details per EU funded contract

One service contract: Technical assistance from a long-term project coordinator and local support staff.

- Technical assistance from long-term key expert;
- Technical assistance from other experts according to the project's phase;
- Means to perform coordination and exchanges with relevant stakeholders (workshops; seminars; study visits; etc.);
- Means to provide tailored trainings.

One supply contract for purchase and installation of equipment for workshops and laboratories of selected VET providers becoming Multifunctional VET centre for education and training courses of textile apparel, transport services, mechanics, wood processing, information and communication technology

5. Project visibility activities

Visibility activities will be according EU visibility requirements.