



**POLICY TRANSFER OR POLICY LEARNING: INTERACTIONS
BETWEEN INTERNATIONAL AND NATIONAL SKILLS
DEVELOPMENT APPROACHES FOR POLICY MAKING
THE CASE OF ALBANIA**

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Paper prepared for the NORRAG Conference on

**Policy transfer or policy learning :
Interactions between international and national skills development approaches
for policy making**

Hosted by the Graduate Institute of International and Development Studies

Geneva
25-26 June 2009

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ACRONYMS

ADA	Austrian Development Agency
AQF	Albanian Qualifications Framework
CARDS	Community Assistance for Reconstruction, Development and Stabilisation
DSDC	Department of Strategy and Donors Coordination
DTS	Donors Technical Secretariat
EC	European Commission
ECE	Educational Centre Elbasan
ETF	European Training Foundation
EU	European Union
GoA	Government of Albania
GTZ	German Technical Cooperation
IC	International Cooperation
ICCO	Interchurch Organisation for Development Co-operation
INGO	International Non Government Organisations
ILO	International Labour Organisation
INSTAT	Statistical Institute of Albania
IOM	International Organisation for Migration
IPA	Instrument of Pre Accession
IPS	Integrated Planning System
ISCED	International Standard Classification of Education
LLL	Life Long Learning
MoE	Ministry of Economy
MoF	Ministry of Finance
MoES	Ministry of Education and Science
MoETE	Ministry of Economy Trade and Energy
MoLSAEO	Ministry of Labour, Social Affairs and Equal Opportunities
MTBP	Medium Term Budgeting Program
NATO	North Atlantic Treaty Organisation
NES	National Employment Service
NGO	Non-governmental Organisation
NLC	National Labour Council

NQF	National Qualifications Framework
NSDI	National Strategy for Development and Integration
NVETA	National Vocational Education and Training Agency
NVETC	National VET Council
OSCE	Organisation for Security and Cooperation in Europe
PARSH	Project on Adult Education in Albania
PIM	Public Investment Management
RED	Regional Education Directorate
RVETC	Regional Vocational Education and Training Centre
SD	Skills Development
SDC	Swiss Agency for Development and Cooperation
SHRM	Society of Human resources Management
SME	Small and Medium sized Enterprises
SWA	Sector Wide Approach
SWG	Sector Working Groups
TE	Technical Education
ToR	Terms of Reference
TVET	Technical Vocational Education and Training
UN	United Nations
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Cooperation
VET	Vocational Education and Training
VE	Vocational School
VT	Vocational Training
VTC	Vocational Training Centre
WB	World Bank
YAPS	Youth Albanian Professional Service

Introduction

Skills Development (SD) has attracted the attention of many researchers and practitioners, driven by recent trends such as downsizing in organizations, enterprise information technology platforms, outsourcing and off-shoring initiatives, transformations from departmental structures to process-based structures, among others. Increased global competition incites countries to develop a skilled workforce as a competitive advantage, resulting in many national and international policies that invest in workforce training and development. Skills, according to the Society for Human Resources Management's glossary (2009)¹ refers to "the ability to perform a mental or motor activity that contributes to the effective performance of a job task", while in the Albanian language, the word skills can be translated in several ways including²: "the ability to do something, to be skilful", and "what a workman does in a vocation, in a certain production sector or social activity". Technical Vocational Education and Training (TVET) is the system that offers necessary knowledge and skills for a qualified professional activity (VET Law nr. 2002)³. In the following analysis of skills development policies, the focus will therefore mainly be placed on TVET. This education system has also the proven potential to contribute to future socio-economic development of Albania⁴.

SD falls at the intersection of many national and regional institutions acting as policy makers, SD institutions, as well as SD beneficiaries with varying and sometimes conflicting interests, objectives and priorities. According to Mitchell⁵, these "multiple" stakeholders, at the various levels, include: (i) the individual (workers, trainees, unemployed persons, etc.); (ii) the family (especially in the case of youngsters); (iii) the community (leaders, local institutions and networks); (iv) voluntary agencies (at the local, regional, national international levels); (v) private training providers; (vi) public training institutions; (vii) workers and their organizations (at the enterprise, local, sector and national levels); (viii) employers and their organizations (at the enterprise, local, sector and national levels); and (ix) government (local and central). Despite the expected integration and alignment of these actors toward the necessary skills development, we

¹ Note: Available online at <http://www.shrm.org/TemplatesTools/Glossaries/HRTerms/Pages/s.aspx>.

² Albanian Language Dictionary "Fjalori i gjuhës së sotme Shqipe" Akademia e Shkencave, Instituti i gjuhësisë dhe letrësisë, Tirane 1980, p.1157, p.2249.

³ Note: According to vet law Nr. 8872, dated 29.3.2002, "VET system" is a system which covers all the measures and activities of the technical and vocational education as well as those of training, retraining and vocational re-qualification in the labour market, as well as in their responsible and executive institutions; "Vocational education" (VE) is an element of VET system, which gives pupils, who have finished the compulsory education, basic vocational education, as well as the necessary knowledge and skills for a qualified professional activity labelled as a qualified worker for a given specialty. VE is performed in the vocational schools, in accordance with the plans and curricula approved by the Ministry of Education and Science; "Technical education" (TE) is an element of VET system, which gives pupils, who have finished the compulsory education, a basic vocational education, as well as the necessary knowledge and skills for a qualified professional activity labelled as a qualified technician for a given specialty. TE is performed in the technical secondary schools, in accordance with the plans and curricula approved by the Ministry of Education and Science; "Vocational training" (VT) is an element of VET system, which covers training, retraining and vocational re-qualification, for gaining the necessary vocational qualification skills; in order to be suited to the labour market requirements; "VET institutions" are those public and non-public institutions, which offer or support VET in Albania.

⁴ Mykerezzi, P (2003), The potential contribution of vocational and technical education to the future social – economic development of Albania", Dissertation, Virginia Polytechnic Institute and State University.

⁵ Mitchell, G., A., (1998) "Strategic training partnerships between the State and enterprises", ILO.

often observe deviations, power games, and contradictions that don't add value to the skills development process.

In Albania, SD doesn't have a purpose in itself, but is considered as an instrument to achieve objectives in several fields including:

- An increase in employment opportunities, particularly for poor populations in rural areas;
- The stimulation of small and medium enterprise development;
- An increase in gender inclusion; and
- The reintegration of returned migrants (from other countries) and internal migrants (moving from rural areas to the big cities and city suburbs), etc.

SD policy in Albania is an output of national and international actors' policies interactions for the past twenty years. As a relatively small country in transition and aspiring to be part of the European Union, Albania struggles to identify and reach the objectives of human development. This article aims to analyse the actors involved in SD policies in Albania (with a concentration on TVET), focusing on the impact that each actor has generally in the system and specifically in regards to these policies. It also aims to analyse whether international cooperation in SD is adding value to the system or overlapping with national priorities and disorienting local initiatives, and how SD policies contribute to and influence various other sector objectives.

1. POLICY TRANSFER, POLICY LEARNING AND DONORS' COORDINATION

In order for the multinational stakeholder network to be efficient in SD policies, every actor should invest the proper knowledge and expertise accumulated. This is why this paper focuses on policy learning and policy transfer when analysing the interaction between national and international actors in SD. According to Argyris and Schon⁶, policy learning is a form of collective learning that generally involves the learning not of one organization but of a number of organizations. To make this notion more operational, it is useful to distinguish between three types of policy learning:

- Instrumental learning: technical learning about instruments, or how the application of instruments and resulting effects may be improved to achieve set goals.
- Conceptual learning or problem learning: seeing things from a different evaluative viewpoint ("in a new light"). This is when the outlook on a "problematic" changes and is called conceptual learning because it tends to be accompanied with the development or adoption of new concepts, principles and images⁷.
- Social learning: learning about values and other "higher-order" properties such as a norms, responsibilities, goals, and the framing of issues in terms of what causes and effects are selected for attention⁸.

⁶ Argyris, C., & Schon, D. (1978) Organisational learning: A theory of action perspective. Reading, Mass: Addison Wesley

⁷ Op. cit.

⁸ Clarke, A. E. (1991). Social Worlds/Arenas Theory as Organizational Theory. In D. R. Maines (Ed.), Social Organization and Social Process. Essays in the Honor of Anselm Strauss. New York: Aldine de Gruyter.

It looks like policy learning and policy transfer research/practice approaches are similar to leadership approaches: both are among the most researched and least applied. As Chakroun⁹ concludes in his literature review, quoting Bennett and Howlett¹⁰, “The concept of policy learning has been over theorized and under applied”, and “the relationship between policy learning and policy change contours and components has only begun to be investigated and understood”.

Policy learning and policy transfer don't have the same meaning, even though there is considerable overlap. Policy transfer can encompass coercion as well as drawing lessons-learned which is a voluntary process. Learning may lead to policy transfer but it may also produce other policy outcomes or no apparent outcome, while policy transfer does not¹¹. Evans¹² identifies three different processes of policy transfer: voluntary transfer or drawing of lessons-learned, negotiated transfer, and direct coercive transfer. Negotiated policy transfer refers to a process where influential donor countries, global financial institutions etc. compel governments to introduce policy change in order to secure grants, loans or other forms of inward investment. Although an exchange process does occur, it remains a coercive activity because the recipient country is denied freedom of choice.

Policy learning is directed to many stakeholders, both national and international. National actors should play an active role in developing policies aligned with the country's needs, while also reflecting the lessons learned from their experience and from that of other countries. As it is quite difficult for local actors to absorb and properly interpret other countries' initiatives and policies, donors and respective implementing agencies can be considered as the best policy translators, due to their previously initiated programs in other countries and in addition to their role in financially supporting local initiatives.

Even if the expected results of policy learning and policy transfer are high, the different stakeholders don't always meet these expectations. There might be numerous reasons for policy learning failure. According to Chakroun¹³ “there are at least three overlapping factors that lead to policy learning failure in partner countries: misleading experiences caused by donor intervention, highly politicised models of governance which are not conducive to policy learning and the limited knowledge base.” Koch, Hauknes and Røste¹⁴, consider intricate social rules, conflicting worldviews, intense power struggles, and uneven levels of competence and funding as the main contributing factors to policy learning ineffectiveness. In a multicultural setting, cultural differences may also act as an impediment as these differences may not only hamper effective communication, but also come up against cultures with different scales of resistance to change.

⁹ Chackroun, B. (2008), “What can we learn from policy learning?”, in ETF Yearbook 2008 Policy Learning In Action, ETF, Torino, 2008.

¹⁰ Bennett, C. and Howlett, M., (1992) *The lessons of learning: Reconciling theories of policy learning and policy change*. Policy sciences, Kluwer Academic Publishers, Dordrecht/Boston/London.

¹¹ Stone, D., (2001), “Learning Lessons, Policy Transfer and the International Diffusion of Policy Ideas”, CSGR Working Paper No. 69/01, Retrieved online on May at <http://www2.warwick.ac.uk/fac/soc/csgr/research/workingpapers/2001/wp6901.pdf>

¹² Evans, M., (2004), “Policy transfer in global perspective”, Ashgate Publishing, Ltd., p.11.

¹³ Op. cit.

¹⁴ Koch, Per, Hauknes, Røste, R., (April, 2002), “Rationalities and innovation policy learning”, Good Practices in Nordic Innovation Policies (GoodNIP).

To hinder non-effective policy transfer, leading institutions take on different initiatives in order to assure the benefits of the policy learning and policy transfer process. The European Training Foundation (ETF) is encouraging policy learning through policy dialogue, as is well illustrated in the case of Albania where the ETF supported a policy dialogue to better cope with the challenges of VET policy design and implementation in 2006, 2007 and 2008, as part of its policy learning initiatives. A policy dialogue has been facilitated in the country with regard to education decentralization and school autonomy, based on outcomes of the ETF 2006 and 2007 peer learning exercises¹⁵.

Policy learning and policy transfer are not widely researched in Albania. There are some good initiatives from National Vocational Education and Training Agency (NVETA) experts, but as research is not their primary objective, these initiatives remain sporadic. The Department of Strategy and Donors Coordination (DSDC) and other international agencies such as ETF have already identified the need for deeper research into this field, but academic research institutions and universities (particularly political science departments) have yet to express interest in this field of study.

1.1. International cooperation in skills development: a first assessment

International actors have played an important role in SD policies in Albania. Their contribution has been not only multidimensional (such as technical assistance, direct investments, capacity building etc., and in different fields such as environment, education, infrastructure, etc.,) but also financially represents a considerable percentage of total spending in VET in Albania. Among the most important donors (including implementing agencies and INGOs) operating particularly in the TVET sector are the EU (European Union) through its CARDS program, IPA funds, the ETF, the WB (World Bank), the SDC (Swiss Agency for Development and Cooperation) mainly through Swisscontact, the ADA (Austrian Development Agency) and its main project Kultur Kontakt, the German Government through GTZ (German Technical Cooperation), the United Nations through the ILO (International Labour Office) and UNICEF, the United Kingdom through the British Council, the United States of America through USAID, etc. Synthetic information about these donors and their implementing agencies and projects is provided in Appendix 1.

The total grant by donors supporting the TVET sector in Albania for the period 2002-2008 is approximately 29 million Euro, with the EC providing the largest share at approximately 50%, followed by Switzerland at 22%, and Germany at 13%. Italy follows with 10%, then Austria at 4% and the USA contributing 1%¹⁶.

¹⁵ ETF country programme 2009, p.9, available at [http://www.etf.europa.eu/pubmgmt.nsf/\(getAttachment\)/2038B62DC2D875CDC125751D00356BA2/\\$File/NOT_E7M9DEL.pdf](http://www.etf.europa.eu/pubmgmt.nsf/(getAttachment)/2038B62DC2D875CDC125751D00356BA2/$File/NOT_E7M9DEL.pdf).

¹⁶ DSDC, 2009, Sector Working Group for Vocational Education and Training, (DSDC presentation on VET SWG on February, 5th 2009)

International cooperation (IC) in TVET has taken place in different fields such as (i) VET Policy by the WB and the EU through CARDS in VE policies, and the ILO, the ETF and DACH plus¹⁷ in VT policy; (ii) VET legislation laws and bylaws proposals and developments jointly with DACH plus and the ILO; (iii) direct financing of VET (school building, equipments, etc) by almost all donors; (iv) curriculum development by the WB, DACH Plus, the ILO and PARSH; (v) technical support for institutions management; (vi) VE assessment and exams by DACH Plus (assessment criteria) and the WB; (vii) school and centres accreditation by DACH Plus; (viii) teacher training by almost all donors; (ix) capacity building, with the goal of developing the staff that will be responsible for independently initiating and formulating VET policies and strategies; (x) research and analysis in VET especially by ETF; (xi) VET decentralization initiated by CARDS VET3 and Swisscontact; and (xii) labour market analysis initially by the ILO and more recently by CARDS.

All actors interviewed, including TVET representatives at both the national and international level, give great importance to the role of IC in the TVET sector. According to their feedback, the TVET system in Albania would not have been as it is today without their intervention.

1.2. Donor coordination

The impact of Bologna, Lisbon, and Copenhagen processes are now visible in Albania, “positively pressing” political levels to transform “partial reparations according to immediate needs” into “full long term solutions” in the context of regional and European integration¹⁸. Due to these developments and aside from the national actors actively involved in SD policies, international actors such as donors, implementing agencies, INGO etc., are playing an active role in SD policy formulation and policy transferring from other countries. Not only technically but also financially, the impact of international actors has been considerably high. External assistance in Albania began in 1990 and grew rapidly, followed by a decline in the mid 1990s. The sharp increase in external assistance in 1999 was mainly in the form of emergency aid as a response to the Kosovo crisis. Since 2000, external assistance levels have remained steady at between 300 - 350 million Euro per year¹⁹. Aid for social development (including education) for the period 2000-2007 has been approximately 12% of the total budget.

Bilateral and multilateral aid was initiated by the European Commission (EC), the United Nations Development Program (UNDP), the Organisation for Security and Cooperation in Europe (OSCE), and the World Bank (WB) in early 2003. Only after a donor-government dialogue for planning and budgeting in 2004 did the Government of Albania (GoA) lead a coordination of donors into the creation of the DSDC in 2005. The most important instrument used by the DSDC is the Integrated Planning System (IPS), “a broad planning and monitoring framework which aims to ensure that the core policy and financial processes developed by the GoA function in an

¹⁷ Note: A voluntary union of TVET projects funded by foreign donors, further discussed in details. DACH is the acronym for Germany (Deutsch), Austria (A) and Swiss (Ch), representing the donors who initially created this group. Since the inclusion of other projects from other donors (UK, EC, etc.), the group is called DACH Plus.

¹⁸ CARDS (2007), Annex 2, “Terms of Reference”, Support to vocational education and training reform, EuropeAid/116601/C/SV/AL, Tirana, Albania.

¹⁹ DSDC, 2008, “External Assistance Orientation Document”, April 2008, p.11, available online at <http://www.aidharmonisation.org.al/?fq=mesi&gj=en&kid=214>

integrated manner”²⁰. This planning system integrates the National Strategy for Development and Integration (NSDI) and the Government Program Priorities, the European Integration Agenda, External Assistance, and the Medium Term Budgeting Program/Public Investment Management²¹ (MTBP/PIM).

Even if these initiatives have yielded positive results (the 2008 Survey on Paris Declaration Monitoring showed an increase in three out of five indicators, compared with 2006; joint missions have increased by 24% and joint studies have increased by 11% in 2007, compared with 2005²²), much work remains to be done in:

- Translating strategies into fully operational and financial plans;
- Establishing a key performance indicator monitoring system, a donors information management system, and a calendar of donor programming missions;
- Rationalising the large number of donor missions and parallel structures;
- Promoting a government-led coordination system;
- Reducing the large number of donor projects and large number of donors per sector;
- Enhancing ownership of the GoA/line ministries (the most active Sector Working Groups (SWGs) are still donor-led);
- Gradually focusing on forward-looking, policy coordination issues;
- Prioritizing assistance and monitoring of strategy implementation; and
- Holding SWG meetings in accordance with the 2009 SWG calendar (to date, there are around ten large SWGs, each with its own sub groups. There is also a VET SWG, as will be explored later)²³.

An important initiative in donor coordination is the “One UN” programme, in which Albania also plays a role since January 2007. As a pilot country, Albania agreed on working toward a common UN presence (including resident²⁴ and non-resident UN agencies, funds and programmes) and common elements such as “One UN Programme”, “One Budgetary Framework”, “One Leader” and “One Office.” “The response of the UN system will align and support the European integration and development goals of Albania while complementing the assistance provided by other multilateral and bilateral development partners”²⁵.

SD is indispensable for the development of industry, agriculture or services, as skilled employees are precondition for success in these sectors. The National Strategy for Development and Integration 2007-2013²⁶ is the Government of Albania’s strategic document for harmonising the country’s sustainable socio-economic development agenda with the agenda of the European

²⁰ Web reference: <http://www.aidharmonisation.org.al/?fq=mesi&gj=en&kid=10>

²¹ Note: in practice since 2006

²² Survey On Monitoring The Paris Declaration (2008), “Effective Aid by 2010”, Country Chapter – Albania. Available online at <http://www.oecd.org/dataoecd/25/48/41962056.pdf>

²³ Note: more information on Donor Co-Ordination In Albania is available at <http://www.aidharmonisation.org.al/?fq=mesi&gj=en&kid=161>

²⁴ Note: including UNICEF, UNDP, WHO, UNHCR, ILO, UNESCO and FAO.

²⁵ “United Nations Programme Albania”, Programme Framework Document, (2007-2010), p.2. Available online at [http://www.undg.org/docs/8148/Master-ONE-UN-PROGRAMME-ALBANIA---SIGNED-24-OCTOBER--\(ENGLISH\).pdf](http://www.undg.org/docs/8148/Master-ONE-UN-PROGRAMME-ALBANIA---SIGNED-24-OCTOBER--(ENGLISH).pdf)

²⁶ “National Strategy for Development and Integration 2007-2013” March 2008, p.3, available online at <http://mie.gov.al/skedaret/1226905647-NSDI.pdf>

Union (EU) and in accordance with NATO²⁷ integration, while also achieving the Millennium Development Goals. A special chapter of this strategy is dedicated to human resources education and training, and especially to TVET, and education and training through the application of standards that promote learning, innovation and creativity in business. It also includes government priorities such as: infrastructure, transport, energy, water supply, environment and public finances. In the economic sector, it includes: improving the business climate, simplifying and lowering the cost of business registration and licensing, reducing informality, and ensuring fair competition. These priorities impose new policies in the labour market, where skills and training are necessary for success.

1.3. Donor coordination and collaboration with national actors

Donor collaboration with national partners takes on three forms: (i) projects prepared, financed, and managed by the donors directly collaborating with local partners or beneficiaries; (ii) projects prepared jointly with the Ministries and its dependent institutions according to national needs, but completely financed by the donors; or (iii) jointly prepared, managed and financed projects according to various sector needs²⁸. Although the most effective type of collaboration cannot be singled out, based on interviews conducted we can conclude that participatory projects, starting from project conception, as well as co-managed projects are considered to be the most effective and sustainable.

The need for donor and project coordination is considered high by the GoA, especially for the education sector that bears the greatest number of projects (85) and donors (15), compared to other sectors such as transport and environment²⁹. The donors themselves initiated the first integration efforts: these international actors operating in the SD field in Albania – following their direct experience as well as pressures (and obligations) posed by international trends regarding the need to integrate and coordinate their activities – took on the following initiatives:

(i) The creation of a matrix of donor assistance to Albania. This is an important document aiming to gather the information on TVET projects underway by different donors and sharing it in order to avoid overlap and to better integrate their assistance. The VET matrix is organised according to the National VET Strategy priorities and gives information about the project focus, duration, medium-term priorities, regions covered, TVET institutions covered, and national partners. This document is well recognised and regularly updated by the donors.

(ii) The adoption of a Sector Wide Approach (SWA). As explained earlier, the creation of a SWA is considered as an important initiative in the harmonisation of international aid and government priorities in a certain sector. The EEEP (Excellence and Equity Program) is based upon SWA and supports the implementation of the National Strategy for pre-university education. The VET SWGs are co-chaired by line ministries (MoLSAEO and MoES) and the DTS (Donors Technical Secretariat). The decisions taken in these meetings not only integrate the donors on their site, but

²⁷ Note: Albania became a NATO member on the 1st of April 2009.

²⁸ MoES presentation on Donors Coordination Conference, April 2009

²⁹ Albana Vokshi (DCDC Director), presentation on “Conference on Donor Coordination in Western Balkans and Turkey, Tirana, 2nd of April 2009, available on line at <http://dsdc.gov.al/>

also are followed with the concrete interventions in IPS. In the last SWG meeting in February 2009, VET donors and government representatives decided on certain fields of collaboration, including: (i) support of vocational and training reform; (ii) teaching assistance and supplies to improve VET institutions; (iii) rehabilitation of school buildings; (iv) technical and institutional support; (v) modernization of tourism education; and (vi) assistance to strengthen the employment and training system of the NES.

(iii) Since mid 2005, the MoES and the main donors have established a group called *Partners in Education* that aims to promote donor co-ordination and assist the MoES in implementing its National Education Strategy³⁰. The goals of this group are:

- The increase of the offer flexibility, acceptance possibility, and vertical-horizontal mobility and advancement (among levels and courses) in VET;
- The modernization of the VET curricular model to make it more relevant to the needs of the labour world and to increase the scale flexibility;
- The development of institutional capacities to accomplish new functions and support current VET functions;
- The development of teaching and managing competencies among VET staff;
- The completion of VET normative frameworks with laws, decisions, instructions and regulations in support to all reforming changes in this sector; and
- The qualitative and quantitative improvement of the buildings and teaching materials to support the increased VET enrolment.

(iv) The creation of *DACH-Plus*. The *DACH-Plus*³¹ group is a voluntary non-formal union of TVET projects managed by implementing agencies and Albanian partners. The members of this group are Swisscontact (with AlbVET project), the British Council (with Skills @ Work project), the EC (with CARDS AFP project), the Educational Centre Elbasan (ECE) foundation (supported by ICCO), the GTZ (with GTZ-AFP for North East Albania project), Kultur Kontakt Austria, PARSH (Adult Education in Albania, part of the network Adult Education in Southeast Europe), and NVETA from the Albanian side. *DACH-Plus* meets regularly on a monthly basis. All the interviewed actors consider this initiative as very positive and helpful.

At the last “Conference of Donors Coordination in Western Balkans and Turkey” held in Tirana on April 2009, MoLSAEO presented the new vision for coordination and collaboration with international partners. The Project Cycle Phases Management is based on these steps: (i) programming (problem identification, preparatory consultation/ToR); (ii) identification (background, including actors, beneficiaries); (iii) anticipatory evaluation (feasibility study, indicators, etc.); (iv) development of action plans and financing (management and finance scheme, etc.); (v) application; (vi) evaluation (final evaluation and suggestions for re-programming); and (vii) re-programming. According to the Ministry, the third step is a point to be improved, as well as the sixth step relating to monitoring by specialized units. Setting a clear monitoring system based on monitoring indicators was one of the suggestions given by the interviewed national actors for the purpose of this research, as a reflection of their long experience with international donors. In fact, Albania is evaluated as a country with many

³⁰ Konini, M. and Mustafai A., (2006) “Financing VET, mechanisms and priorities”, Albania, (Note: in the context of Regional VET Peer Review 2006).

³¹ Note: more information available at <http://www.dachplus.al/>.

initiatives and strategies, most of them failing to be realised due to the absence of financial and activity-based performance indicators³².

The last survey on the *Paris Declaration* monitoring shows improvement in ownership, alignment, and harmonisation. Managing for Results and Mutual Accountability are still rated as low. The results of the survey present an aggregate of all donors in different fields. The analysis of these results is considered as important because it points out donor behaviour in Albania. Based on the monitoring surveys, additional desk research, and primary research based on interviews, we can assess the implementation of the *Paris Declaration* as follows.

(i) *Ownership* has increased from *moderate* to *moderate-high*, meaning that the level of leadership over development policies and strategies is still not high. Among the possible explanations is the EU integration goal and policy orientation toward the Stabilisation and Association process, as even the strategy for VET is fully aligned with the European strategy for training and development as well as with the Lisbon process. Improvement to this dimension compared to 2006 is of course due to the results already achieved by the government-led donors integration initiatives and their integration with NSDI.

(ii) *Alignment* has slightly increased compared to 2006, but still remains *moderate-low*. This is a conglomerate indicator. Reliable country systems are reflected in the creation of the Department of Public Investment Management, and the MTBP, which directly influences MoLSAEO and MoES. Aligning aid flow with national priorities has improved as a result of the IPS presented above. In almost all the donors' documents for TVET projects, the impact of donor intervention on national priorities in the NSDI is explicitly stated. Even with the GoA identifying priority areas, the number of priorities is still very high (262 priority actions in 2002 and 620 priority actions in 2003). Unfortunately, even if VET is considered as a priority – and enrolment objectives since 2003 have been set at having 40% of students finishing compulsory education – enrolment remains low, meaning that either the initiatives were not effective or the objectives not realistic. Donor capacity-development support provided through coordinated programmes consistent with NSDI has increased by 23% in general and has already achieved the 50% goal. Albanian public financial management systems are used in most of the TVET donors' interventions focused on investments. SD donors also increased their efforts to avoid parallel implementation structures through the VET matrix. Via the inclusion of donors' grants in MTBP, the financial aid is more predictable compared to 2006 when almost 40-50% of aid was not reported in the budget.

(iii) *Harmonisation* is another improved indicator compared to 2006, but still needs improvements. As already mentioned, SWG in general, and Partners for Education, the VET donors matrix, One UN, DACH-Plus in particular, can be considered as the main harmonisation initiatives.

(iv) *Managing for Results* has been and continues to be low due to the absence of a results-based monitoring and evaluation system. The EC in its last progress report also identified this absence as a precondition for strategy realisation. Apart from the absence of project key performance indicators, measuring the project achievements is difficult in a country like Albania with a high

³² Commission of The European Communities, "Albania 2008 Progress Report", Brussels, 2008, p.7

rate of informality, especially in the labour market. Sometimes, available data doesn't reflect the reality due to the formula used for calculation (for example, "employment in agriculture" data which automatically registers as "self employed" the persons of working age in the villages).

(v) *Mutual Accountability* continues to be rated low because the government and the donors still use their own approach to assess the progress in implementing agreed commitments. Periodical meetings are held and joint initiatives are taken on regular bases thanks to the SWGs, but reporting is not realised through a joint final report.

2. SKILLS DEVELOPMENT POLICY, STRUCTURE AND NATIONAL ACTORS

2.1. Institutional framework and structures

The economic and social reconfiguration of the country placed attention on human resource development reforms. With this goal, the necessary legal reform was realized through initial Council of Ministers Decisions such as "Organizing of the VET System" (1993), and "Program for encouraging employment through support to institutional training" (1999). But the radical change in human resources development, especially in low and middle level skills was expressed by the new VET law (2002), the 2nd National VET Conference, the Establishment of National VET Council (2003), the Employment and Vocational Training Strategy (EVTS) (2003), the National Strategy of Pre University Education (2004-2015) (August 2005) and the start of EU CARDS Program 2002 (March 2004) to support VET in Albania. These policies have opened a new space for the reform of initiatives in this important sector and the development of human resources in the country.

On a political level, some other initiatives are considered as crucial in forming the actual TVET sector. The new education system structure (starting from academic year 2009-2010) offers more flexibility to enter in the labour market due to the fragmentation of vocational education into three levels, the introduction of the post secondary cycle to attract non vocational students and adults with proper education, as well as bridge courses that enable access to higher education in non vocational fields to vocational students. Based on reports and declarations of the National Agency for Vocational Education and Training, the Ministry of Labour Social Affairs and Equal Opportunities, the Ministry of Education and the Prime Minister's Office itself, as well as from international actors such as the EC through its CARDS program, the National Qualifications Framework is considered as essential for Albania to ensure that qualification or occupational standards and certification are uniformly applied across the country. The Albanian Qualifications Framework (AQF) is drafted and awaiting approval by the Parliament.

The creation of new institutions such as the National VET Agency (NVETA), the National Centre for Assessment and Evaluation, and the restructuring of existing institutions such as the Ministry of Education and Science in 2007 (and the merger of certain ineffective institutions) increased the TVET institutional capacity to improve the quality of education provision. Other initiatives such as the existence of State *matura* since 2005, a final exam that young adults take at the end of their secondary education, and the consolidation of NVETA functions (preparation of the national list of qualifications and Frame Curricula; the accreditation of VET providers; the establishment of standards for initial and ongoing training for teachers and trainers; and the

establishment of VET evaluation and certification criteria), as proposed by ETF in its Country Plan 2009, are considered major steps in SD policy.

2.2. Skills development policy actors at the national level

SD has been of interest to many researchers because it sits at the intersection of many stakeholders influencing and influenced by SD policies. Even if the intent is to add value to SD, this goal is not always achieved due to the contradicting interests and absence of coordination. In this section, the interaction between central and local institutions as well as other individual actors are analysed concerning their influence in SD policy formulating and execution.

The primary responsible institutions for SD policies decisions at the national governmental level are the Ministry of Labour Social Affairs and Equal Opportunities (MoLSAEO), and the Ministry of Education and Science (MoES). MoLSAEO considers SD an active area for labour market policies, because developing the target groups' skills increases chances for employment. MoLSAEO is responsible for SD policies that integrate marginalised groups such as the poor, migrants, women, children, minorities and the disabled. National Employment Service (NES) is the main executive institution of MoLSAEO responsible for employment and training services, decentralised and operating through twelve Employment Offices and ten Vocational Training Centres throughout Albania. MoLSAEO closely collaborates with public and private institutions in policy formulating. International collaboration is also crucial for SD policies presented by MoLSAEO, an issue that will be analysed in detail in the following section.

MoES is probably the most important player in SD policies in Albania, as the highest institution responsible for all levels of education (preschool, basic, medium, higher, vocational, and adult learning), with policies executed by dependent institutions such as the Regional Education Directories, Universities, the Curricula and Standard Institution, the Training and Qualification for Education Centre, etc. The mission of the MoES is “to ensure a qualitative education system integrated with scientific research, enabling equal opportunities for all Albanian citizens, focused in developing a citizen with democratic consciousness and with the necessary skills to face the market economy aligned with national and European priorities”³³. Education is considered as a cross-sector service in the National Education Strategy 2004-2012³⁴, and cross-sector dialogue and input is seen as indispensable in order to best reflect the needs of all sectors.

As opposed to other state experiences, there is no notable power game between these central institutions (MoLSAEO and MoES). A wide range of decisions regarding training centres and schools are centralized in the Ministries, for example the opening of a new public vocational centre must be approved by the MoLSAEO and signed by the Minister himself. Based on the opinion of the key persons interviewed from the TVET sector, this is one of the reasons why the development of this system is moving slowly, often a result of the turnover in the Ministries; for example, the MoLSAEO Minister serves a term of two years only, on average³⁵.

³³ Note: Citation translated by authors from the MoES web page, available in Albanian at http://www.mash.gov.al/struktura/misionet_funksionet/misionet_funksionet.htm

³⁴ National Education Strategy 2004 – 2008, p.23, Retrieved online on May 2009 at http://www.mash.gov.al/Politika%20dhe%20strategji/Strategy%20ver%20english_Goni.pdf.

³⁵ Web reference: <http://www.mpcs.gov.al/rreth-mpcsshb>

Even if one of the goals of public policy in Albania is decentralisation, the education system remains centralised. The RED are MoES executing institutions and they don't participate in policy formulation, even if they are a key element in MoES policy execution. RED is mainly responsible for teacher training and school inspection, while local authorities (municipalities or communes) are responsible for schools (building) investments. There are thirteen Regional Education Directorates (twelve prefectures plus the city of Tirana) and twenty-four Education Offices. Such entities are the representatives of the central government in the prefectures and districts (deconcentration), playing a key role in inspections, staff nominations and training, school quality, as well as needs identification for the number of teaching staff and related pay-rolls, for new schools, number of classrooms, education developments projections in the region, etc. In terms of financing, their role is limited to negotiations with the local government for defining investments needed in education (ToR VET Albania CARDS, 2007).

The National Labour Council (NLC), created in 1996, aims to build a social understanding and save social equity through the harmonisation of interests, social dialogue, the smoothing out of conflicts, and reaching common agreements. It is composed of government representatives (the MoLSAEO, the Ministry of Justice, the Ministry of Finance, the Ministry of Health, the MoES), as well as ten employer and ten employee organization representatives. NLC includes seven commissions, including the employment and vocational training commission.

VETNC is an advising body to the Councils of Ministers for the VET system development policies. According to the law, VETNC is the institution that assembles almost all interested parties (mostly from the government sector including MoLSAEO, MoES, MoF, MoE, etc, as well as employer and employee organizations and non-profit organizations) and aims to stimulate partnerships and inclusion in SD policies. But since its creation in 2003, VETNC doesn't fully realize this objective for the following reasons: the range of representation³⁶, the lack of follow-up on recommendations with concrete actions, and the resulting lack of adequate funds to sufficiently support the GoA in VET policy issues.

³⁶ Note: mostly from the government sector.

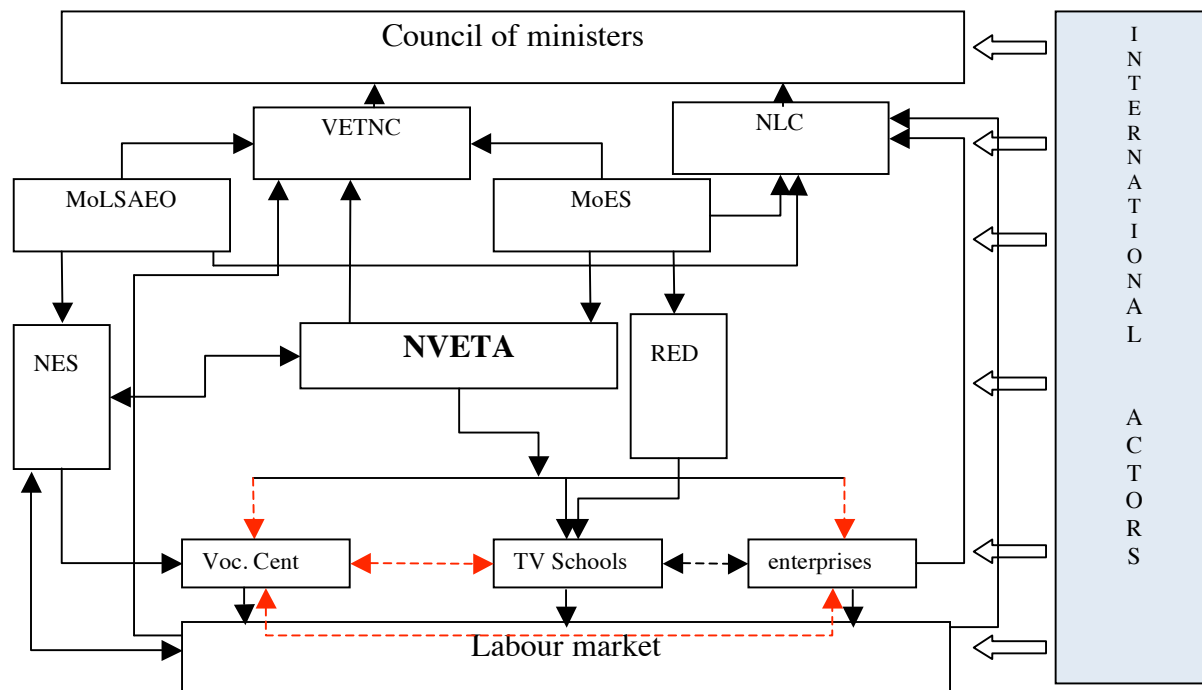


Fig. 1. Interaction between national actors in SD policy in Albania

The National VET Agency (NVETA) is among the most important actors in SD policies in Albania, and “a principal VET stakeholder³⁷”. This is another institution aiming to integrate education, training and employment. The rationale for the creation of NVETA (March 2007) was the radical reevaluation of traditional VET methods and policies for a new skills demand. A re-fashioning of the VET sector in Albania was propelled by major changes in the Albanian market due to the restructuring of the economy after the 1990s, rates of migration at almost 35% among the Albanian workforce³⁸, and regional and European workforce objectives for Albania to become the most competitive labour force in the world. In order to attain this goal, new tasks and responsibilities needed to be performed by strategic institutions responsible for VET. NVETA was created by bringing together specialists from different institutions previously working under MoLSAEO or MoES. The goal of this agency is “to create a unique national professional qualification system, nationally and internationally recognized³⁹”. While VETNC is an advising body for SD policies, NVETA is an executive institution. It is responsible for VET standards, qualifications, accreditation, assessment, curricula and teacher training. Even if the agency’s goal is to integrate policies of MoLSAEO and MoES, it reports to and is budgeted by the MoES. Since its creation, NVETA works closely with international donors and agencies such as DACH-Plus, and CARDS, and participates in the DACH-Plus Group, among others. NVETA is supposed to influence and guide all TVET offerings, but mutual collaboration is more evident between NVETA and schools than NVETA and VTC.

³⁷ ETF country programme 2009, p.9, available online at [http://www.etf.europa.eu/pubmgmt.nsf/\(getAttachment\)/2038B62DC2D875CDC125751D00356BA2/\\$File/NOT_E7M9DEL.pdf](http://www.etf.europa.eu/pubmgmt.nsf/(getAttachment)/2038B62DC2D875CDC125751D00356BA2/$File/NOT_E7M9DEL.pdf)

³⁸ ETF project on “Key Competences for lifelong learning”, February 2007.

³⁹ Council of Ministers Decision no. 273, date 10.5.2006, available at <http://www.qpz.gov.al/doc.jsp?doc=docs/Vendim%20Nr%20273%20Dat%C3%AB%2010-05-2006.htm>

The National Employment Service (NES) is another SD policy execution institution, responsible for active employment policies and operating through its Employment Offices, handling not only direct recruitment but also vocational training as a stimulator for successfully entering the labour market. The NES manages Public Vocational Centres (a total of ten distributed throughout Albania) and is also responsible for labour market analyses.

During 2008, collaboration between enterprises and Employment Offices for the training of unemployed job-seekers was notably higher than previous years. For example and in the city of Korca, training courses in wood processing, plumber, auto mechanics, confectionary, and tourism will be offered for free, with the support of the TABITA foundation. Three out of five months will be dedicated to on-the-job training at private enterprises, with the goal of future employment⁴⁰. But based on previously conducted surveys⁴¹, and feedback from interviews (Chamber of Commerce Training Office, KOK), businesses have far too close a relation with the employment offices, since they consider themselves as the main training offer.

The Enterprises represent a major stakeholder in the VET system. Apart from directly offering skills development, enterprises are actors in national SD policy formulation. In modern TVET systems such as the famous Dual Model in Germany, business is considered as a partner in SD policy decision and implementation. The VET Law (Nr. 8872, dated 29.3.2002) actually recognizes businesses as training providers, decision-makers in occupation standards and curricula development, financing sources, and according to the Law and for enterprises included in VET, they are also worthy of State support (even if how this might be implemented remains unclear). Also, strategies of Education⁴², VET,⁴³ and Employment⁴⁴ recognize the active role of the business sector and their inclusion in the process through employer organizations⁴⁵, Chambers of Commerce and Industry⁴⁶, etc. According to the last study of NES (April 2008), approximately 27% of employees with a low level of education receive on-the-job training (most of them in the processing industry and construction, coming from rural areas). Based on this study, most of the enterprises prefer to offer on-the-job training (especially among big enterprises in the processing industry) than private or public training centre training. Based on this study, only a small percentage (26%) allocate a budget for training. While based on a previous study conducted in March 2005 by NES with the assistance of CARDS, research results found that in most of the cases the enterprises consider themselves as responsible for human resources development, but a low percentage of them (0%-20% depending on the region) have a training policy.⁴⁷ This data is reinforced by IOM research⁴⁸, where more than 56% of the enterprises

⁴⁰ "Labour Market Survey", (2008), National Employment Service, Tirana, Albania, p. 15

⁴¹ Kerr, L. & Alushi, E. (2005), "Labor Market Analysis", Support to Vocational Education and Training Reform – EuropeAid/116601/C/SV/AL, European Delegation in Tirana, Albania; IOM (2008), Local survey, identifying existing opportunities for vocational training for returning migrants and outlining gaps in Albania.

⁴² MoES (2005), National Education strategy 2004-2015.

⁴³ MoLSAEO (2006), Strategy of VET (Draft).

⁴⁴ MoLSAEO (2007), Sectorial Strategy on Employment 2007-2013.

⁴⁵ Note: including Inter Alia CONBIZ, CONFINCOM, Confederation of SME, Employers Union, Elbasan Constructors, TIRBIZ, Organization of Free Entrepreneurs, and Council of Employers' Organizations', Konfindustria, Constructors' Organization, etc.

⁴⁶ Note: Thirty-five Albanian Chambers of Commerce are organized in the National Union of Chamber of Commerce.

⁴⁷ Note: Based on an interview with the Chamber of Commerce, the research group concluded that this institution doesn't have data about their members' skills development policies regarding their employees.

surveyed don't have plans for training but prefer on-the-job training. There are some good examples of business integration in SD development, however, such as the Bread Producers Association in the Durres region, which opened a training course after identifying the training needs of their staff with the help of Swisscontact and partial funding by the business.

As we already mentioned, relations between enterprises and other VET institutions are not very tight, but there are some good examples. The Don Bosko vocational and technical school has a close relationship with businesses and with the students working as interns in these enterprises. 100% of the students and trainees from this school are employed after finishing the studies or the course (sometimes, the school acts as an intermediary). Another school, the Hary Fultz Institute, is also distinguished by its close collaboration with the business community. This institute has set up advisory boards in each department with members coming from successful businesses operating in various fields such as IT, business management, car service, electronics, heating systems, air conditioning systems, computing, graphic design, etc.

Trade Unions⁴⁹ are considered an important stakeholder in SD policies in Albania. This is why this category is represented in all-important decision-making and consulting bodies such as NLC, NVETC, etc. Although there are more than sixty trade unions registered in MoLSAEO, the Union of Independent Trade Unions of Albania and the Confederation of Trade Unions of Albania are the largest. Still Albania has a low membership compared to the regional countries (representing less than 15% of employees)⁵⁰. Even if trade unions are part of different commissions and councils, their role is more consultative than action taking.

NGOs, as important elements of the civil society and supporting cross sectional affairs such as social inclusion, gender aspects and environmental issues, have an increasing importance in human resource development especially through the provision of formal and informal training, as well as furthering the interest of VET in different areas such as the rural sector, gender inclusion, reintegration of trafficked children and women, etc.

Education and training institutions have a very important role in SD, with direct influence on the SD target groups (youth, students, poor, women, adults etc.). Our focus will be on TVET institutions responsible for the transfer of skills or “the ability to perform a mental or motor activity that contributes to the effective performance of a job task”⁵¹. There are about forty-one professional schools distributed across twenty-two regions, which offer approximately thirty-five courses involving three to five years of studies. The number of enrolled students in public technical-vocational schools, including artistic, pedagogical, sports and foreign language schools (the so called social-cultural schools), accounts for approximately 20% of all students who attend general secondary education⁵². Vocational schools are concentrated in central Albania (more than

⁴⁸ IOM (2008), Local survey, identifying existing opportunities for vocational training for returning migrants and outlining gaps in Albania.

⁴⁹ Note: including the Confederations of Trade Unions of Albania, Union of Independent Trade Unions of Albania, Union of Trade Unions of Employees of Albania, etc.

⁵⁰ Hysa, B., Telo, I., (2002), “Trade unions and the issue of responsibility for the socioeconomic development of the country”, SEER South East Europe Review for Labour and Social Affairs, issue: 02 / 2002, pages: 8793, on www.cceol.com.

⁵¹ SHRM glossary <http://www.shrm.org/TemplatesTools/Glossaries/HRTerms/Pages/s.aspx>

⁵² MoES statics 2009, available on line at http://www.mash.gov.al/sistemi_i_informacionit/PUBLIK-2008-2009.htm

50%) and are divided into four main areas: electro-mechanic (nineteen schools), as well as economic, construction-tapestry, agriculture, forestry, and veterinary schools. There are also over thirty-six schools/licensed (private) centres that offer VE, twenty of them operating in Tirana. A small percentage of these are not Albanian (Don Bosko, Peter Mahringer etc.).

With regard to Vocational Training Centres (VTC), there are ten public vocational training centres in the main districts of Albania and 150⁵³ private licensed subjects, offering short-term training courses (in public centres from six to seven weeks up to four months; in private centres, from one week up to two years). Half of the public vocational centres are situated in central Albania where the concentration of the population is higher.

Demand for skills from the labour market doesn't correlate with the skills offered by these institutions: labour market training needs concern the processing industry, construction, commerce, and service sector, while the offer is mainly focused on non-vocational courses such as foreign languages, hairdressing and computer skills. One of the reasons for the superior number of computer and foreign languages courses is the absence of computer and foreign language skills in school curricula prior to 1990, and the need for these skills in the private labour market and public administration⁵⁴.

Private centres and schools are more attractive compared to public ones because of their effectiveness (for example, the normal employment rate out of public schools and centres is approximately 10%⁵⁵, considered very low compared to some private VTC such as Don Bosko, previously mentioned), and because private centres collaborate more with businesses in terms of internship and employment opportunities after their course. In general, private VET institutions are more flexible and independent from the previously mentioned central and local institutions.

Teachers might be considered as important SD actors because of their responsibility in selecting text-books for different subjects (from an approved list). Also, teachers have approximately 20% of their time allocated to various teaching activities such as environmental, cultural and other activities organized mainly through student group projects. Teachers will be an important factor in SD in the future because the new curricula system offers a high rate of flexibility, as it is based on learning modules and learning objectives and not on detailed class plans with precise teaching plans based on specific book chapters.

Students, another important element in SD, are not formally part of SD policy decisions. Student senates are part of the decision-making process, but similar to the school board they don't participate in SD decisions. The limits of student participation in SD decisions is illustrated by the fact that in almost all schools and centres students don't have elective subjects but are obliged to follow classes according to the plan. This is evidence to the top down SD decision-making process.

When reviewing the reports and statistics of Ministries and other institutions about VET, one can observe a detachment between the analysis of technical and vocational education, and training.

⁵³ MoES statics 2009, available on line at http://www.mash.gov.al/sistemi_i_informacionit/JOPUBLIK.htm

⁵⁴ Note: Foreign languages taught in schools before 1990 were mostly French and Russian.

⁵⁵ MoES statistics 2007, available online at <http://www.mpcs.gov.al/statistikat>

This is due to the division of responsibilities between MoLSAEO and MoES, and because in almost all the cases schools operate exclusively as schools and don't offer centre services such as training courses. The same is true for centres. A minimum of two vocational schools, Harry Fultz Institute and Don Bosko, utilize their infrastructure for school as well as training courses. The school environment (classes and laboratories) is used during two shifts, which differs from public schools that "close their doors at noon". Don Bosko's opening of the technical school (while offering only vocational courses and general high school) was driven mainly because of their modern laboratories and classrooms, as well as the qualified human resources that were previously under-utilized. As one can clearly observe, the two cases are that of private institutions. Arben Broci public technical school in Shkodra, for example, it is not allowed by the actual VET law to offer training courses in the school setting, even if they possess all of the resources necessary to do so.

This is considered as a big step in the Albanian VET system decentralization process, which is why the EU's support of the Albanian government began to pilot the so-called Regional VET Centre concept. A policy decision was made to run a pilot phase until 2009, after which it will be decided whether this concept is suitable for country-wide implementation. "The main objectives of the regional VET Centres concept are as follows: quality improvement of VET delivery by the public VET providers; the increased participation of local actors and other stakeholders for the type and quality of VET delivery; a regionally focused management system that takes into consideration the specific economic-development needs of the regions and the labour market; the increase of management autonomy of VET providers; and labour market orientation and focus on client requirements"⁵⁶.

Regional VET centres (RVETC) led by VET regional councils (with a tripartite representation) are being piloted in Durres and Berat with the help of Swisscontact, and in Elbasan and Shkoder supported by CARDS (implemented by Gopa experts), and the "VE in North East Albania" Albania by GTZ. Even if the projected results were high, implementation is encountering some problems, mainly due to the difficulty of gaining consensus among stakeholders, which is necessary for this concept to yield meaningful results. Management Boards, which are proposed as an initial step for the institutionalization of the RVETC concept, will continue to run in Shkoder and Elbasan, while piloting without Management Boards will continue in the rest of the regions (Vlora, Korça and Tirana).

3. POLICY TRANSFER AND POLICY LEARNING IN ALBANIA: SKILLS DEVELOPMENT IN A CROSS –SECTORAL PERSPECTIVE

3.1. Skills development cross-sectoral approach by national and international actors

It is very difficult to measure the real impact of a SD policy implemented through a project or a program, because the project is just a part of a larger system (composed of many actors interrelating with each other), and the final performance is considered a system output. A project can't be successful if all the parties are not committed. Also, a single project can't change the

⁵⁶ CARDS (2007), Annex 2, "Terms of Reference", Support to vocational education and training reform, EuropeAid /116601/C/SV/AL, Tirana, Albania, p.6-7

situation, especially if it remains a pilot initiative. It also requires investment over a number of years in order to measure the full scope of long-term policy implementation, especially in the SD field where the final results are not the school or training course results, but employee productivity. Training and development performance is especially difficult to measure, because most of the time the approach is cross-sectoral. The division between the providers and the beneficiaries of SD further complicates this system. In this section we shall analyze the SD cross-sectoral approach by emphasizing the integration of local policies with donors policies.

Decentralisation, with the goal of offering a TVET system more oriented towards local needs, has been on the agenda of many international donors. The GTZ project in North East Albania and Swisscontact through AlbVET in Durres clearly promote TVET system decentralisation. Still, the TVET system remains centralized and with the restricted autonomy of system suppliers (schools and training centres) regarding financial mechanisms and curricula. The Ministries decide on the major policies and in turn the NVTEA, the schools and centres are the implementing institutions, creating a clear gap between policy decision-making and policy implementation. There are also some decentralisation challenges in TVET such as regional VET councils that don't actually function properly.

It is obvious that most of the donors' projects directly linked with the VET offers are concentrated in central Albania, but this is natural due to the population concentration in these areas. Nonetheless, none of the SD policies and implemented projects target the informal sector⁵⁷ and don't consider SD as a potential tool for the integration of internal migrants who come to nearby big cities without proper education and skills. This could be due to the absence of reliable and complete information on the needs for skills in this area. Actually, the data available on employment are taken from the NES, but even if central Albania hosts the largest population of informal workers in the country, NES data does not reflect this.

SD is considered as an instrument for *regional development*, and donors support this. Among SD projects financed by donors, only fifteen are national, others cover very specific areas like Tirana, Durres, Korce, Fier, Shkoder, Sarande, etc. Since North East Albania is the poorest region, GTZ/PEM project was situated there with a clear goal of improving development and employment opportunities in this region. Swisscontact investment in a mobile training centre in the same region is considered a successful initiative because, apart from moving about to different areas, the centre is flexible in courses offering.

Even if "aligning the TVET offer with the market needs" is a declared SD policy among almost all the donors contributing with direct assistance to the TVET offering, none of their projects refer to *data* offered by NES *on the labour market*. Among the reasons might be: the type of data provided, which focuses on the vocations not the skills required by the labour market; and the methodology used, mainly approximations based on the most developed sector needs for employees (not considering least developed but potential sectors). Probably due to the limitations of NES data on the labour market, the EC financed a national labour market survey through CARDS in 2005, which resulted in a non-efficient policy transfer. Even if conducted with local experts, the study was not effective because the questionnaire was not adjusted to the different sample audiences (enterprises and individuals) in terms of language usage (poor translations) and

⁵⁷ Note: Informality is higher in central Albania, in bigger cities surroundings

unclear concept use (such as questions on Total Quality Management among other little known concepts). Conducting a national and complete labour market survey jointly with INSTAT is still an unrealised objective of the VET strategy.

SD is considered as an instrument for *returned migrants* reintegration. Still there is no study on the expected impact that the returned migrants have on non formal training, such as sharing knowledge gained abroad and developing the skills of the persons they will work upon return. It is expected that emigrants gained soft work management skills, work ethics but also ICT and other technical skills in tourism, construction and the agriculture sector⁵⁸. AQF will be essential also for the unification and recognition of qualifications acquired abroad by Albanian emigrants. In the National Migration Strategy, SD is considered important for the smooth integration of migrants in immigration countries and thus lowering the rate of illegal migration, and also for the migrant reintegration through the acknowledgment of skills gained and on offering upgraded SD initiatives. According to an IOM survey⁵⁹, 50% of the public (and 30% of the private) vocational training centres declare that they tailor their training programmes based on requests from emigrants, while only 28% of migrants attend these kind of courses. There is a clear need to harmonise emigrants needs with the qualifications offered, even if there are some sporadic INGO offers in training for returned migrants.

In order to be effective, SD policies should be articulated with *different education levels*. Vocational school enrolment (less than 20%, quite a low rate compared with the 40% enrolment objective set in 2003) is lower than university enrolment (approximately 50%)⁶⁰, thus creating an unbalanced labour market with more qualified managers and specialist (finishing bachelor studies) than junior managers, technicians, supervisors or skilled workers (finishing vocational education). This labour market handicap has been the focus of many projects such as the implementation of a voucher scheme by Swsscontact for those who left school to attend labour market oriented training courses, and by the Berufssademie by GTZ offering post secondary education. Still vocational education is not attractive, mainly because of the low salaries. According to a late WB survey, the people finishing general education earn 14.4% more compared with those finishing vocational schools.

SD is a direct contributor to working force *competitiveness*, but this is not a declared SD policy in Albania. Actually, Albania doesn't have a clear policy to increase the labour force competitive advantage in the region, neither focusing on highly skilled (well educated) labour force, nor competing with labour low cost. Even though it has launched initiatives to attract foreign investors through low-cost land use, facilitating investing procedures, or building industrial areas, the Albanian labour force still doesn't offer the low cost competitive advantage compared to other countries in the region⁶¹. International donors don't have concrete policies in this direction. We believe that a strong integration of MoES, MoETE and the Chambers of Commerce is

⁵⁸ National Migration Strategy, p.9-10. <http://www.aidharmonisation.org.al/skedaret/1236088299-National%20strategy%20for%20migration.pdf>.

⁵⁹ "Local survey, identifying existing opportunities for vocational training for returning migrants and outlining gaps in Albania", 2008, "2A Consortium" survey financed by IOM

⁶⁰ MoES, statistics 2008 available at <http://www.mash.gov.al/matura/universitetet.htm>

⁶¹ Manchellari, A., Koli, Z., and Mance M., (2009), "Attraction of FDI in Albania", Aquila e il Falcone Conference, Tirana

indispensable in predicting and preparing effective SD that ensures Albanian competitiveness and attraction.

The Albanian rate of *unemployment* is around 13%, but considering the fact that all individuals of working age in rural areas are automatically registered as self employed in the agricultural sector (over 58% in 2006⁶²) while in reality agriculture contributes to only 23.3% of GDP⁶³, the real unemployment rate is likely to be more than 13%. The GoA considers SD as an active labour market policy and aims to increase the employment opportunities through investments in training and development. Almost all international donors/agencies have an explicit SD policy focussing on increasing employment possibilities. Their interventions are more effective than public TVET sector offerings. As mentioned above, almost 100% of the students following the schools and courses supported by these projects are employed – mainly because there is a stronger relationship between these institutions and various enterprises. For example, Swisscontact financed more than 30,000 trainees for six years through a voucher scheme and assisted them in finding a job.

The SD policies of Albanian and international donors/agencies to enhance employment have also targeted *vulnerable groups* particularly. The *gender dimension*, with the goal of including women in the labour market, has been an indirect (not explicit) policy in most of the donor projects. Even if in the national VET strategy includes a principle regarding equal opportunity for participation without discrimination of any kind (gender, national, race, religion, etc), concrete national initiatives to integrate women into the labour market remain nonexistent. Hairdressing courses, considered as a woman’s domain, are among the most frequented courses by women⁶⁴ and offer good opportunities for employment or self-employment, but this is more a market trend than an intentional state policy. There are some good examples of IC actors taking on gender issues, like the new gender balancing initiative in the future AlbVET project aiming to develop women-friendly vocations. SD is considered also as a *minority* inclusion policy and stated as such in both employment and roman⁶⁵ sectoral strategies. While there are sporadic and isolated state initiatives to integrate this population through creating employment opportunities, almost none of them concerned SD. International donors SD policies also don’t have explicit policies focused on this population.

SD policies focused on *marginalised children* are strongly supported by UNICEF through YAPS (Youth Albanian Professional Service)⁶⁶ which is now a social business sustainable⁶⁷ project, and the Life Skills project directed to special target groups (children out of parent’s care; vocational training for roman community families, as a direct impact on their children’s life quality; and the

⁶² INSTAT statistics 2008, “Employed according to economic activity (1995-2007)” available online at <http://www.instat.gov.al/>

⁶³ INSTAT statistics 2008, “GDP according to economic activity (1996-2007)” available online at <http://www.instat.gov.al/>

⁶⁴ Note: As well as foreign-language and computer-skills courses

⁶⁵ Note: Approximately 2% of the Albanian population is roman, of which 70% are unemployed; romans represent one of the poorest segments of the population.

⁶⁶ Note: a pioneer project in the Balkan region. The same project was implemented in Azerbaijan. More information is available at: <http://www.unicef.org/albania/YAPScasestudy.pdf>

⁶⁷ Note: Now self financed.

integration of marginalised children such as former drug abusers, HIV/AIDS victims, disabled, trafficked, etc.)⁶⁸.

The stimulation of *Small to Medium Enterprise (SME)* through professional and entrepreneurial skills is another cross-sectoral SD policy. While there are good initiatives by international projects to promote entrepreneurship (Junior Achievement by USAID, Training Firms by KulturKontakt), based on the latest study on key competences that are included in classes or courses in the educational system in Albania⁶⁹, skill building around the “sense of initiative and entrepreneurship” is not widely offered by VET, beyond business schools and sporadic programs. This represents a serious problem because it impedes one of the VET Strategy objectives, to increase the level of SMEs through the involvement of VET students.

SD policies should be focused on prioritised sectors of economy, the sectors that ensure sustainable growth. As stated above, the GoA has a record number of priorities focussed on all sectors. While assisted by international experts to identify their competitive advantage, the support of prominent sectors such as agriculture and tourism remains a key issue. Direct assistance is given by the international donors to agriculture and tourism schools by the WB, the SDC, the GTZ, USAID, the government of the Netherlands, ADA etc. The assistance was mainly for equipment and on teacher training, and in some cases curricula. Still the assistance remained at the project level and the initiative wasn't reproduced by the state at the national level.

3.2. Lessons learned

The implementation of different projects provides opportunities for many lessons learned that can be taken into consideration. But how much did Albanian actors learn from the donors and their projects? As most of international donor-driven projects operate with pilot schools or centres, the question of long-term sustainability is raised. After carefully analyzing follow-up with pilot projects, we conclude that few donor pilot projects were followed up by the local actors independently or re-implemented successfully nationwide. Increasing the usage capacity of schools and training centre sites is one of the good examples where Albanian policy learned from international policy. Most of the public VET institutions are used only for the morning-to-afternoon period. Since spending per student is considerably higher for VET students⁷⁰, the international experience practiced in Harry Fultz and Don Bosco technical schools of using the learning sites and laboratories even during the afternoon to offer training courses is a new SD practice in Albania. The proper legal adjustments and budgeting is being prepared to launch this policy accordingly.

In addition, practice oriented curricula is among the most successful transferred policies in Albania coming from IC. Based on a Soviet school system, an Albanian curriculum was focused on theoretical knowledge and memorisation methodology. Starting with the first capacity-building projects in the beginning of the 1990s, Albanian experts and teachers were presented with another, more productive practice-oriented approach. The WB, EC and most of the actual

⁶⁸ UNICEF country program for Albania (2006-2010), p.11

⁶⁹ Note: ETF project on “*Key Competences for lifelong learning*”, February 2007.

⁷⁰ Note: three times higher according to the WB calculation.

DACH+ projects not only applied but are actively involved in the process of reshaping curricula towards involving more practical training and student involvement. Dual system and other approaches aiming at a close relation with the work environment as an integral part of the learning experience can be considered as an aspect of a multi-dimensional SD policy on learning (based on the past experience of students' one-month internships and also from donors' projects such as AlbVET, AgriAL, etc.) In spite of the success in TVET inclusion in higher education, there is still work to be done as the Bologna process is not only slow, but also involves many contradictions in its implementation.

At the same time, Albanian VET actor representatives have their own reserves about the flexibility and sometimes overlapping nature of international actors. Specialists of the SD policies in Albania in particular believe that, at times, working with so many international experts makes their work more difficult and time consuming, because of the different experiences involved and the persistence of international experts in positioning their expertise as superior compared with national experts or technicians.

Another problematic area for policy transfer is decentralisation. As we will analyse in the following section and because of Albania's small geographical surface and population, local capacities and local actor incentives for a regional TVET system led by regional VET councils were not effective for the policy transfer. There are also some policies such as AQF and postsecondary education innovations that have yet to be validated. On the contrary, Berufsschule of GTZ in Durres is a good example of policy learning. Even if this is a solution for speeding up the amount of qualified employees entering the market and is derived from Western Europe practices based on older populations, these courses can be a good offer with the proper marketing and incentives for enrolment.

Living in an isolated country for half a century, Albanians used to idealise the external world. Even now, if something is stated by a foreign professional it is considered as valuable and taken more for granted than if a national had said it. This is evident in public policies where international expertise is taken for granted, even if sometimes overlapping with priorities. Nevertheless, donor intervention is always reported with a superlative language. We believe that it is the time for Albanian VET policy specialists to gain more self-confidence, because they have assisted in every step of the VET system reformation and therefore carry with them institutional memory, which is a great asset in any transition process because it collects know-how and experience, and transmits this to actual working groups and experts, thus preventing the repetition of non-successful initiatives and suggesting suitable solutions. National experts should be the ones to create a clear vision on future SD policies in Albania, also based on the experience they gain from different countries and experts.

4. CONCLUSIONS

SD policies are an intriguing field of study in developing countries, involving a range of different actors working towards multidimensional objectives in a variety of sectors. Albania benefited from external aid since the beginning of 1990, even in the TVET sector. Apart from contributing financially, international donors brought their expertise and policies to their projects. International policies combined with the numerous, overlapping and non-prioritised Albanian

priorities created an ambiguous SD policy situation for a certain period of time. Stimulated by international developments, most of the important donors operating in Albania initiated coordination activities, which are now being led by the DSDC responsible for a planning system that integrates the NSDI, the Government Program Priorities, the European Integration Agenda, External Assistance, and Medium Term Budgeting Program / Public Investment Management. Sector working groups, DACH-Plus, the Partners for Education project and the creation of Donors Matrix are good examples of donor coordination. Paris Declaration monitoring in Albania also indicated improvements in three out of five indicators, but these were incremental improvements of indicators from “low” to “moderate low” or from “moderate” to “moderate high”, and still two out of five indicators remain low. Due to the Albanian strategic objective of integration in the EU, there is an evidence of EU policy domination in national SD policies. Among all the donors selected for this study, it was clear that their operations were based on the National Strategy for VET, on regional development plans, and on other country strategies. The SD projects and SD policies transferred in Albania aim to improve: lifelong learning, mobility and flexibility, public private partnerships, decentralization, efficiency and competitiveness – the same as in almost every developing country. Nevertheless, there are some sporadic projects related to specific Albanian needs such as promoting agriculture development; integrating women and marginalized groups into the labour market, including return emigrants; VET fitting with the Albanian labour market trends, involving the informal sector, SME promotion, etc. While some donors have good examples of SD policy transfer and learning, such as the close relationships with the business sector and resulting practical training oriented curricula, others policies such as decentralisation of the VET supply are less effective. Finally, many other adopted policies such as AQF, post secondary courses, etc., need to be carefully managed to reach the expected benefits. If we expect this multiple system to properly function, the interrelation between local actors should be more organic and the SD policy decisions more decentralised, with an active partnership of the business sector.

Appendix 1: Main international actors and their profile

International donor	Profile in Albania	Implementing agencies	Distinguished Projects	Collaborates with ⁷¹	Albanian VET strategy priorities ⁷²	OBJECTIVE								Formal/ Informal
						employment	Gender issue	minorities	SME	Returning emigrants	Agriculture	Poor	other	
EC (CARDS)	-Institutional Development and Capacity Building -Systems Development -Systems Delivery	GOPA consultants	CARDS VET1 CARDS VET2 CARDS VET3	GoA DSDC MoES MoLSAEO NAVETA NVETC VC TVS	1,2,3,4,5,6	*	*		*	*	*			Formal
EC (ETF)	Research and technical assistance capacity building linked to process policies to apply major EU instruments	ETF	PHARE ⁷³	MoLSAEO MoES NVETA	1,2,3,4	*			*				-Tools to monitor Im policies -Draft laws	Formal
EC (IPA)	support the implementation of Albania's NES with special focus on Pre-University VET	MoES	IPA	MoES RED NAVETA	1,2,3,4,5,6	*						*		Formal
German Government	Increase VET quality and employment through an integration of education with the business	GTZ	VE in NE Albania (PEM consult) Berufsakademie Durres	VS NVETA Chambers of Commerce RED Local schools	1,2,3,4,5,6	*			*		*	*	-capacity building -social partnership -curricula development -regional dev.	

⁷¹ International actors collaborate with almost all the national actors, but we will mention the ones in closer and direct relationship with them

⁷² Based on Dach Plus Albanian VET project Matrix and interviews, reports from other sources

⁷³ Already finished

SDC	Direct assistance to VET offerings to be aligned with market need	Siwsscontact	-AlbVET -Short term VT courses -mobile training unit	TVS VC NVETA NES Enterprises Local government	1,2,3,4,5,6	*	*		*		*	*		Formal + informal
ADA Austrian Development Agency	VE in secondary schools and colleges (business schools, tourism schools, agricultural schools)	Kultur Kontakt Austria	AGRIAL ECO-AL	MoES Business & Agriculture VS	1,2,3,4,6	*	*		*		*	*		Formal+ informal
WB	Sustain pre university education strategy realisation	MoES	Education Excellence and Equity	MoES NAVETA RED GoA, BEI, CEB	1,2,3,5,6	*			*		*	*	Consultancy for VE strategy; curriculum development	Formal education
United nations	Assistance in VT policy, VE legislation;	ILO	Decent Work Country Programme for Albania	MoLSAEO MoES	5,6								MDG	
	support the Government and other civil society institutions to develop the structures needed to fulfil the rights of every child	UNICEF	YAPS Life Skills	MoLSAEO Local & International NGO	3,5,6	*	*	*	*	*	*	*		Formal+ Informal
German Institution for Adult Education and Life Long Learning	Provider Expertise Policy	IIZ/DVV	PARSH	VC MoLSAEO	1,2,3,4,6				*				Adult learning	Formal+ Informal
United Kingdom	College Business Partnership Policy Dialogue (QA through self-evaluation)	British Council	Skills @ work	MoES, MoLSAEO, NVETA, ICT, Chamber of Commerce and Industry	1,2	*			*					Formal