

# 10 Education policy (Dimension 7)

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This chapter assesses the education policy settings, strategies, processes, and institutions in the six Western Balkan economies (WB6). After a brief overview of progress since the last Competitiveness Outlook (CO) assessment in 2018, the chapter focuses on four sub-dimensions. The first, early childhood and school education, considers the quality of pre-university education from preschool upwards. The second, teachers, looks at the selection, initial training and ongoing development and management of the teaching workforce. The third, vocational education, and training (VET) considers how this key sector is governed, and the roll out of work-based learning across the region. The final sub-dimension, tertiary education, considers the equity of access to higher education and how relevant it is to the labour market for those who do attain it. A cross-cutting sub-dimension on system governance focuses on how the WB6 economies govern and manage their education systems across the board, including strategies and policies for the improvement of their overall performance. Each of these sub-dimensions includes suggestions to improve performance in education policy and in turn foster greater labour productivity and social inclusion, key long-term drivers of competitiveness.

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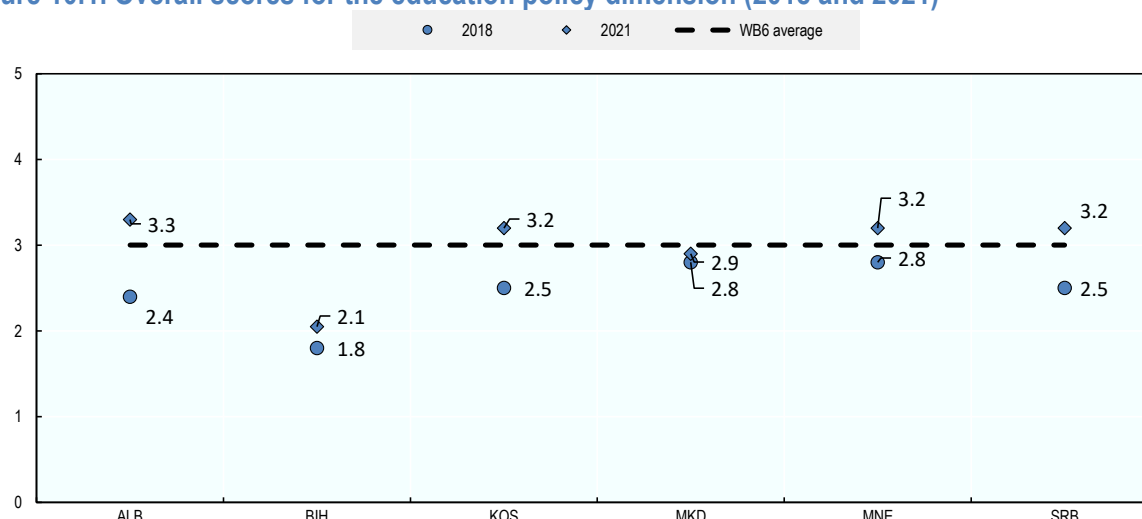
## Key findings

- **All of the WB6 economies have seen increasing coverage of early childhood education (ECE)**, with significant increases recorded in Kosovo, Montenegro, North Macedonia and Serbia. However, despite this positive trend and various efforts to increase coverage, enrolment rates in pre-primary education in the WB6 economies remain below the EU and OECD averages.
- **Most of the WB6 economies have strategies to address the quality of pre-university education.** However, they vary in the comprehensiveness, implementation and monitoring of their policy frameworks. All the WB6 economies have developed or are developing competency-based curricula and learning standards, which many are using to facilitate the examination and comparability of students' achievements.
- **The WB6 economies have made significant progress in reducing the rate of early school leaving.** However, the percentage of pupils who leave education early is still very high in Albania and Kosovo, around 10-20 percentage points (p.p.) higher than the EU and OECD averages. It is however, encouraging that these economies have seen the most significant decline in early school leavers in the region since the last Competitiveness Outlook assessment.
- **In most WB6 economies, teachers' educational attainment is lower than the EU and OECD average** as, except in Albania and Serbia, the overwhelming majority of teachers only have bachelor's degrees. Despite efforts to encourage and improve teachers' participation in professional development and important reforms, participation in professional development remains below the EU and OECD averages.
- **The WB6 economies have made progress in strengthening vocational education and training (VET) governance and work-based learning (WBL).** However, performance disparities in core literacy and numeracy skills remain high between students in VET and general programmes, and data collection and reporting on VET sectors could be improved. A significant achievement by most economies has been the introduction of dual-education systems, which has helped promote WBL opportunities.
- **Improving equity in access to higher education and the labour market relevance of higher education continue to be challenges.** Despite efforts made and policies in place, employment rates among recent graduates remain below the EU and OECD average and policies to reduce inequity have so far had mixed results.
- **All the WB6 economies, except for Bosnia and Herzegovina, have developed an education management information system (EMIS)** to centralise and facilitate the collection and management of data for various indicators across the education system. Nevertheless, data collection remains a key challenge in several areas (such as in VET and tertiary education). Furthermore, the WB6 economies do not systemically exploit the data they do collect, to analyse education policies or comprehensively report on overall progress to inform policy making.

## Comparison with the 2018 assessment

All the WB6 economies have improved their scores for the education policy dimension since the last assessment (Figure 10.1). The regional average score increased from 2.5 in 2018 to 3 in 2021. The strongest improvements were registered in Albania, Kosovo and Serbia.

**Figure 10.1. Overall scores for the education policy dimension (2018 and 2021)**



Note: Scores for 2021 are not directly comparable to the 2018 scores due to the addition/removal of relevant qualitative indicators and restructuring of sub-dimensions. Therefore, changes in the scores may reflect the change in methodology more than actual changes to policy. The reader should focus on the narrative parts of the report to compare performance over time. See the Methodology and assessment process chapter for information on the assessment methodology.

## Implementation of the Competitiveness Outlook 2018 recommendations

Since the last Competitiveness Outlook assessment, the WB6 economies have made progress in introducing dual education models into their education systems, thereby promoting and strengthening work-based learning schemes. More moderate progress has been made regarding the promotion of participation in ECE and regarding efforts to increase the attractiveness of the teaching profession and incentivise the professional development of teachers (Table 10.1).

**Table 10.1. Implementation of the CO 2018 policy recommendations: Education policy**

Competitiveness Outlook 2021		
2018 policy recommendations	Main developments during the assessment period	Regional progress status
Increase expenditure on primary and secondary education	<ul style="list-style-type: none"> <li>Public spending on education in general in the WB6 economies remains below the EU and OECD average, and there has been no internationally recorded consistent increase in public spending on education (relative to GDP) since the last assessment.</li> </ul>	Limited
Stimulate participation in ECE, for example by improving provision and affordability	<ul style="list-style-type: none"> <li>Despite strong measures in some WB6 economies (particularly Kosovo and Montenegro) to develop ECE and encourage participation, enrolment rates in pre-primary education, while increasing, remain below the EU and OECD averages.</li> </ul>	Moderate
Invest more in improving the attractiveness of the teaching profession and the participation of teachers in professional development programmes	<ul style="list-style-type: none"> <li>The WB6 economies have made moderate progress in improving the attractiveness of the teaching profession. Most economies have made efforts to improve working conditions of teachers, all have raised salaries,<sup>1</sup> and some have also strengthened recruitment standards.</li> <li>All the WB6 economies have made efforts to incentivise professional development of teachers, but the average participation of teachers in professional development remains below the EU and OECD average</li> </ul>	Moderate

Competitiveness Outlook 2021		
2018 policy recommendations	Main developments during the assessment period	Regional progress status
	(although this is not the case in all WB6 economies).	
Promote and strengthen work-based learning schemes like apprenticeships or internships	<ul style="list-style-type: none"> <li>Most WB6 economies (Albania, Kosovo, Montenegro, North Macedonia, and Serbia) have introduced, or are in the process of piloting, models for dual education, allowing students to undergo professional practices in parallel with their in-school education. This is a significant development as it systematises work-based learning in certain education programmes.</li> </ul>	Advanced
Make efforts to reduce skills mismatches	<ul style="list-style-type: none"> <li>Limited progress has been made in this area: The labour market relevance of higher education remains a significant challenge and employment rates of recent graduates are below the EU and OECD average.</li> </ul>	Limited

1: Data not available for Kosovo.

## Introduction

Education is foundational for an economy's competitiveness as it forms the basis of its human capital and allows individuals to develop the skills needed to adapt to changes in the labour market. Theories of economic growth have pointed to education and human capital as key determinants of long-term growth (OECD, 2010<sup>[1]</sup>). This is particularly relevant in the context of the COVID-19 pandemic, as a well-educated and skilled workforce is a key pillar of an economy's resilience (OECD, 2020<sup>[2]</sup>).

Strong and inclusive education systems are essential for the development of the WB6 economies. A qualified workforce is indispensable for an economy's integration into global value chains and production processes, and is a boost to labour productivity and therefore overall competitiveness. As a vector of social inclusion, education is also essential for ensuring social cohesion. This is particularly important in the WB6 economies, which see differences in performance among students based on criteria such as gender, ethnic minority origin and geography (OECD, 2020<sup>[3]</sup>). The 2018 Programme for International Student Assessment (PISA) suggests that the WB6 economies also continue to have a large share of students who complete school without achieving the minimum levels of literacy and numeracy needed to succeed in work and life. However, the region is making efforts to align with EU education standards, which is helping drive reforms that promise to improve learning outcomes and better equip individuals with the skills and competencies needed to succeed in the changing world of work.

This chapter looks at the policies and strategies the WB6 economies have adopted to improve their education systems, assesses their progress in implementing the previous Competitiveness Outlook recommendations and provides policy advice based on the new education policy assessment framework. Education policy is closely related to other policy areas addressed in this publication, in particular:

- **Chapter 4. Investment policy and promotion.** Domestic and foreign direct investment (FDI), depends on a skilled local workforce in the key sectors attracting investment.
- **Chapter 5. Trade policy.** Integrating the WB6 economies with dynamic global value chains generates both opportunities and risks for education systems.
- **Chapter 11. Employment policy.** Employment is influenced by the quality of the labour force, which is largely determined by the education system. Employment rates are very closely related to education levels and unemployment predominantly affects the poorly educated. Higher levels of educational attainment, on the other hand, bring substantial returns, such as higher employment rates and relative earnings (OECD, 2020<sup>[2]</sup>).
- **Chapter 12. Science, technology and innovation.** Research and innovation are key to improving the allocation of scarce resources and identifying new solutions to social and economic challenges. These sectors need highly educated and trained professionals to act as scientists, technicians and

innovators. An education system that allows individuals to develop their talents and skills is a prerequisite for a highly qualified workforce of science, technology, and innovation professionals.

- **Chapter 13. Digital society.** Information and communication technology is profoundly and rapidly transforming the world of work and society more broadly. Education must play a key role in allowing individuals to adapt to a rapidly evolving labour market and world around them. Digital technologies have also become the bedrock of many education systems as a result of the COVID-19 pandemic, and their use will certainly be more widespread and integrated in the future.
- **Chapter 18. Tourism policy.** An economy's cultural, historical and natural resources can all attract foreign and domestic visitors and support economic activity. A qualified workforce is a cornerstone of an effective tourism policy, as many of the sectors that benefit from and support tourism (such as hospitality, culture and overall tourism management) are dependent on vocational education and training to provide specialised and well-trained workers.

## Assessment framework

### Structure

This chapter assesses policies to improve education in the WB6 by assessing four broad sub-dimensions:

1. **Sub-dimension 7.1: Early childhood and school education<sup>1</sup>** assesses the access and availability of early childhood education (ISCED level 0 under the international standardised classification of education), as a foundation for early development of key competencies for lifelong learning. It also assesses the instruction systems and quality assurance mechanisms of schools in the WB6 economies. Finally, it assesses efforts to tackle early school leaving.
2. **Sub-dimension 7.2: Teachers** assesses the teaching workforce of the WB6 economies, by looking at progress made in strengthening initial teacher education (ITE) accreditation criteria and selection processes, as well as efforts to improve continuing professional development of teachers.
3. **Sub-dimension 7.3: Vocational education and training** looks at efforts to make improvements to the governance systems for VET in the WB6 economies, as well as the promotion and strengthening of work-based learning as a key driver of students' skill development.
4. **Sub-dimension 7.4: Tertiary education** assesses the WB6 economies' progress in ensuring greater equity in access to tertiary education for students coming from disadvantaged groups or backgrounds. It also assesses efforts to improve labour market relevance and outcomes of tertiary education in the WB6 economies through making higher education more competitive and ensuring its quality and synchronisation with labour market needs.
5. **Cross-cutting sub-dimension: System governance** assesses the WB6 economies' efforts to improve the overall holistic management of their education systems, through the introduction and development of data management systems and strengthening of policy monitoring, as well as the development of qualifications frameworks.

The assessment was carried out by collecting qualitative data with the help of questionnaires filled out by governments, as well as face-to-face interviews undertaken with relevant non-government stakeholders. Alongside these qualitative inputs, quantitative data on certain indicators – provided by the economies' statistical offices, relevant ministries and agencies, and other databases – formed an integral part of this assessment. Figure 10.2 shows how these sub-dimensions and indicators make up the assessment framework. For more information, see the Methodology and assessment process chapter.

Figure 10.2. Education policy dimension assessment framework

Education policy dimension			
<b>Outcome indicators</b> <ol style="list-style-type: none"> <li>1. Gross domestic product (GDP) per person employed</li> <li>2. Highest educational attainment by gender</li> <li>3. Mean scores in science, reading and mathematics by gender (PISA 2018)</li> <li>4. Share of low achievers in science, reading and mathematics by gender (PISA 2018)</li> </ol>			
<b>Sub-dimension 7.1</b> Early childhood and school education	<b>Sub-dimension 7.2</b> Teachers	<b>Sub-dimension 7.3</b> Vocational education and training	<b>Sub-dimension 7.4</b> Tertiary education
<b>Qualitative indicators</b> <ol style="list-style-type: none"> <li>1. Early childhood education</li> <li>2. Instruction system</li> <li>3. Prevention of early school leaving</li> </ol>	<b>Qualitative indicators</b> <ol style="list-style-type: none"> <li>4. Initial teacher education and recruitment</li> <li>5. Professional management and development</li> </ol>	<b>Qualitative indicators</b> <ol style="list-style-type: none"> <li>6. VET governance</li> <li>7. Work-based learning</li> </ol>	<b>Qualitative indicators</b> <ol style="list-style-type: none"> <li>8. Equity in access to higher education</li> <li>9. Labour market relevance and outcomes</li> </ol>
Cross-cutting sub-dimension: System governance			
<b>Quantitative indicators</b> <ol style="list-style-type: none"> <li>1. Gross enrolment in pre-primary education (ISCED 02)</li> <li>2. Share of early leavers from education and training (% of population aged 18-24)</li> <li>3. Share of early leavers from education and training by urban and rural areas</li> </ol>	<b>Quantitative indicators</b> <ol style="list-style-type: none"> <li>4. Distribution of teachers' levels of education</li> <li>5. Participation in professional development (PISA 2018)</li> </ol>	<b>Quantitative indicators</b> <ol style="list-style-type: none"> <li>6. Performance differences between students in VET and general education in core literacy and numeracy skills (PISA 2018)</li> </ol>	<b>Quantitative indicators</b> <ol style="list-style-type: none"> <li>7. Employment rates of recent graduates (ISCED 3-8) aged 20-34</li> </ol>

The leaders of the WB6 endorsed the Common Regional Market (CRM) 2021-2024 Action Plan (AP) at the Berlin Process Summit held on 10 November 2020 in Sofia. The Action Plan is made up of targeted actions in four key areas: 1) a regional trade area; 2) a regional investment area; 3) a regional digital area; and 4) a regional industrial and innovation area.

In the regional trade area, the WB6 economies commit to closely align rules and regulations with the core principles governing the EU Internal Market based on the “four freedoms”, enabling goods, services, capital and people to move more freely across the region. Mobility of students and researchers is a key component of the free movement of people. The findings in the tertiary education sub-dimension can inform the implementation of the actions under this component (see Box 10.4).

### **Key methodological changes to the assessment framework**

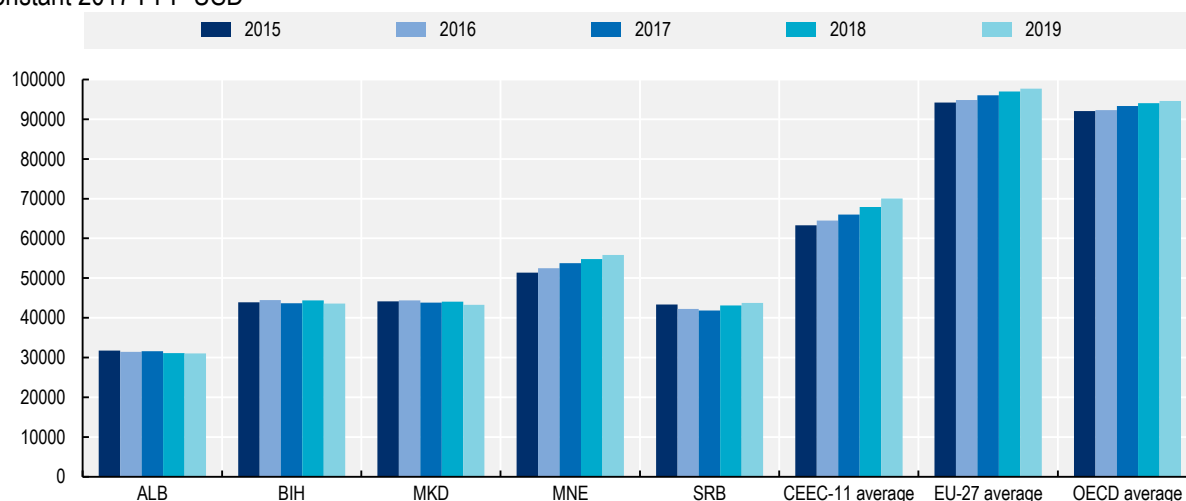
The assessment framework for the education policy dimension has changed slightly from the previous assessment cycle. The framework was re-arranged to include four sub-dimensions instead of three. The previous assessment cycle's first sub-dimension, access to and participation in high quality education, was divided into two sub-dimensions (early childhood and school education, and teachers) in order to better cover and expand on these key policy areas. A cross-cutting sub-dimension on system governance has also been added.

## Education performance and context in the WB6

High standards of education and competencies have many benefits for an economy and society. While education is not the only factor determining productivity, it plays an important role in skill formation and the availability of skills in the labour market. (OECD, 2019<sup>[4]</sup>). Growth in an economy or sector can come either from increased employment or more efficient work, i.e. improved labour productivity. Figure 10.3 shows that labour productivity, as measured by GDP per person employed, was lower in the WB6 economies than the CEEC-11,<sup>2</sup> EU or OECD averages between 2015 and 2019. On average, the Western Balkan economies' GDP per person employed was only 46% of the OECD average in 2019.

**Figure 10.3. GDP per person employed (2015-19)**

Constant 2017 PPP USD



Note: The CEEC-11 countries are Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia. All WB6 and CEEC-11 averages in this chapter have been calculated as simple averages.

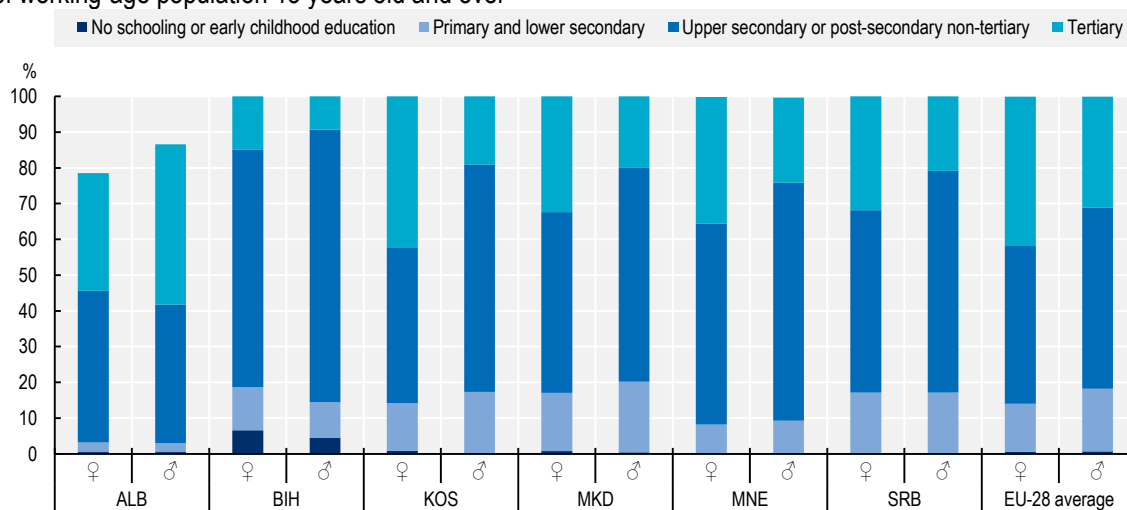
Source: (ILO, 2020<sup>[5]</sup>), ILOSTAT database, [ilostat ilo.org](https://ilostat ilo.org).

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Educational attainment is frequently used as a measure of human capital and thus as a proxy for the skills available in the labour force. Figure 10.4 shows levels of educational attainment in the working-age population (aged 15 and over) by gender. The share of tertiary-educated individuals in the WB6 economies is 9 percentage points (p.p.) below the EU average. However, except in Albania, women in the WB6 economies, as in the EU, are more likely to have a tertiary degree than their male peers. This gender gap is most pronounced in Kosovo, where 42.4% of women had a tertiary education, but only 19% of men.

**Figure 10.4. Highest educational attainment by gender (2019)**

% of working-age population 15 years old and over



Note: Data based on labour force surveys. In Albania, 21.4%/13.3% of female/male respondents did not specify their level of education. EU average calculated as a simple average by the author. On average across the EU, 0.46% of respondents did not specify their level of education. Level of education refers to the highest level completed, classified according to the 2011 International Standard Classification of Education (ISCED). Primary and lower secondary education refers to ISCED levels 1-2; upper secondary or post-secondary non-tertiary education to ISCED levels 3-4; and tertiary education to ISCED levels 5-8.

Source: (ILO, 2020<sup>[5]</sup>), ILOSTAT database, [ilostat.ilo.org](https://ilostat.ilo.org).

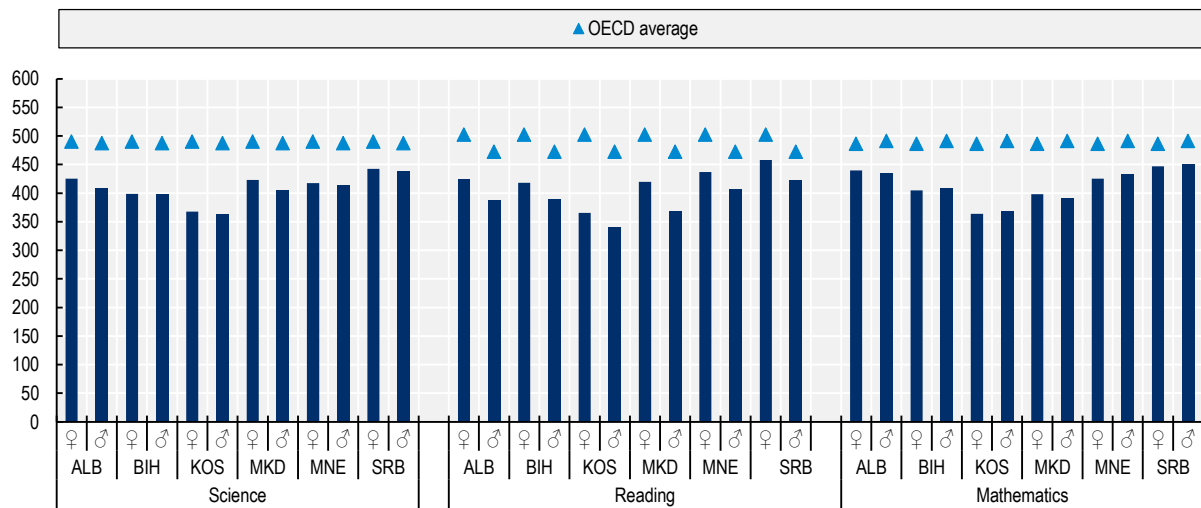
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All the WB6 economies participated in the 2018 PISA. The results found that they all have room to improve the quality of their education as the mean scores of 15-year-old students were well below the OECD averages (Figure 10.5). The results also revealed important disparities in learning outcomes. Across the WB6 economies, the differences in science, reading and mathematics performance between girls and boys are more pronounced than in the average OECD country. For example, in reading, girls in the WB6 economies outperformed boys by 35.1 score points on average, compared with a gap of only 29.7 score points on average in OECD countries. Most strikingly, in North Macedonia girls outperformed boys in reading by 51.6 points, the fourth highest gender gap across all the 77 countries and economies with available data that participated in the 2018 PISA.



**Figure 10.5. PISA 2018 performance in science, reading and mathematics by gender**

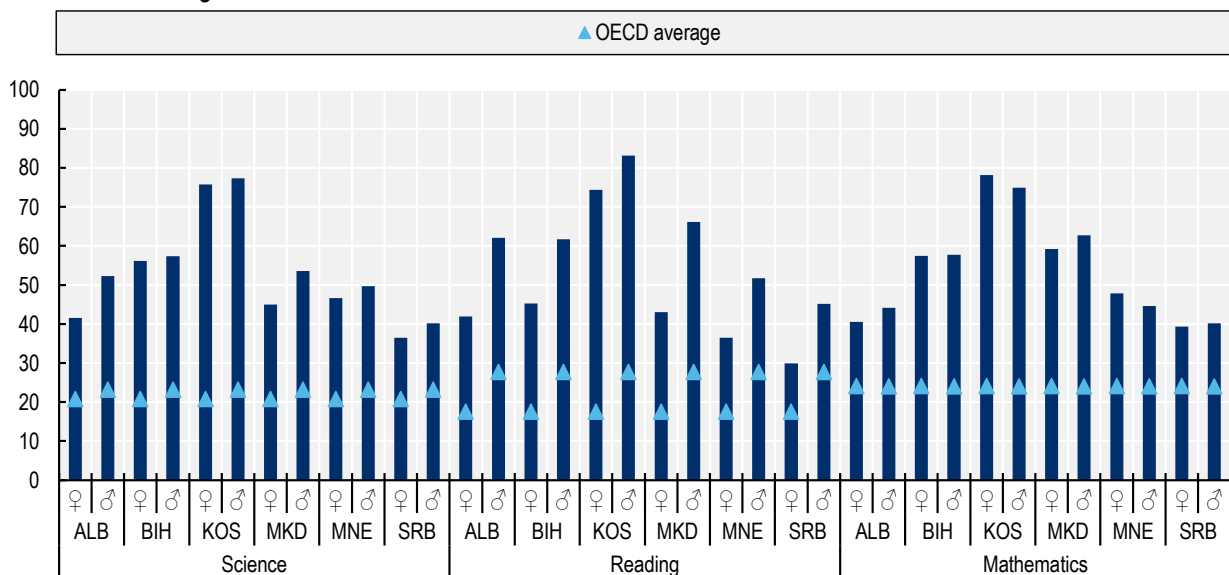
Mean scores

Source: (OECD, 2020<sup>[6]</sup>), PISA 2018 database, [www.oecd.org/pisa/data/2018database](http://www.oecd.org/pisa/data/2018database).StatLink <https://doi.org/10.1787/888934253955>

The PISA assessment has a scale of proficiency levels for the different subject domains. All students should be expected to attain Level 2 by the time they leave compulsory education, as this is considered the baseline level of proficiency required to participate fully in society. Students who score below Level 2 are defined by PISA as “low performers”. Figure 10.6 shows that the WB6 economies have a larger share of such low performing students than the OECD average. On average across the WB6 economies in 2018, around one in two students did not attain Level 2 in each of the three domains (science, reading and mathematics) – a much higher share than the average for OECD countries, of about one in five students.

**Figure 10.6. PISA 2018 low achievers in science, reading and mathematics by gender**

% of students scoring below Level 2

Source: (OECD, 2020<sup>[6]</sup>), PISA 2018 database, [www.oecd.org/pisa/data/2018database](http://www.oecd.org/pisa/data/2018database).StatLink <https://doi.org/10.1787/888934253974>

## Early childhood and school education (Sub-dimension 7.1)

Early childhood education (ECE) spans a critical window for a child's development which sets the foundation for later success in school, career, and life (UNICEF, 2019<sup>[7]</sup>; European Commission, 2013<sup>[8]</sup>). The benefits of ECE for individual children depends on the quality of provision but high-quality services have been shown to support children's social and emotional well-being, reduce their risks of dropping out of school and even contribute to better learning and employment outcomes later in life (UNICEF, 2019<sup>[7]</sup>; OECD, 2017<sup>[9]</sup>). Children from disadvantaged families stand to benefit the most from high-quality ECE and the return on investment from interventions during the early years are more significant than those that occur later on (OECD, 2017<sup>[9]</sup>). Moreover, children's participation in ECE offer greater opportunities for mothers and other caregivers to participate in the workforce, increasing household earnings and breaking cycles of intergenerational poverty (UNICEF, 2019<sup>[7]</sup>; OECD, 2017<sup>[9]</sup>).

Strong instructional systems hold schools accountable for educational quality and provided feedback to help improve teaching and learning practices (OECD, 2013<sup>[10]</sup>). Achieving this requires identifying areas of poor performance and providing additional resources to support the most disadvantaged schools and students. To improve overall learning outcomes, instructional systems should be highly coherent, with the curriculum, learning standards and student assessments all clearly aligned (Tucker, 2016<sup>[11]</sup>).

Preventing early school leaving is also key to ensuring the good functioning of the education system as individuals who leave education and training before completing upper secondary school, and who no longer participate in formal learning processes, face increased risks of unemployment, social exclusion, poverty and poor health (European Commission, 2019<sup>[12]</sup>).

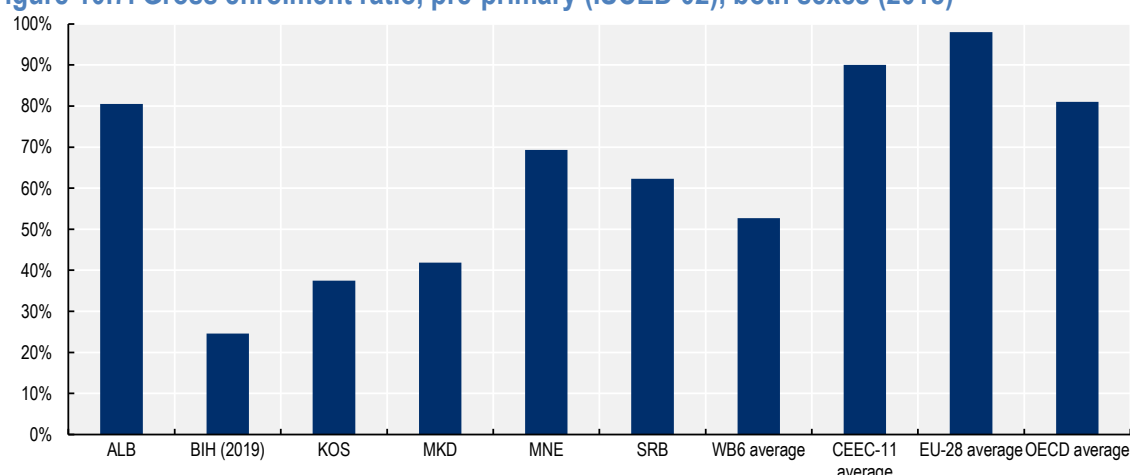
The WB6 economies scored an average of 3 for this sub-dimension. Overall, Bosnia and Herzegovina and North Macedonia scored lower than the other economies in the region. However, all the WB6 economies could make more effort to strengthen their instructional systems (where Kosovo and Montenegro also have significant room for improvement) and ECE policies (Table 4.3. Scores for Sub-dimension 1.1: Investment policy framework).

**Table 10.2. Scores for Sub-dimension 7.1: Early childhood and school education**

Sub-dimension	Qualitative indicator	ALB	BIH	KOS	MKD	MNE	SRB	WB6 average
Sub-dimension 7.1: Early childhood and school education	Early childhood education	3.0	2.0	3.5	2.5	3.5	2.5	2.8
	Instructional system	4.0	2.5	2.5	2.5	2.0	4.0	2.9
	Prevention of early school leaving	3.0	2.0	4.5	2.0	4.0	4.0	3.3
Sub-dimension average score		3.3	2.2	3.7	2.3	3.2	3.5	3.0

### ***The WB6 economies have strengthened their early childhood education policies***

Although enrolment in pre-primary education (ISCED 02) has increased in the six Western Balkan economies, it remains on average around 40 percentage points below the EU and OECD averages, ranging from 25% in Bosnia and Herzegovina to 76% in Albania (Figure 10.7).

**Figure 10.7. Gross enrolment ratio, pre-primary (ISCED 02), both sexes (2018)**

Note: Data for Bosnia and Herzegovina as of 2019 due to unavailability of 2018 data. The CEEC-11 countries are Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia.

Source: (UIS, 2020<sup>[13]</sup>), *Education statistics*, <http://data.uis.unesco.org>; For Kosovo: data received from Kosovo Agency of Statistics for this assessment.

StatLink  <https://doi.org/10.1787/888934253993>

Implementing ECE policies, such as increasing coverage and reducing reliance on donor funding, remain key challenges for the sector. On average, the WB6 economies achieved a score of 2.8 for the early childhood education indicator, ranging from 2.0 (Bosnia and Herzegovina) to 3.5 (Kosovo and Montenegro). The WB6 economies scoring over 3.0 for this indicator (Kosovo and Montenegro) have distinguished themselves by having more ambitious policies for improving access to ECE via strong financial support for covering participation costs for parents in general, and socio-economically vulnerable groups in particular. However, as in all other WB6 economies, donor-funded initiatives continue to play a very important role in delivering ECE in both these economies.

All the economies have a strategic and legal framework in place addressing ECE and since the last Competitiveness Outlook assessment, several have also introduced ECE curriculum frameworks, promising to help improve the quality of ECE provision. In 2018, Albania introduced a new competency-based pre-school curriculum framework, which aligns with contemporary child development theories and practice, and Bosnia and Herzegovina introduced curriculum guidelines based on learning outcomes to help ensure continuity in children's transition from ECE to primary education. Also in 2018, Serbia introduced a new preschool curriculum framework that aims to support the well-being of young children and promote continuity between pre-school and primary education, while the government in North Macedonia adopted the Education Strategy 2018-25 and its corresponding action plan, which sets out activities to improve the quality and equity of ECE (although it does not connect the goals and curricula of ECE with those at primary school level). Montenegro has general curriculum guidelines in place to ensure continuity in children's transition from ECE to primary education. Curriculum frameworks in Kosovo are more specific, as the Early Childhood Education and Development and Early Childhood Development and Learning Standards describe clear expectations for child behaviour and performance in different areas of development and early learning. All the economies also have professional requirements and standards for ECE staff, which aim to ensure the quality of service delivery. ECE participation in Bosnia and Herzegovina is particularly low for the region, and is hampered by a number of factors, such as challenges with municipal financing and low parental awareness about the importance of ECE. The inconsistent design and implementation of ECE policies across the different entities and cantons further exacerbates these challenges, despite efforts to harmonise ECE quality and delivery (notably through the 2007 Framework Law on Preschool Care and Education in Bosnia and Herzegovina, and the state-level Platform for the Development of Preschool Education for 2017-22).

Despite the potential benefits of lowering the starting age of compulsory education to include one year of ECE, pre-primary education (ISCED 02) is still not compulsory in Albania, Bosnia and Herzegovina,<sup>3</sup> Montenegro and North Macedonia. Kosovo aims to make pre-primary education compulsory through the adoption of a new law on early childhood education, which is expected by the end of the year.

### ***Policies and measures to improve instructional systems vary widely across the region***

On average, the WB6 economies achieve a score of 2.9 for the instructional system indicator, with most WB6 economies scoring between 2.0 (Montenegro) and 2.5 (Bosnia and Herzegovina, Kosovo, and North Macedonia). Albania and Serbia score far higher, lifting the regional average for this indicator, mainly thanks to a more comprehensive strategic vision for the education sector and better-developed school performance monitoring, with targeted supports to schools and school leaders.

All the WB6 economies have strategies which set out a vision for improving the quality of pre-university education, but they differ in their scope, accompanying action plans and the monitoring of their implementation. For example the recently expired strategies of Albania and Serbia (both ended in 2020) comprehensively covered all sectors of pre-university education. Their implementation plans included clear goals and implementation timelines for measurable and budgeted actions, while also allocating responsibilities between the different actors involved. In both economies, the implementation of the strategies has also benefitted from monitoring and evaluation, in Albania by an external expert organisation (UNICEF), and both economies are preparing new comprehensive long-term education strategies at the time of writing.

While Kosovo's Quality Assurance Strategy for Pre-University Education 2016-20 possesses similar characteristics (clear and measurable targets, allocations of responsibilities, a budget and timeline for proposed activities), neither its implementation, nor Kosovo's instructional system as a whole, has been evaluated comprehensively. North Macedonia's Comprehensive Education Strategy 2018-25 and its action plan set out objectives and activities for improving educational quality and inclusion, but they do not define clear budgets or monitoring processes (OECD, 2019<sup>[14]</sup>).

In Bosnia and Herzegovina and Montenegro, approaches to improving the quality of education have been more fragmented. Montenegro lacks an overarching strategy that establishes a coherent vision for the school system and instead has multiple strategies, which cover different time periods, topics and levels of education.<sup>4</sup> However, despite this rather fragmented approach, its administrative laws establish clear regulations around the curriculum, assessment, and evaluations. In Bosnia and Herzegovina, significant differences among education authorities contribute to fragmented education policies and resource inefficiencies. There is a Framework Law for Primary and Secondary Education, which requires the various education authorities to co-ordinate and align policies with EU standards and principles but there is no comprehensive state-level education strategy for the school sector. Instead, the Federation of Bosnia and Herzegovina (FBiH) and some individual cantons have policies regarding instructional quality and equity but only the Republika Srpska (RS) has prepared a comprehensive strategic document focused specifically on education.<sup>5</sup>

To improve the quality of education and their instructional systems, Albania and Kosovo have developed and rolled out a competency-based curriculum and corresponding learning standards to all grade levels, while Montenegro, North Macedonia and Serbia are in the process of doing so. In Bosnia and Herzegovina, an important achievement since the last Competitiveness Outlook assessment has been the introduction of the Common Core Curriculum based on learning outcomes, which sets out a model for competent education authorities to modernise their own curricula. However, the extent to which the education authorities have aligned and implemented their curricula to the Common Core varies.

External assessments of student learning, at the state or international level, yield results that can help evaluate the performance of education systems on a regular basis. In addition to growing participation in

international assessments, most WB6 education systems also implement or are developing external assessments or examinations to help determine the extent to which students in their economy are achieving core competencies and learning standards.

Comprehensive school evaluations, engaging school leaders and providing additional resources to support the most disadvantaged schools and students, can strengthen the overall quality of instructional systems and improve educational equity. All the WB6 economies have legal frameworks regulating school evaluations based on defined set of performance indicators, but they differ in the scope of indicators used, the methods used to evaluate schools externally and how the results of evaluations are used, including for additional support to low-performing schools (see the Competitiveness Outlook 2021 profiles of the different economies for more information).

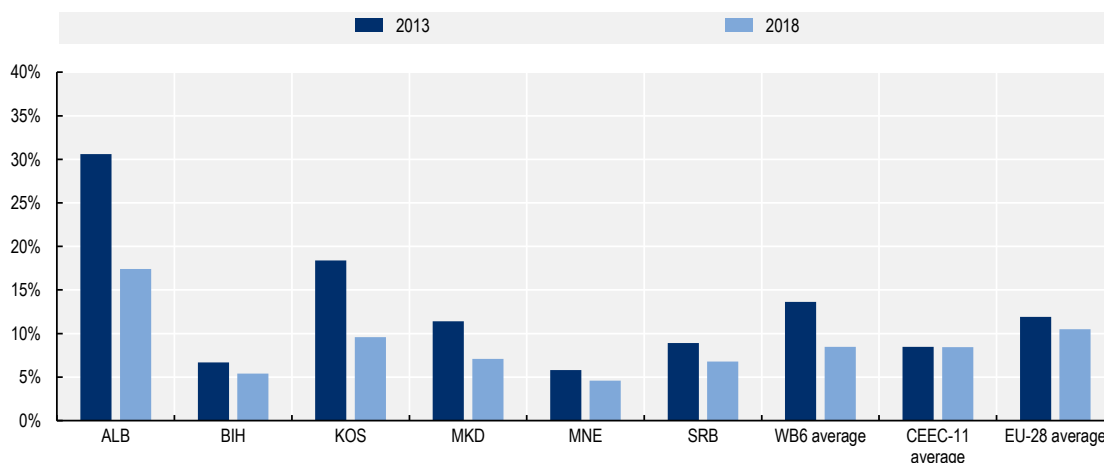
Since the last assessment, Albania and Serbia have undertaken significant reforms to their school quality evaluations. In Albania, the education ministry's Quality Assurance Agency is now reviewing the School Performance Card (a set of indicators used to rank individual schools) to ensure this data reflects contextual factors and is relevant to instructional quality. Albania has also established the Centre for School Leadership, which aims to support the preparation and professional development of school leaders. In Serbia, school quality standards were revised in 2017-18 to ensure that all students receive a good quality education. These standards are supported by a strong school evaluation framework that includes both self-evaluation and external evaluations, modelled on inspection systems found in other European countries. Serbia also has policies to provide additional support to low-performing schools (e.g. through expert assistance or small grants), although they remain in the pilot phase due to resource limitations.

### ***Early school leaving rates have fallen across the region***

All the WB6 economies have taken measures to reduce early school leaving, leading to an average score of 3.3 for the prevention of early school leaving indicator. Between 2013 and 2018, the share of students leaving school without an upper secondary education has declined in all WB6 economies (Figure 10.8). The greatest reductions have been observed in Albania (13.2 p.p.), Kosovo (8.8 p.p.), and North Macedonia (4.3 p.p.), but despite this, their early school leaver rates still stood above the WB6 average of 8.5% in 2018. In contrast, the shares of early school leavers in Montenegro (4.6%), Bosnia and Herzegovina (5.4%) and Serbia (6.8) are below the CEEC-11 (8.4%) and EU (10.5%) averages.

**Figure 10.8. Percentage of early school leavers (2013 and 2018)**

% of 18-24 year-olds with at most lower secondary education (ISCED 2) who were not in further education or training



Note: The CEEC-11 countries are Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia.

Source: (Eurostat, n.d.<sup>[15]</sup>), *Candidate countries and potential candidates' database*, <https://ec.europa.eu/eurostat/web/enlargement-countries/data/database>; (Eurostat, n.d.<sup>[16]</sup>), *Education and training database*, <https://ec.europa.eu/eurostat/web/education-and-training/data/database>.

StatLink  <https://doi.org/10.1787/888934254012>

Data for North Macedonia and Serbia show significant differences in the extent of early school leaving in cities and rural areas, unlike in EU countries on average (Table 10.3). However, while the early school leaving rate in Serbia was much higher in rural areas than in cities, as with the CEEC average, the opposite is the case in North Macedonia.

**Table 10.3. Early school leavers by degree of urbanisation (2019)**

% of 18-24 year-olds with at most lower secondary education (ISCED 2) who were not in further education or training

	Total	Cities	Towns and suburbs	Rural areas
MKD	7.1	9.2	6.1	6.3
SRB	6.6	3.2	7.3	9.3
CEEC-11 average	8.3	4.5	9.9	11.2
EU average	10.3	9.4	11.3	10.6

Note: Data for Albania, Bosnia and Herzegovina, Kosovo, and Montenegro are not available. The CEEC-11 are the 11 Central and Eastern European countries joining the EU: Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia. EU includes all EU Member States in 2019. The degree of urbanisation is based on the share of local population living in urban clusters and in urban centres and classifies Local Administrative Units into three types of area: 1) cities (densely populated areas where at least 50% of the population lives in urban centres); 2) towns and suburbs (intermediate density with less than 50% of the population living in rural grid cells and less than 50% of the population in urban centres); and 3) rural areas (thinly populated areas where more than 50% of the population lives in rural grid cells).

Source: (Eurostat, n.d.<sup>[15]</sup>), *Candidate countries and potential candidates' database*, <https://ec.europa.eu/eurostat/web/enlargement-countries/data/database>; (Eurostat, n.d.<sup>[16]</sup>), *Education and training database*, <https://ec.europa.eu/eurostat/web/education-and-training/data/database>.

All the WB6 economies address early school leaving in their education strategies and have legal requirements aimed at keeping students in formal education and training pathways. However, there are differences in the extent to which measures to prevent early school leaving are budgeted and implemented, as well as how the relevant data are collected and analysed to identify the specific factors that contribute to early school leaving in each economy.

Kosovo, Montenegro and Serbia have performed particularly well in policies addressing early school leaving, as they all have budgeted activities to reduce and prevent early school leaving in a high-level strategic document, and implement measures that target at-risk learners to help keep them in school. Moreover, these three economies have recently improved their monitoring systems to better identify students at risk of early school leaving, with partial support from international donors. In 2017, Kosovo introduced an Early Warning System of Abandonment in its education management information system (EMIS), while Montenegro refined its indicators to more closely monitor student attendance and eventual abandonment. Serbia has recently developed indicators for monitoring the accessibility of institutions and identifying children who need additional support. All three economies also provide career guidance activities at both primary and secondary level, to help connect students with education and training programmes that align with their skills and interests.

Albania, which scores slightly below the regional average for this indicator, also implements some measures to prevent early school leaving. In 2017, the Ministry of Education, Sports and Youth conducted a study and identified several factors that contributed to Albania's high rates of school abandonment. Donor agencies have supported Albania to develop indicators and collect data to better monitor students at risk of early school leaving and in July 2019, Albania published a manual for monitoring children outside education institutions and at risk of dropping out of school, with support from UNICEF. However, career guidance activities in Albania only seem to be offered by higher education institutions, although there are efforts under way to introduce them at the secondary school level.

Bosnia and Herzegovina and North Macedonia achieve a score of 2 for this indicator. North Macedonia's Comprehensive Education Strategy and the Inclusion of Out-of-School Children project propose measures that could help reduce early school leaving and allocate responsibilities for implementation. However, these efforts appear to be largely supported by donor funding, with no evaluations of their implementation and effectiveness, or whether implementation is taking place within the planned timeline. North Macedonia collects only a limited range of data to monitor this issue and better understand the factors contributing to young people leaving education or training early. Bosnia and Herzegovina has no state-level strategy or policy that explicitly addresses early school leaving, as the entities and cantons have sole responsibility for such policies. However, the Ministry of Civil Affairs adopted the Recommendations for Inclusive Education in Bosnia and Herzegovina in 2019, which calls for measures and activities aimed at retaining students in the education system. The individual authorities collect their own data to monitor early school leaving and the FBiH has studied this issue in depth, finding that Roma children are especially vulnerable to leaving school early. However, the data available are limited and collected using inconsistent definitions across jurisdictions, making it difficult to accurately report on this issue, understand the contributing factors, and implement early interventions at the student and school level. North Macedonia has also made efforts to reduce the early school leaving rate of Roma children, who are particularly vulnerable, by engaging mediators to help bring students back to school or prevent them from leaving school.

### ***The way forward for early childhood and school education***

- **Continue efforts to increase ECE coverage by making it more affordable and accessible.** Albania, Bosnia and Herzegovina, Montenegro, and North Macedonia could aim to make pre-primary education compulsory, as Serbia has done, and Kosovo aims to do.
- **Improve the affordability of ECE by linking prices to household income.** The WB6 economies could follow the example of Norway (Box 10.1) and limit the price of ECE to a percentage of the family's income, with the government financing costs that exceed this threshold.
- **Reduce dependence on donor assistance for financing ECE infrastructure and accessibility.** This could be achieved through making ECE funding a regular part of public spending on education, as well as by engaging the private sector.

### Box 10.1. Early childhood education funding in Norway

Norway has two types of ECE settings: kindergartens (*barnehage*) and family child care (*familiebarnehage*), which can be managed publicly or privately. More than 98% of children enrolled in ECE attend kindergartens and less than 2% are in family child care. Kindergartens in Norway are integrated pedagogical settings providing ECE for children aged 0-5.

Both publicly and privately managed ECE settings in Norway are mostly funded by public sources. Only 15% of Norway's total expenditure on early childhood education and care (ECEC) comes from private sources, including fees paid by parents/guardians. Both national and municipal governments in Norway have made efforts to expand access and support equality of participation, particularly for low-income and minority-language families through fee reductions and legal entitlements, as part of the kindergarten reform 2004-09. This was achieved through increased public funding, which reduced parental contributions to operating costs. Nationally, there is a maximum price (for all children) of NOK 3 040 (EUR 304) monthly (adjusted in August 2019).

To better target low-income families, a regulation was introduced in 2015 stating that the maximum annual fee shall not exceed 6% of the family income. If the fee does exceed this, the excess is covered by the state rather than by municipalities (as used to be the case). The national regulations also stipulate lower fees for siblings with reductions of 30% of the annual fee for the second child and 50% for the third child.

Municipalities are responsible for ensuring that these regulations are applied by all kindergartens (both public and private) and for compensating private providers for the reduced fees. Although participation among minority-language children continues to be lower than for all children, the gap is closing. In 2018, according to national authorities, 83% of minority-language children aged 1-5 attended ECEC, an increase of 2.5 percentage points compared to 2017. For all children, the participation rate was 92%.

Source: Extracted from (OECD, 2019<sup>[17]</sup>), *Providing Quality Early Childhood Education and Care: Results from the Starting Strong Survey 2018*, <https://doi.org/10.1787/301005d1-en>; (Statistics Norway, 2018<sup>[18]</sup>), *Minoritetsspråklige barn i barnehage 1-5 år (K) 2015 - 2018*, [www.ssb.no/statbank/table/12272/](http://www.ssb.no/statbank/table/12272/).

- **Ensure that policy frameworks for improving pre-university education have measurable and budgeted objectives, and that they are regularly monitored.** Some good practice examples can be taken from the strategies of Albania and Serbia, and also from Ireland's Action Plan for Education (Box 10.2). Recent OECD education policy reviews provide insights into how the economies' education systems could improve the focus and effectiveness of strategic documents. Kosovo should pay particular attention to these criteria as it develops its new education strategy post 2021 and Montenegro could consider developing an overarching education strategy to synchronise the objectives of various policy documents that exist for different levels of education. Bosnia and Herzegovina could also consider drafting a state-level framework strategy for pre-university education, with the goal of aligning education policies with EU standards and principles.



### Box 10.2. Ireland's indicator framework for the Action Plan for Education 2018

Ireland's Action Plan for Education 2018 accompanies the economy's national education strategy for 2016-19, setting out priorities and actions that the Department of Education and Skills and its technical agencies should undertake during the year. The action plan clearly aligns each action and sub-action to the economy's five main goals for improving the quality of its education system. Each goal is associated with a list of actions and a set of indicators that are used to measure progress. For example, the first goal – “improve the learning experience and the success of learners” – identifies six objectives, followed by indicators, as in the table below.

Objectives	Indicators
1.2 Deliver a “step change” in the development of critical skills, knowledge and competencies to provide the foundations for participation in work and society	Increase the percentage of students taking higher-level maths at the end of Junior Cycle: 60% by 2020
	Increase the proportion of students performing at Level 5 or above for reading in PISA: 12% by 2020
	Decrease the proportion of students performing below Level 2 for science in PISA: < 10 by 2025
	Increase the proportion of students performing at Level 5 or above for mathematics in PISA: 13% by 2020
1.6 Enable learners to communicate effectively and improve their standards of competency in languages	Percentage of candidates presenting a foreign language at the Junior Certificate/ Cycle Examination: 100% by 2026, 92% by 2022
	Students studying a foreign language as part of their HE course: Support 20% of all HE students to study a foreign language as part of their course (2026)
	Students doing Erasmus +: 4 100 HE students (2018/19)

Source: extracted from (Maghnouj et al., 2019<sup>[19]</sup>) *OECD Reviews of Evaluation and Assessment in Education: Serbia*, <https://doi.org/10.1787/225350d9-en>; (Government of Ireland, 2018<sup>[20]</sup>), *Action Plan for Education 2018*, [www.gov.ie/en/collection/d3b2f1-action-plan-for-education-2018/](http://www.gov.ie/en/collection/d3b2f1-action-plan-for-education-2018/).

## Teachers (Sub-dimension 7.2)

Coherent and comprehensive systems of initial teacher education (ITE) can better prepare teachers to deliver high-quality instruction and help all students reach their full potential (OECD, 2019<sup>[21]</sup>). Such systems aim to attract and select the best candidates into teacher education, helping to raise the profession's status and contributing to a high-quality teaching workforce. While initial education provides an important foundation for new teachers, continuous staff development helps to improve the quality of the workforce and retain effective staff over time. Professional development must enable teachers to refresh and broaden their knowledge and practice throughout their careers. To this end, many OECD and EU countries have used teacher standards to develop management systems that provide teachers with clear feedback on their performance and connect them with relevant training and support (OECD, 2019<sup>[21]</sup>; OECD, 2013<sup>[10]</sup>). When combined with a differentiated career structure, this can create incentives for teachers to develop their skills and help accelerate system-wide improvement by directing the most experienced teachers towards mentorship and leadership roles.

The WB6 economies scored an average of 2.7 for this sub-dimension, with Albania, Montenegro and Serbia scoring above the regional average. However, performances remain uneven with Serbia scoring

the regional average for the ITE indicator but well above it in the professional management and development of teachers indicator, showing it has room to strengthen its ITE policies (Table 10.4).

**Table 10.4. Scores for Sub-dimension 7.2: Teachers**

Sub-dimension	Qualitative indicator	ALB	BIH	KOS	MKD	MNE	SRB	WB6 average
Sub-dimension 7.2: Teachers	Initial teacher education and selection	3.5	1.5	2.0	2.5	3.0	2.5	2.5
	Professional management and development	3.5	1.5	2.5	2.5	3.5	4.0	2.9
Sub-dimension average score		3.5	1.5	2.3	2.5	3.3	3.3	2.7

### ***Entry and accreditation standards for initial teacher education could be strengthened***

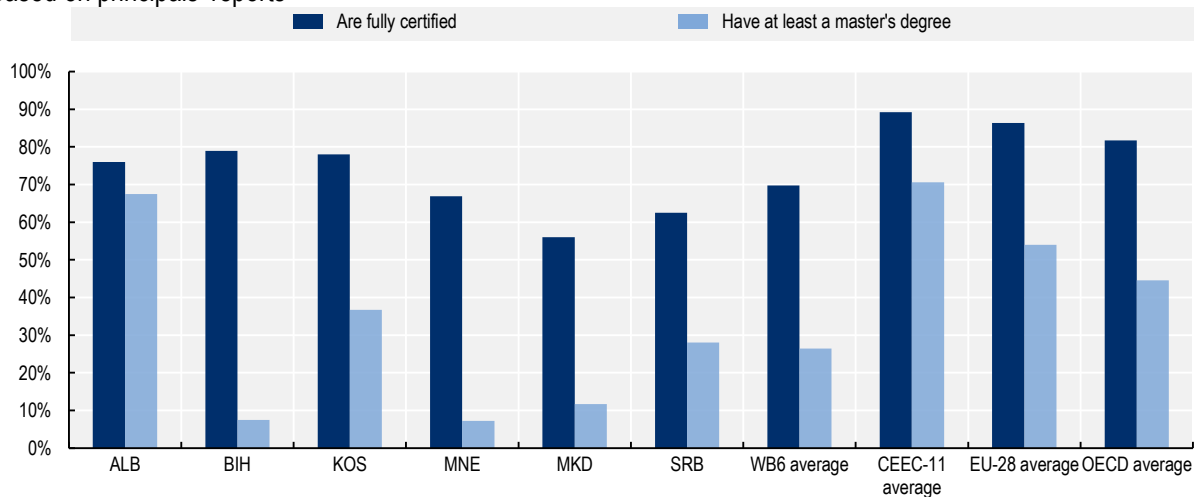
On average the WB6 economies achieved a score of 2.5 for the initial teacher education indicator, ranging from 3.5 for Albania to 1.5 for Bosnia and Herzegovina. Across the region, only Albania and North Macedonia have minimum entry requirements for selecting ITE candidates. All ITE candidates in Albania must have a minimum grade point average of 7.5 out of 10. In North Macedonia, the Law on Higher Educational Institutions for Teaching Education Staff in Preschool Education, Primary and Secondary Education, sets minimum entry requirements (based on State Matura results), but its policies have not been implemented because of insufficient human and financial resources. Placement quotas (a common feature of all tertiary programmes in North Macedonia) are very large for ITE, meaning nearly everyone who applies for a place is accepted (OECD, 2019<sup>[14]</sup>). In the four other WB6 economies, higher education institutions (HEIs) have full autonomy over entry requirements for ITE candidates.

In Albania and Serbia, all primary and secondary school teachers are required to have a master's degree (ISCED 7), while in North Macedonia and Montenegro they are required to have achieved at least a bachelor's degree (ISCED 6). In Bosnia and Herzegovina specific qualification requirements for teachers vary across entities and cantons, but all future teachers must have at least a bachelor's degree and attend study programmes to gain pedagogical knowledge and teaching qualifications. In Kosovo, by-laws establish minimum educational requirements for teachers in each level of education and subject area.

The OECD's 2018 PISA assessment asked school principals how many of the teachers in their school were fully certified by an appropriate authority and had attained at least a master's degree. Figure 10.9 shows that that on average, 26.4% of surveyed school principals in the Western Balkans reported that teachers in their school had at least a master's degree, a much lower share than the CEEC (70.6%), EU (54%) and OECD averages (44.6%).<sup>6</sup>

**Figure 10.9. Teacher qualifications (PISA 2018)**

Based on principals' reports

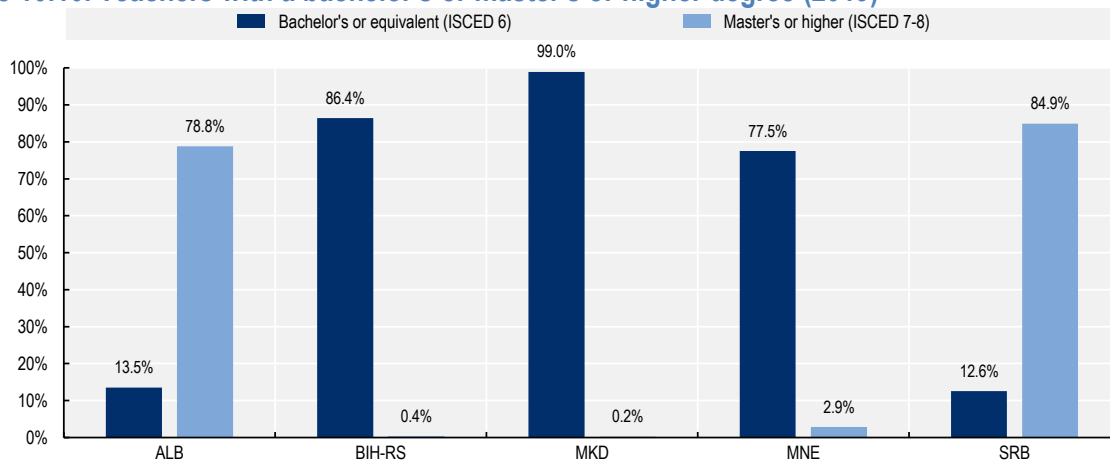


Note: Certified teachers are those licensed to teach in a school based on the standards defined by national or local institutions. The CEEC-11 countries are Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia.

Source: (OECD, 2020<sup>[6]</sup>), *PISA 2018 database*, [www.oecd.org/pisa/data/2018database](http://www.oecd.org/pisa/data/2018database).

StatLink  <https://doi.org/10.1787/888934254031>

Statistical data provided by Western Balkan education ministries and/or statistical offices for this Competitiveness Outlook assessment show that, in 2019, the share of teachers with at least a master's degree was much higher (i.e. teachers had higher qualification levels), in Albania and Serbia (since, as mentioned above, this is a requirement in these economies) than in the other Western Balkan economies with available data (Figure 10.10).<sup>7</sup>

**Figure 10.10. Teachers with a bachelor's or master's or higher degree (2019)**

Note: For Bosnia and Herzegovina, data only available for Republika Srpska (BIH-RS). Data for Kosovo not available.

Source: Data provided by WB6 statistical offices for this assessment.

The quality of ITE programmes and minimum entry requirements typically vary by individual institutions across most WB6 economies. Accreditation processes that set specific requirements for ITE programmes can ensure that all new teachers receive adequate preparation for their job. Of the WB6 economies, only Kosovo and Montenegro accredit ITE programmes based on professional teacher standards, which provide a common reference point for what “good” teaching is and how it is demonstrated. In Albania, Bosnia and Herzegovina, and North Macedonia, there are no programme-specific accreditation criteria for ITE programmes so ITE providers do not have to demonstrate how their programmes help candidates

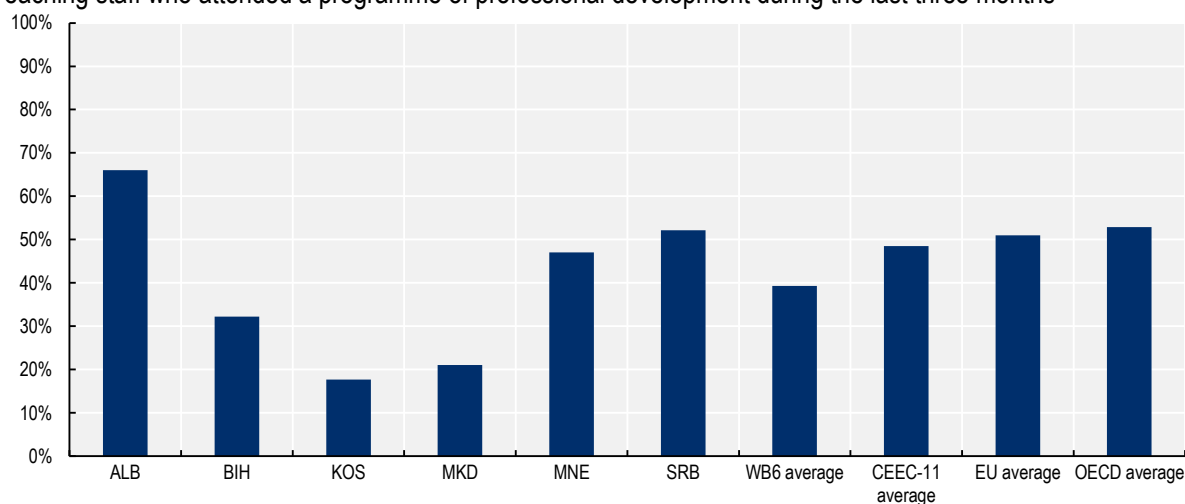
develop the specific competencies needed to teach. One positive development in Serbia has been the revision of its national accreditation standards in 2019, establishing a minimum duration for the initial practicum component<sup>8</sup> of ITE programmes. Regardless of accreditation requirements, teacher candidates in all WB6 economies have to complete some form of practical classroom experience under the supervision of a mentor teacher and pass a professional examination before being able to teach as fully certified teachers.

### ***Almost all the WB6 economies have made strong progress in improving professional development opportunities for teachers***

While improvements to ITE can help improve the quality of future teachers, governments must also ensure that practising teachers are supported and encouraged to develop throughout their careers. According to data from the 2018 PISA assessment, teacher participation in professional development programmes in the WB6 economies is around 10% lower on average than the EU, OECD and CEEC averages. However, it varies widely across the region, with teachers in some economies (Albania, Montenegro and Serbia) having participation equal to or even higher than the EU, OECD and CEEC average (Figure 10.11).

**Figure 10.11. Participation of teaching staff in professional development (PISA 2018)**

Teaching staff who attended a programme of professional development during the last three months



Note: The CEEC-11 countries are Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia.

Source: (OECD, 2020<sup>[6]</sup>), PISA 2018 database, [www.oecd.org/pisa/data/2018database](http://www.oecd.org/pisa/data/2018database).

StatLink  <https://doi.org/10.1787/888934254050>

The WB6 economies scored an average of 2.9 for the professional management and development of teachers indicator, ranging from 1.5 (Bosnia and Herzegovina) to 4.0 (Serbia). All the WB6 economies except Bosnia and Herzegovina made moderate to strong progress in implementing the previous assessment's recommendations on improving professional development opportunities and structures for teachers. In particular, North Macedonia created a model for the career development and promotion of teachers in primary and secondary education with its Law on Teachers and Professional Associates in Primary and Secondary Schools, adopted in 2019.

The improvement of teachers' professional development is a recognised policy objective in all the WB6 economies. Albania and North Macedonia have included this objective in their respective education strategies, while Kosovo, Montenegro and Serbia have dedicated strategies or regulations for the improvement of teacher professional development and management frameworks. To encourage participation in professional development, all WB6 economies have models for teacher career

advancement. These models often include different professional categories and promotions that are based on years of experience and rewarded with salary increases. However, only some of the WB6 economies (Kosovo, Montenegro, North Macedonia and Serbia) have aligned teachers' career structures with differentiated professional standards and offer incentives that encourage teachers to develop higher levels of competency and take on more advanced teaching roles.

All the WB6 economies legally require teachers to participate in training and professional development activities. They all regularly assess teachers' professional development needs, often based on survey results or government priorities. However, decisions about the types of professional development offered are not systematically informed by the results of teacher appraisal processes. Most WB6 economies have some form of accreditation process for professional development providers, except Bosnia and Herzegovina.<sup>9</sup> Kosovo and Montenegro are the only economies which require teachers to regularly renew their teaching licences and certificates (every five years), which can be a significant motivator for participation in professional development as it is valued in the renewal process.

### ***The way forward for teachers***

- **Build strong accreditation criteria for initial teacher education (ITE) programmes**, tailored specifically to ITE and the requirements of the teaching profession. The economies that lack such criteria (Albania, Bosnia and Herzegovina, and North Macedonia) should develop criteria that are tailored to the teaching profession and demonstrate how programmes prepare candidates to work in schools.
- **Ensure that teachers have clear, progressive career structures**, with differentiated competencies based on categories or ranks that are associated with appropriate rewards to incentive teachers to advance up the career ladder. Currently, only Kosovo, North Macedonia and Serbia have such frameworks. Albania and Bosnia and Herzegovina should develop criteria to help guide teachers' professional development, while Montenegro should align its standards with the existing categories and ranks of teachers in its education system.
- **Provide adequate support and incentives for teachers' continuing professional development**. Such support might include increasing funding for professional development activities, while incentives might include making professional development an integral and mandatory part of the career advancement process or leading to salary increases (see Box 10.3 for examples from Georgia and Italy). Introducing a regular renewal of licences, as is the case in Kosovo and Montenegro, can also motivate teachers to participate in professional development.

### Box 10.3. Encouraging and funding teachers' professional development in Georgia and Italy

The Teacher Professional Development Scheme in Georgia is a key component of the overarching Teacher Recruitment, Evaluation, Professional Development, and Career Advancement Scheme (2015). The scheme offers Georgian teachers career advancement opportunities through differentiation of teacher status: practitioner, senior teacher, leading teacher and mentor. All in-service and new teachers are expected to pass a certifying examination to gain the status of a senior teacher. Teachers are required to participate in a number of mandatory and optional professional development activities to earn credits and thus maintain or enhance their status.

One main constituent of the scheme, introduced in 2016, is an increased number of optional activities replacing mandatory activities for teachers. This gives teachers more flexibility to tailor their professional development based on their needs and interests. Teachers also have a financial incentive to improve their status through participation in professional development activities, as they receive higher salaries based on their status advancement. The programme also stands out by offering teachers the opportunity for self-reflection through self-evaluation, including designing an individual work plan, self-assessment of performance and identifying their professional development needs.

The Italian government is focusing on school-level autonomy as a key lever for educational improvement. Reflecting this orientation, in-service professional development provisions at the school level, and chosen by teachers, are a key feature of the Good School reform (*La Buona Scuola*), introduced in 2015. The reform has made in-service training mandatory, permanent and structural.

These provisions were designed in response to the low participation of Italian teachers in professional development activities. First, the Italian government made a large financial investment (EUR 1.5 billion) exclusively for training in areas of system skills (school autonomy, evaluation and innovative teaching) and 21<sup>st</sup> century skills (such as digital skills, schoolwork schemes) and skills for inclusive education. Second, the programme stands out for its tailored approach and the scope it offers teachers to participate in professional development according to their needs. This is done by providing teachers a sum of EUR 500 per year on their "Teachers Card" to participate in training activities or purchase resources (books, conference tickets, etc.). It also offers a matching processes to align training offers with training demands using a digital platform.

Source: Extracted from (OECD, 2019<sup>[21]</sup>), *A Flying Start: Improving Initial Teacher Preparation Systems*, <https://dx.doi.org/10.1787/cf74e549-en>; (Government of Georgia, 2015<sup>[22]</sup>), Decree of the Government of Georgia no. 68: Initiating teacher activities, approving professional development and career progression scheme, Chapter V, <https://matsne.gov.ge/document/view/2739007?publication=0> (accessed 8 April 2019); (OECD, 2017<sup>[23]</sup>), *Education Policy Outlook: Italy*, [www.oecd.org/education/Education-Policy-Outlook-Country-Profile-Italy.pdf](http://www.oecd.org/education/Education-Policy-Outlook-Country-Profile-Italy.pdf).

## Vocational education and training (Sub-dimension 7.3)

In addition to the basic competencies learnt in general education programmes, vocational education and training systems play a major role in supplying occupation-specific skills in both quickly expanding economic fields, and in traditional trades – and are therefore fundamental to improving competitiveness. However, the governance of VET is inherently complex, as it covers a range of programmes offered at either upper secondary or post-secondary levels of education (ISCED 3-5) and involves co-ordinating tasks and responsibilities both horizontally across governance levels and vertically between national and local authorities (Bergseng, 2019<sup>[24]</sup>). Effective VET governance also demands strong engagement with social partners and reliable data to develop programmes and determine the number of study and/or training places to balance the supply and demand for skills.

Work-based learning is a key component of VET systems, as it provides a powerful way for learners to acquire professional skills and the key competencies needed for working life. Its effectiveness in easing school-to-work transitions and meeting labour market demand is increasingly recognised internationally (OECD, 2018<sup>[25]</sup>; UNESCO, 2018<sup>[26]</sup>). However, engaging students, employers, social partners and education and training systems in these learning processes remains a significant challenge for many economies around the world, and especially in the Western Balkans, where the transition from centrally planned economies means private sector partnership with state education systems are a relatively new tradition. Such partnerships between VET providers and businesses are critical to the success of WBL models.

Overall, the WB6 economies scored an average of 3.1 for the VET sub-dimension, an improvement over the previous assessment score of 2.2, and reflecting substantial progress in nearly all of them.. Performance across both indicators in this edition of the CO is similar for all WB6 economies, with the notable exception of Montenegro and North Macedonia, which perform slightly better in the VET governance indicator (Table 10.5).

**Table 10.5. Scores for Sub-dimension 7.3: Vocational education and training**

Sub-dimension	Qualitative indicator	ALB	BIH	KOS	MKD	MNE	SRB	WB6 average
Sub-dimension 7.3: Vocational education and training	VET governance	3.5	2.0	3.0	4.0	4.0	3.5	3.3
	Work-based learning	3.0	2.0	3.5	3.0	3.0	3.0	2.9
Sub-dimension average score		3.3	2.0	3.3	3.5	3.5	3.3	3.1

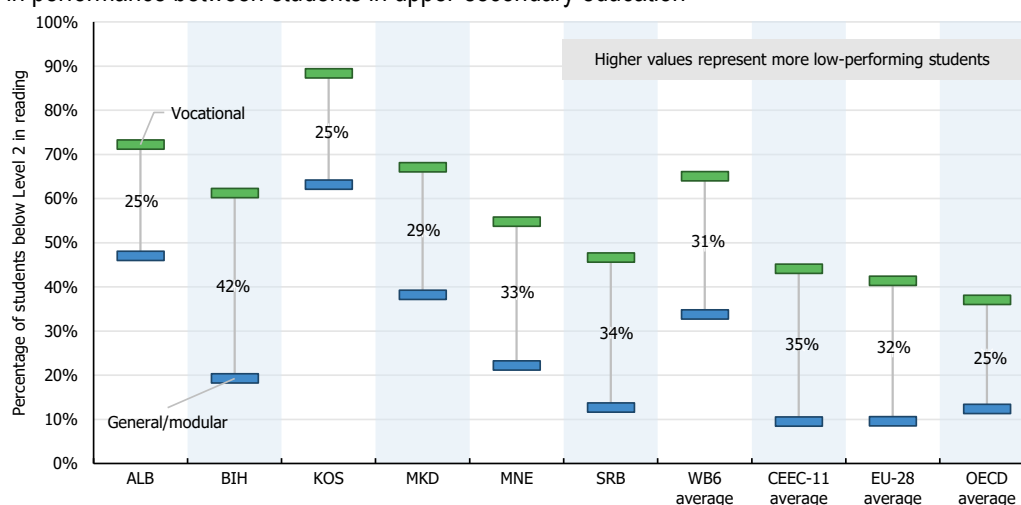
***The WB6 economies have strengthened their VET policy frameworks but inequalities with general education remain high***

Students in the WB6 economies have a higher average enrolment rate in VET programmes than the OECD and EU averages. Data from PISA 2018 finds that students enrolled in VET programmes in the WB6 economies, as is common in many countries, tend to have lower average performance in core literacy and numeracy skills than those in general programmes (Figure 10.12). Strengthening VET governance and improving VET curricula is thus key to reducing disparities in learning outcomes between VET and general students. Such measures can also help ensure that VET students are equipped with the core knowledge and skills needed for success in work and life.



**Figure 10.12. PISA 2018 low achieving students and education programmes**

Differences in performance between students in upper-secondary education



Note: The CEEC-11 countries are Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia.

Source: (OECD, 2020<sup>[6]</sup>), *PISA 2018 database*, [www.oecd.org/pisa/data/2018database](http://www.oecd.org/pisa/data/2018database).

StatLink  <https://doi.org/10.1787/888934254069>

On average, the WB6 economies scored 3.3 for the VET governance indicator. Nearly all the WB6 economies have strategic frameworks for the development of VET, as well as bodies responsible for the development, management and evaluation of VET programmes. In Bosnia and Herzegovina, a new state-level strategic document on improving VET has been adopted in January 2021. This is an important development, as there has been no state-level VET strategy since the previous one expired in 2013. Legal and regulatory frameworks in all the WB6 economies ensure that responsibilities between the different bodies responsible for VET (ministries, VET agencies, VET providers, etc.) are well defined. Furthermore, these frameworks typically establish quality standards and regulations for VET programmes in nearly all the WB6 economies (except for FBiH in Bosnia and Herzegovina).

While all the economies have bodies responsible for accrediting education programmes, Bosnia and Herzegovina lacks a formal accreditation process for VET programmes in both entities. Nevertheless, Bosnia and Herzegovina has some measure of programme quality control, as new VET providers must undergo an approval process and are subject to regular inspections in both entities (the RS also has quality standards and regulations for VET providers in place), as in the other WB6 economies. The competent authorities (i.e. VET agencies, education ministries and education providers) in Albania, Kosovo, Montenegro, North Macedonia and Serbia involve social partners, and most notably employers, in the elaboration of VET-related policy and curriculum materials, but in Bosnia and Herzegovina, their involvement varies across entities and cantons, being most developed in the RS.<sup>10</sup>

Data collection on completion rates of VET courses and employment rates of recent graduates remains very variable across the WB6 economies, but no economy collects robust data on all relevant indicators for VET development.<sup>11</sup> For example, North Macedonia is the only economy to report on the earnings of VET graduates, an important indicator for measuring socio-economic outcomes and to help students make informed decisions about their future pathways. Data collection in Bosnia and Herzegovina is uneven, with very limited data at the state level on the number of VET schools, students and programmes. However, some entities and cantons do collect information on the completion and employment rates of VET graduates. The economies that did best in this indicator (Montenegro and North Macedonia), not only collect such data but also ensure it is analysed and used to shape VET policy and career guidance.



### ***All of the WB6 economies are developing work-based learning policies***

The WB6 economies scored an average of 2.9 in the work-based learning indicator, with scores ranging from 2 (Bosnia and Herzegovina) to 3.5 (Kosovo). While all WB6 economies see the development of WBL as an important part of their education policy frameworks, there are differences in the level of support, in terms of promotion, stakeholder engagement and monitoring. Several WB6 economies (Albania, Kosovo, Montenegro and North Macedonia) are rolling out pilot projects to develop dual education, and Serbia has created a legal framework for dual education through the adoption of a dedicated law allowing students in secondary education to undertake their studies in parallel with gaining professional experience.

All the WB6 economies run broad public awareness campaigns to promote WBL to social partners and students. Social partners are involved in the selection of candidates and there are systems for matchmaking, ensuring that students are allocated to WBL experiences based on established criteria. However, these systems differ in their scope across the economies. Albania, Kosovo and Serbia have dedicated career placement services that help match students with WBL experiences, and some economies have online portals listing WBL opportunities (Kosovo and the RS in Bosnia and Herzegovina), while others rely on public awareness campaigns to match students with WBL providers. Incentives to employers to offer WBL places is one area for improvement, as only Montenegro and North Macedonia currently provide or plan to provide some form of financial incentive to employers who engage in WBL.

All the WB6 economies would benefit from improving their data collection on WBL programmes to support their development, by expanding their range of monitoring indicators and using relevant data to inform policy making. Bosnia and Herzegovina (except for the RS) and North Macedonia do not yet have a data collection system in place to report on key WBL indicators,<sup>12</sup> while Serbia is planning to deploy one. None of the economies that do collect these data report on all the key indicators that are usually used by OECD countries with mature WBL systems. Kosovo aims to establish a central office for collecting data on WBL, which would help improve monitoring of the sector and inform policy decisions.

### ***The way forward for vocational education and training***

- **Ensure that students in VET develop core literacy and numeracy skills by supporting strong VET accreditation standards** including these core skills. This would reduce the gap with students enrolled in general education and ensure that VET students can adapt to changes in the labour market. Bosnia and Herzegovina should work to create a VET accreditation authority, either at the state level, to ensure harmonisation between standards in the entities, or at the entity level. The other WB6 economies should continue to support their accreditation authorities and ensure they have the resources they need.
- **Continue efforts to incorporate WBL into VET programmes**, as this can provide learners with valuable on-the-job experience and opportunities to develop the competencies needed for success in further studies or work. Attention should also be paid to ensuring that vocational teachers are aware of recent developments in the professional practice of their respective fields.
- **Collect comprehensive data on the VET sector** and use this information to align programmes with labour market needs and strengthen career guidance.

### ***Tertiary education (Sub-dimension 7.4)***

Higher education contributes to competitiveness and inclusive growth by strengthening human capital, research and development and innovation. In most economies, individuals with a tertiary education (ISCED 5-8) often have better labour market outcomes than those with lower levels of education. To align the supply and demand for higher education graduates, economies need reliable labour market information and must be able to communicate this information to learners and adapt flexibly to changing needs. This

is especially important for the WB6 economies as they suffer from “brain drain”, where skilled young people seek opportunities abroad, in part due to mismatches between tertiary education programmes and labour market needs, presenting a risk to economic competitiveness.

Around the world, educational attainment and access to tertiary education have greatly improved over the past half-century. Disparities in the participation and completion of tertiary education have consequences for competitiveness since fewer individuals are able to benefit from the economic and social mobility often associated with having a tertiary education degree. Equitable higher education systems thus ensure that access to tertiary education depends on individuals’ abilities, efforts and interests – rather than their personal and social circumstances, such as socio-economic status, gender, ethnicity, age or disability (OECD, 2019<sup>[27]</sup>).

The WB6 economies scored an average of 2.8 for this sub-dimension, showing that, although there are examples of good practice, there is still room for improvement in addressing these key areas for the competitiveness of the WB6 education systems (Table 10.6).

**Table 10.6. Scores for Sub-dimension 7.4: Tertiary education**

Sub-dimension	Qualitative indicator	ALB	BIH	KOS	MKD	MNE	SRB	WB6 average
Sub-dimension 7.4: Tertiary education	Equity in access to higher education	2.5	2.5	2.5	2.5	2.0	2.5	2.4
	Labour market relevance and outcomes	3.5	3.0	3.0	3.5	3.5	2.5	3.2
Sub-dimension average score		3.0	2.8	2.8	3.0	2.8	2.5	2.8

### ***Access to higher education remains highly inequitable in the WB6 economies***

The WB6 economies scored an average of 2.4 in the equity in access to higher education indicator, with all the economies scoring 2.5, except Montenegro, which scored 2. This shows that the whole region has room for improvement in ensuring equitable access to higher education, mainly by developing more effective support measures and ensuring more comprehensive data collection to better understand the root causes of this inequality.

All the WB6 economies have enshrined equitable access to higher education in their legal frameworks and ensuring it is a key objective of all the higher education strategies in the region. All the economies have some measures in place, such as scholarships, tuition fee exemptions, quotas for students meeting certain criteria and other support measures. However, their effectiveness in helping students from socio-economically disadvantaged groups to access and complete higher education is debatable. For instance, some scholarships are awarded based solely on academic merit, and do not always take into account difficulties that students from disadvantaged or marginalised backgrounds may face. In Montenegro, scholarships are awarded to the winners of academic competitions, which may benefit students who were already on track to access higher education, rather than those who may need additional support. Albania is the only WB6 economy that has put in place a quota system for students facing economic and social difficulties to access higher education, providing them a 50% reduction in tuition fees. The RS is drafting legislation that would allow the government to directly allocate tuition fees to HEIs for each student enrolled. The change aims to encourage them to adjust admission policies and increase the number of students from lower socio-economic background in order to obtain more funding. Apart from this planned initiative, no WB6 economy has created incentives to encourage HEIs to enrol students from disadvantaged backgrounds to improve equity.

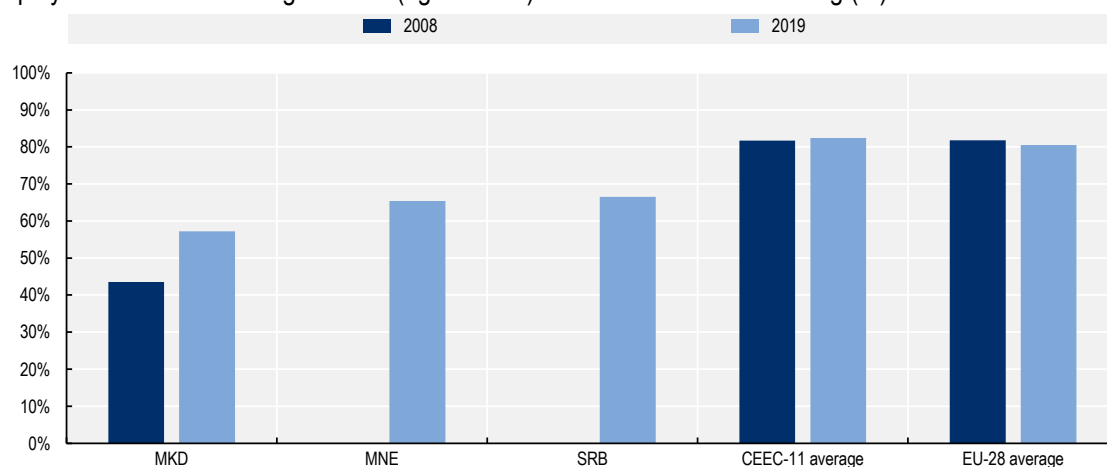
The collection and analysis of data to help understand the causes of inequality in access to higher education is another area where all the WB6 economies could improve. Although they all collect some form of data such as enrolment and completion rates based on gender or ethnic background, none have analysed this data to identify associations between individual factors and participation in higher education.

### **All the WB6 economies have taken steps to improve the market relevance of their tertiary education systems**

Another key challenge for the WB6 economies is in improving the labour market relevance of tertiary education. The employment rates of young people and young graduates in the region remains significantly below the EU and CEEC-11 averages (Figure 10.13), showing the need to reinforce policies to better connect higher education with the labour market and improve the employability of graduates.

**Figure 10.13. Employment rates of recent graduates in the EU and WB6 economies (2008 and 2019)**

Employment rates of recent graduates (aged 20-34) not in education and training (%)



Note: Recent graduates refers to those with an upper secondary, post-secondary non-tertiary or tertiary education (ISCED 3-8) who have graduated within 1-3 years. Data for Albania, Bosnia and Herzegovina, and Kosovo are not available. CEEC-11 average calculated based on individual statistics for Bulgaria, Croatia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Romania, the Slovak Republic and Slovenia.

Source: (Eurostat, 2020<sup>[28]</sup>), *Employment rates of young people not in education and training by sex, educational attainment level and years since completion of highest level of education*, [https://ec.europa.eu/eurostat/web/products-datasets/-/edat\\_lfse\\_24](https://ec.europa.eu/eurostat/web/products-datasets/-/edat_lfse_24).

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The WB6 economies scored an average of 3.2 in the labour market relevance and outcomes indicator, with scores ranging from 2.5 (Serbia) to 3.5 (Albania, Montenegro and North Macedonia). All the WB6 economies see improving the employability of graduates by increasing the labour market relevance of their tertiary education as a priority, and have integrated this objective into their policy frameworks.

The WB6 economies have all also taken steps to promote the internationalisation of tertiary education, through mechanisms such as funding and promoting mobility and participation in the EU's Erasmus+ programme, either as members (Serbia and North Macedonia) or partners (the other WB6 economies). To improve the quality assurance of higher education, they have all established independent quality assurance agencies to certify and review higher education curricula and adapt them to labour market needs.

All the WB6 economies collect some form of data relevant to assessing the labour market relevance of education. However, as with the other indicators in this dimension, data collection remains uneven and could benefit from broadening the range of information collected. For example, Albania and Kosovo do not collect data on labour market outcomes by field of study, a key indicator for measuring labour market relevance.

### ***The way forward for tertiary education***

- **Analyse data related to inequity in access to higher education** in order to better identify and understand the root causes of inequity, such as socio-economic or ethnic minority background, gender and other factors and how they relate to students' chances at accessing and succeeding in higher education.
- **Create incentives for higher education institutions to improve equity** in higher education through support measures such as scholarships or tuition fee exemptions. Inspiration could be taken from the planned initiative in the RS to give HEIs an incentive to increase the number of students from lower socio-economic backgrounds.
- **Broaden the range of data collection related to labour market outcomes** to help understand the extent and causes of skills mismatches between education and the labour market. The WB6 economies should also undertake regular analysis and monitoring of these data to inform policy making.

#### **Box 10.4. Student and researcher mobility in the Common Regional Market**

The regional trade area part of the Common Regional Market (2021-24) Action Plan (CRM AP) includes five components: 1) cross-cutting trade measures; 2) goods; 3) services; 4) capital; and 5) people. The following key findings of the CO2021 tertiary education sub-dimension can inform the implementation of the actions related to the people component:

- Encouraging mobility of students and researchers (regional actions 1 and 2 of priority area 5.1 of the CRM AP) depends on aligning qualifications frameworks between the WB6 education systems. An important step towards this is the alignment and referencing of qualifications frameworks to the EQF, which only four of the WB6 economies (Kosovo, Montenegro, North Macedonia and Serbia) have completed fully.
- The Action Plan aims to guarantee the right to study across the WB6 economies through a Framework Agreement on Access to Study. A good practice example can be taken from the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden), who signed an Agreement on Admission to Higher Education in 1996. This agreement guarantees applicants domiciled in one of the parties the right to apply to public higher education courses in the other parties and be considered as though they were a domestic applicant (European Commission, 2018<sup>[29]</sup>). To facilitate intelligibility of qualifications and education systems, the Nordic-Baltic manual, developed in 2016, can also serve as an example. It features a table which facilitates the comparison of qualifications in the Nordic countries mentioned, as well as in Estonia, Latvia and Lithuania (NORRIC, n.d.<sup>[30]</sup>).
- According to the Action Plan, regional integration of education systems is expected to be driven by deeper integration into the European Higher Education Area, namely the membership of all WB6 quality assurance agencies in the European Association for Quality Assurance in Higher Education (ENQA) and registration with the European Quality Assurance Register for Higher Education (EQAR). Currently, none of the WB6 economies' accreditation agencies are members of the ENQA<sup>1</sup> nor registered with the EQAR. However, except for Kosovo and Serbia, all are governmental members of the EQAR. It will be essential to further integrate higher education accreditation agencies into these institutions by improving their governance practices and alignment with ENQA requirements in order to harmonise regional qualifications standards.
- None of the tertiary education systems in the WB6 economies, except Montenegro, allow for portability of public study grants for studies conducted abroad (Eurostat, 2020<sup>[28]</sup>), which provides a significant financing challenge for students wishing to undertake their studies within

the European Higher Education Area. This also poses an equity challenge, as the students who will find this barrier most significant will be those from socio-economically disadvantaged backgrounds. Along with creating new incentives for encouraging equity, as suggested in the tertiary education sub-dimension, the WB6 economies should ensure the portability of financial support measures within the European Higher Education Area, both for short term (credit mobility) and long-term (degree mobility) studies abroad.

1: From 2014 to 2019 the Kosovo Accreditation Agency had the status of member, but it was suspended due to lack of compliance with ENQA's governance standards (ESG) following a review by ENQA in 2019. Serbia's National Entity for Accreditation and Quality Assurance had the status of member since 2013 (through a predecessor institution), but was downgraded to an affiliate in 2020 due to insufficient compliance with the ESG following ENQA's review.

Source: (European Commission, 2021<sup>[31]</sup>), *Common Regional Market*, [https://ec.europa.eu/neighbourhood-enlargement/policy/common-regional-market\\_en](https://ec.europa.eu/neighbourhood-enlargement/policy/common-regional-market_en); (Regional Cooperation Council, n.d.<sup>[32]</sup>), *Common Regional Market*, [www.rcc.int/pages/143/common-regional-market](http://www.rcc.int/pages/143/common-regional-market) (Eurostat, 2020<sup>[28]</sup>), *The European Higher Education Area in 2020: Bologna Process Implementation Report*, <https://op.europa.eu/en/publication-detail/-/publication/c90aaf32-4fce-11eb-b59f-01aa75ed71a1/language-en/format-PDF/source-183354043>; (European Commission, 2018<sup>[29]</sup>), "Council Recommendation on promoting automatic mutual recognition of higher education and upper secondary education diplomas", <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52018SC0170>; (NORRIC, n.d.<sup>[30]</sup>), Overview of Qualifications, <https://norrlic.org/nordbalt/overview/>.

## System governance (cross-cutting sub-dimension)

Governing complex and multi-level education systems requires governance models that balance responsiveness to local diversity with the ability to ensure key objectives at the system level (Burns, 2016<sup>[33]</sup>). Governments set the overall framework that determines the organisation and structure of their education system (e.g. years of compulsory education, students' age of entry in school, grade levels, courses offered, teachers' qualifications, etc.), who is allowed to provide compulsory education (public and/or private actors), and what mechanisms are in place to finance education. Governments also set goals for the overall system, as well as the standards by which providers are held accountable.

The WB6 economies scored an average of 3.3 for this cross-cutting dimension on system governance, ranging from 1.5 (Bosnia and Herzegovina) to 4 (Kosovo and North Macedonia). Except for Bosnia and Herzegovina,<sup>13</sup> all the WB6 economies have strategies and legal frameworks in place to improve the governance of the education system – for more information, see Early childhood and school education (Sub-dimension 7.1). The differences in scoring arise mainly from differences in data collection systems to support monitoring of the education system's performance and the implementation and evaluation of policies within individual economies, as well as the internationalisation of qualification frameworks. Bosnia and Herzegovina's low score in this dimension is mainly a result of challenges to policy co-ordination, fragmentation of responsibilities and a lack of overall vision for education system governance (Table 10.7).

**Table 10.7. Scores for cross-cutting sub-dimension: System governance**

	ALB	BIH	KOS	MKD	MNE	SRB	WB6 average
Cross-cutting sub-dimension: System governance	3.5	1.5	4.0	4.0	3.5	3.5	3.3

In terms of data collection, with the exception of Bosnia and Herzegovina,<sup>14</sup> all the WB6 economies have developed an education management information system (EMIS) to centralise data collection and report on the performance, in line with international data definitions and methods. Albania is currently developing a new EMIS and Kosovo and Serbia are making efforts to improve and modernise their existing systems. So far, Albania is the only WB6 economy to have developed an economy-wide external assessment system to measure student achievement. This tool provides valuable information about the quality of teaching and learning for system monitoring. North Macedonia and Serbia have plans to develop such systems as well.

The WB6 economies also differ in the adaptation of their education qualification frameworks to recognised international frameworks. This is important for international comparability and relevance of education systems, which can boost worker and learner mobility and thus competitiveness. While Kosovo, Montenegro, North Macedonia and Serbia have aligned their frameworks with the EU's European Qualifications Framework (EQF), Albania and Bosnia and Herzegovina have yet to finalise this process.

### ***The way forward for system governance***

- **Develop system-wide standardised assessments** with the primary purpose of measuring student performance. Currently, only Albania has fully developed such an assessment, although Serbia has piloted one. Those economies which are not in the process of developing one (Bosnia and Herzegovina, Kosovo, and Montenegro) should consider this policy measure as a means to increase the reliability of student assessments and collect information about learning processes within their economy-specific contexts. Unlike standardised examinations, these assessments would not have stakes for students, but serve exclusively as a monitoring and evaluation tool.
- **Develop a well-functioning, modern and comprehensive data collection system, facilitated by an EMIS.** This would facilitate reporting to the EU and allow the region to benchmark performance against international peers. Those economies which do not yet have plans to modernise their EMIS (Montenegro and North Macedonia) should look to broaden the range of data collection and indicator monitoring in order to cover all key indicators related to tackling the policy challenges mentioned in this chapter. Bosnia and Herzegovina should look to implement a harmonised EMIS. While not necessarily state-wide or centralised system, it should enable data interoperability between the systems used by entities and cantons, in order to give an idea of state-level performance.
- **Encourage analytical research to identify the root causes of key education challenges** (such as inequity, skills mismatches with the labour market, etc.) based on regular monitoring of educational data. The results of this research should be used to inform policy making and to propose potential solutions to identified issues.

## **Conclusion**

Since the last Competitiveness Outlook assessment, all the WB6 economies have made progress in creating more inclusive and competitive education systems, especially prior to the COVID-19 pandemic. Significant achievements include the reduction in early school leavers and the implementation of more work-based practical experience and the development of VET programmes. The region nevertheless faces key challenges, chief among them being the labour market relevance of education systems, especially at the higher education level, and data collection and management. The recommendations included in this chapter should serve as guidance to help tackle these key challenges, among others, and help the WB6 economies on their path to creating high-quality education systems that contribute to a more qualified workforce and more competitive economies.



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## Notes

<sup>1</sup> ECE (ISCED level 0) covers all forms of early childhood programmes that have an intentional education component - such as preschools, kindergartens and day-care centres – designed to foster learning and emotional and social development in children. Pre-primary programmes (ISCED 02) are generally offered to children from the age of three until the age of primary school entry. However, in some economies it is not always easy to establish the boundaries between pre-primary and ISCED 01 provision (early childhood educational development) that is more focused on basic childcare, health and nutrition and can be less structured.

<sup>2</sup> The 11 Central and Eastern European countries (CEEC-11) joining the European Union: Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia.

<sup>3</sup> The Framework Law on Preschool Education in Bosnia and Herzegovina made the year prior to primary school compulsory. Most cantons in the Federation of Bosnia and Herzegovina (FBiH) and BD have implemented a compulsory year of pre-primary and it is optional in the Republika Srpska (RS).

<sup>4</sup> For example, there are separate strategies for general and vocational education at the secondary level, both of which cover 2015-20, in addition to strategies on inclusive education (2019-25) and supporting talented students (2020-22).

<sup>5</sup> The Strategy of Education Development for Pre-university Education 2016-2021.

<sup>6</sup> The PISA data cover schools with 15-year-old students so this may include VET schools where the rules about teacher education requirements could be slightly different from general primary and secondary education.

<sup>7</sup> In Serbia, the law does stipulate that teachers must have a master's degree. However, the difference in numbers could be explained by the fact that when school principals filled in the PISA questionnaire, they may not have taken into account the fact that the law recognises that a 4-year degree obtained before 2005 is the equivalent of a master's degree, and hence reported a lower number of teachers with such a degree.

<sup>8</sup> Under the 2019 revised accreditation standards, the teacher practicum must be at least 90 hours per year in the second, third and fourth years of the programme. In the fifth year of the programme, the teaching practicum is at least 180 hours and 6 ECTS.

<sup>9</sup> Although not universally present in BiH, the RS and some cantons do have processes for accreditation of professional development providers.

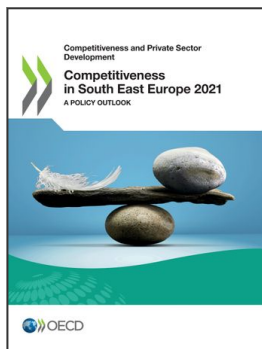
<sup>10</sup> In the RS, the Chamber of Commerce, the Union of Employers' Associations and the Employment Bureau are engaged in VET policy within the entity and surveys are conducted annually to understand skills demand, whereas the level of engagement in FBiH varies depending on the different cantons. The Framework Law on VET requires the formation of tripartite advisory councils, comprising representatives of employers, trade unions and competent education authorities at the levels of cantons, entities, the District of Brcko and at state level. Not all FBiH cantons have formed such councils but they are expected to do so.

<sup>11</sup> The CO 2021 assessment framework defines the following as key indicators for monitoring VET and WBL performance and outcomes: completion rates of VET programmes, employment rates of recent VET graduates, number of learners who are hired after completing a WBL opportunity or apprenticeship, earnings of VET graduates.

<sup>12</sup> Apart from the WBL-related indicators mentioned above, other relevant indicators include the type, location and duration of WBL opportunities, attendance rates, resulting skill gains, demographics of participants, and academic credits / wages earned.

<sup>13</sup> The RS has an education strategy setting out the entity's education policy from 2016 to 2021, but there are no strategies for the FBiH, its cantons, or at the state level.

<sup>14</sup> The RS and some cantons have their own data systems that serve the same function as an EMIS but there is no state-level EMIS.



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